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**MEMORANDUM**  
**AND**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**DIGICONTENT LIMITED**

*(FORMERLY HT DIGITAL VENTURES LIMITED)*

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Director



सत्यमेव जयते  
GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies  
4th Floor, IFCI Tower 61, New Delhi, Delhi, India, 110019

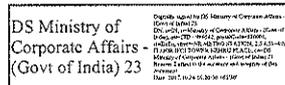
**Certificate of Incorporation pursuant to change of name**  
*[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]*

Corporate Identification Number (CIN): U74999DL2017PLC322147

I hereby certify that the name of the company has been changed from HT DIGITAL VENTURES LIMITED to DIGICONTENT LIMITED with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name HT DIGITAL VENTURES LIMITED.

Given under my hand at New Delhi this Twenty fourth day of October two thousand seventeen.



SANJAY BOSE

Registrar of Companies  
RoC - Delhi

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

DIGICONTENT LIMITED

Hindustan Times house, 2nd Floor,, 18-20, Kasturba Gandhi Marg, New Delhi, Central Delhi, Delhi,  
India, 110001



CERTIFIED TRUE COPY  
*Shard Darius*  
For Digicontent Limited  
(Formerly known as HT Digital Ventures Limited)

Director



सत्यमेव जयते

GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS

Central Registration Centre

## Certificate of Incorporation

[Pursuant to sub-section (2) of section 7 of the Companies Act, 2013 (18 of 2013) and rule 18 of the Companies (Incorporation) Rules, 2014]

I hereby certify that HT DIGITAL VENTURES LIMITED is incorporated on this Fourteenth day of August Two thousand seventeen under the Companies Act, 2013 (18 of 2013) and that the company is limited by shares.

The Corporate Identity Number of the company is U74999DL2017PLC322147.

The Permanent Account Number (PAN) of the company is AAECH2819R \*

Given under my hand at Manesar this Fifteenth day of August Two thousand seventeen .

DS MINISTRY OF  
CORPORATE AFFAIRS 01

Digital Signature Certificate  
Mr Sanjaya Kumar Verma

For and on behalf of the Jurisdictional Registrar of Companies  
Registrar of Companies  
Central Registration Centre

Disclaimer: This certificate only evidences incorporation of the company on the basis of documents and declarations of the applicant(s). This certificate is neither a license nor permission to conduct business or solicit deposits or funds from public. Permission of sector regulator is necessary wherever required. Registration status and other details of the company can be verified on [www.mca.gov.in](http://www.mca.gov.in)

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

HT DIGITAL VENTURES LIMITED

Hindustan Times house, 2nd Floor,, 18-20, Kasturba Gandhi Marg, New  
Delhi, Central Delhi, Delhi, India, 110001



\* as issued by the Income Tax Department

CERTIFIED TRUE COPY  
*Shahad Jaiswal*  
For Digiconent Limited  
(Formerly known as HT Digital Ventures Limited)

Director

CERTIFIED TRUE COPY

*Shahad Jaiswal*  
DIGICONTENT LIMITED  
17-\*



सत्यमेव जयते  
GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies  
4th Floor, IFCI Tower 61, New Delhi, Delhi, India, 110019

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SANJAY BOSE

Registrar of Companies

RoC - Delhi

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

DIGICONTENT LIMITED

Hindustan Times house, 2nd Floor,, 18-20, Kasturba Gandhi Marg, New Delhi, Central Delhi, Delhi,  
India, 110001



CERTIFIED TRUE COPY  
*Shasad Dasu*  
For Digicontent Limited  
(Formerly known as HT Digital Ventures Limited)

Director



सत्यमेव जयते

GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS

Central Registration Centre

## Certificate of Incorporation

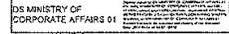
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The Corporate Identity Number of the company is U74999DL2017PLC322147.

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Given under my hand at Manesar this Fifteenth day of August Two thousand seventeen .



Digital Signature Certificate  
Mr Sanjaya Kumar Verma

For and on behalf of the Jurisdictional Registrar of Companies  
Registrar of Companies  
Central Registration Centre

Disclaimer: This certificate only evidences incorporation of the company on the basis of documents and declarations of the applicant(s). This certificate is neither a license nor permission to conduct business or solicit deposits or funds from public. Permission of sector regulator is necessary wherever required. Registration status and other details of the company can be verified on [www.mca.gov.in](http://www.mca.gov.in)

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

HT DIGITAL VENTURES LIMITED

Hindustan Times house, 2nd Floor,, 18-20, Kasturba Gandhi Marg, New  
Delhi, Central Delhi, Delhi, India, 110001



\* as issued by the Income Tax Department

CERTIFIED TRUE COPY  
*Shradha Sharma*  
For Digicontent Limited  
(Formerly known as HT Digital Ventures Limited)

Director

CERTIFIED TRUE COPY

*Shradha Sharma*  
DIGICONTENT LIMITED  
18-20  
KASTURBA GANDHI MARG  
NEW DELHI  
110001

(THE COMPANIES ACT, 2013)

(COMPANY LIMITED BY SHARES)

**MEMORANDUM OF ASSOCIATION**

**OF**

**DIGICONTENT LIMITED**

*(Formerly HT Digital Ventures Limited)*

- I.\* The name of the Company is **DIGICONTENT LIMITED**.
- II. The registered office of the Company will be situated in the National Capital Territory of Delhi.
- III. The objects for which the Company is established are as follows -
- (A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:-**
1. To engage in, deal, carry out any activity or business in the digital media space and electronic media, for creation, dissemination and/or integration of news, knowledge, information, entertainment, brand/event promotion and content of general interest, in English, Hindi or any other language, across the globe through networking, telecom, web-page design, creation, hosting, radio, television and/or any other mode of communication whether currently in vogue or which may be in vogue in the future.
  2. To carry on in India or elsewhere, the business to produce, promote, manage, project, procure, acquire rights, develop digital and other tools, create, curate, edit, aggregate, digital content (including photo, audio and video content) and/or to participate in, manufacture, process, aggregate, accumulate, syndicate, prepare, alter, develop, edit, exhibit, broadcast, transmit, make, remake, display, print, reprint, convert, duplicate, finish, buy, sell, promote, run, import, export, act as broker, agent, distributor, proprietor, organizers, promoter, sponsors, copyright owner, audio & video right owner, media partners / advisors or deal in any manner, in all kinds of audio, video, photo or digital content, live and recorded sports, entertainment events, music, news & current affairs events, summits, pageants, concerts, shows, exhibitions, premiers, in all languages in India or elsewhere.

*\*Amended pursuant to Special Resolution passed at the Extraordinary General Meeting held on 04.10.2017.*

1

**CERTIFIED TRUE COPY**  
For Digicontent Limited  
(Formerly known as HT Digital Ventures Limited)  
*Jhanshi Jaiswal*  
Director

3. To carry on by itself, or through franchisees or licensees, classified advertisement business including but not limited to jobs, education, property, automobile, matrimonial, travel, sale or purchase of merchandise and/or providing services in relation thereto, through internet or any other digital medium; to provide web-based services, including but not limited to gaming, blogging, audio-video streaming etc. by designing, creating, hosting, servicing web-sites or any other platform, establishing, providing, operating and managing, e-commerce, direct-to-home, m-commerce platforms, for sale of all categories of products and / or services; to create, develop and market any technology for facilitation of mobile or electronic or internet based payments or any other technology based payments for transactions, whether currently in vogue or which may be in vogue in the future.
4. To carry on any business relating to Internet or e-mail, networking and communication environments, including but not limited to search engines, jobs, education, property, automobile, classifieds, matrimonial, travel, sale/purchase of merchandise and/or providing services etc. through internet/on-line medium and/or to provide various web-based services, including but not limited to gaming, blogging, audio/video streaming etc. by designing, creating, hosting, servicing etc. appropriate web-sites, merchandising the web-sites or any other internet based media, to be the licensee of different web-sites, to manage, operate and maintain web-sites of different types (content, technical or otherwise) web related products or internet related activities and to execute e-commerce, e-logic, e-solutions, business of internet service, electronic mail service, facsimile service, content marketing efficiency model, content and event aggregation for online medium and/or mobile applications, providing or engaging in business of m-commerce solutions, providing content for value added services in mobile telephones and/or other communication systems and to carry on any internet, web-based or any other prevalent or future technology based business.
5. To carry on the business to act as advisors, consultants, guides, executants, agents, liaison representatives or in any other manner, for marketing promotion and/or brand promotion, including business-to-business solutions of any product, person, entity, advertisement and public relations agency, government and non-governmental organization, through all communication mediums, including but not limited to newspaper, magazine, pamphlet, publications, television, events, conferences, radio, mobile, internet, satellite in India or abroad or any other kind of media currently in vogue or which may be in vogue in the future.

**(B) MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:-**

1. To transfer or divest, with or without consideration, or at fair or concessional value, ownership of any property of the Company to or in favour of any public or local body or authority or Central or State Government or any Public Institution or trust for attainment of objects of the Company .
2. To get franchise, copyrights, trademarks and logos and also assign franchise, copyright, trade mark and logos to others for consideration in respect of the business.
3. To apply for, purchase or otherwise, acquire any patent, patent right, copyright, trade mark, formulae, license, lease, concession, any exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may directly or indirectly benefit the Company; and to use, exercise, develop or grant licences in respect thereof or otherwise turn to account the property, rights, or information so acquired.
4. To set up studios, processing laboratories and other manufacturing facilities and ancillary units and to rent, hire, maintain, exchange, borrow and buy such facilities.
5. To construct, purchase, or take on lease, sub-lease, gift, exchange, hire, control or otherwise acquire, any movable or immovable property, and in particular, any land, buildings, hostel, workshops, factories, laboratories, machinery, equipment, furniture, scientific records, experimental data, library, plant, stores, patents, designs, prototypes, appliances and any rights or privileges necessary or convenient for the purpose of the Company, and to construct, erect, alter, improve, insure and maintain any buildings and to manage, develop, sell, demise, let, mortgage, dispose of or turn to account or otherwise deal with all or any part of these and other assets and rights of the Company, for cash or any other consideration, with a view to the promotion of the objects of the Company.
6. To place on deposit with any local bank for any period the moneys not required for the immediate use of the Company and to invest the same in approved and sound securities and to take or acquire shares and securities of any other Company and to sell and realize such securities when necessary, and to apply funds of the Company, in buying up, selling, extinguishing or obtaining the release from any contract or liability.

7. To purchase or otherwise acquire or takeover, all or any part of the business and property of any person, firm or company carrying on any business which this Company is authorized to carry on and to take over the assets or property and liability of such persons, firm or company on such terms as the Company may think fit.
8. To enter into working arrangements of all kinds, for sharing profits, co-operation, joint venture, reciprocal conversion or otherwise with any other company or companies, corporations, firms or persons carrying on or about to carry on business which this Company is authorized to carry on or engaged in carrying on.
9. To enter into any merger, amalgamation, demerger or restructuring arrangement, with any other company or companies whose objects in whole or part are similar to or include objects similar to those of the Company or to demerge any unit of the company, on such terms as may be agreed upon between the several companies.
10. To deal with and invest the funds and moneys of the Company, in such manner as may, from time to time, be thought fit, subject to the provisions of any applicable law.
11. To borrow or raise, secure the payment of money or to receive money on deposits at interest from time to time for any of the purposes of the Company by promissory notes, bills of exchange or any other negotiable/transferable instruments, by taking credits in or opening current accounts with any person, firm, bank or bankers, financial institutions, multi-lateral agencies, international financial institutions, and other entities, whether with or without giving any security, goods or other articles, or by mortgaging or selling or receiving advances on the sale of any land, buildings, machinery, goods or other property of the Company or by such other means as the Directors may in their absolute discretion deem expedient and in particular by the issue of debentures or debenture stock, perpetual or otherwise, charged upon all or any of the Company's property and assets (both present and future) including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give lenders power of sale and other powers as may seem expedient and to purchase, redeem or pay off any such securities.
12. To remunerate the servants of the company and others, out of and in proportion to the profits of the Company or otherwise as the Company may think fit, and to

establish or support or aid in the establishment and support of associations, institutions, guest houses, clubs, funds, trusts and conveniences for the benefit of past or present employees or Directors of the Company or the dependents or connections of such persons; and to grant pensions, gratuities and allowances and Superannuation and other benefits or ensure payment of any of them by taking insurance or any other promises and assurances as the Company may undertake, and to subscribe or guarantee money for charitable or benevolent objects or useful objects for general public.

13. To retain, employ, engage, train, any of the company's employees or officers or any candidate, skilled, non-skilled, academic, professional and technical advisers and other staff, in connection with attainment of the objects of the Company; and to pay their remuneration, perquisites, fees, charges, etc., in relation thereto.
14. To pay all expenses of and incidental to the formation and registration of the Company and the issue of its capital, including any underwriting or other commissions, brokers' fees and charges in connection therewith.
15. To apply for, promote and obtain any order, regulation, or other authorization or enactment from any government, public bodies, urban, local, municipal and district authorities and other trusts, societies, bodies, corporations, companies or other persons, for and to accept grants of money, equipment, land, buildings, donations, gifts, subscriptions and other assistance, with a view to promoting the objects of the Company and which may benefit the Company.
16. To establish, maintain, control and manage one or more branch of the Company in India and/or abroad.
17. To put to profitable use any assets or infrastructure facilities not immediately required or to lease, let out or sublet property of the Company including plant, machinery, equipments, furniture, vehicles etc., on such terms which may benefit the Company.
18. To do all or any of the things stated herein as principals, agents, contractors, trustees or otherwise, and by or through trustees or otherwise, and by or through trustees, agents or otherwise and either alone or in connection with others, and to do all such other things as are incidental to or may be conducive to the attainment of the above objects or any of them.
19. To enter into any arrangement with any Government or authority whether municipal, local or otherwise or any person, that may seem conducive to the

Company's objects or any of them; and to obtain from any such Government or other authority any rights, privileges and concessions which the Company may think, is desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.

20. To form, establish or promote any other company, body corporate or any other entity either as subsidiary of this Company or otherwise for the purpose of carrying on any of the business or activities of the Company or for the purpose of acquiring or taking over all or any of the property, rights and liabilities of such company, body corporate, or any other entity or for any other purpose which may directly or indirectly benefit the Company.
21. To purchase or import, take on lease or in exchange or hire or otherwise acquire any movable or immovable property and any rights or privileges which the Company may think necessary or convenient for the purposes of its business and in particular any land, building, easement, rights, privileges, concessions, machinery, plant or any other property or assets.
22. To adopt such means of making known and advertising the business and products and services of the Company as may be expedient.
23. To procure company and any one or more branches thereof, to be registered, recognised or accredited in any part of India or abroad.
24. To issue or allot fully or partly paid shares in the capital of the Company in payment or part payment of any movable or immovable property purchased or otherwise acquired by the Company or any services rendered to the Company.
25. To take or hold mortgages, liens and charges to secure payment of the purchase price, or any unpaid balance of the purchase price of any part of the Company's property of any kind sold by the Company, or any money due to the Company from buyer or any other person.
26. To insure any of the properties, undertakings, contracts, risks or obligations of the Company in any manner whatsoever.
27. To make donations either in cash or in kind for such objects or causes as may be directly or indirectly conducive to, any of the Company's objects or otherwise expedient.

28. To aid and support, any person, association, body or movement, whose object is solution, settlement or surrounding any industrial or labour problems or the promotion of trade or business of the Company or for the promotion of science and technology, cultural activities, sports, environment, rural development and other social and welfare activities.
29. To establish, support, promote or run associations, institutions, schools, centres or to develop and/ or facilitate the development of modules, lectures, classes, programmes, seminars, conferences for imparting education, knowledge, training in any field.
30. To create any depreciation fund, reserve, reserve fund, sinking fund, redemption fund, insurance fund or any special or other reserve or fund, whether for repayment of redeemable preference shares, redemption of debentures or debenture-stock, for dividends, for equalizing dividends, or for repairing, improving, extending and maintaining any part of the property of the Company.
31. To open, maintain and operate bank accounts of the Company with one or more bank(s) and obtain credit facilities with or without securities, on such terms and conditions and in such manner, as may be deemed expedient.
32. To take or otherwise acquire or hold shares or invest the funds in any other Company and to sell, call in, vary, exchange or transpose any investment or properties, in furtherance of the main objects.
33. To promote or finance or assist in promoting or financing any business, undertaking or industry either existing or new and develop or form the same either through the instrumentality of syndicates or otherwise in conformity with the relevant laws governing banks.
34. To acquire or transfer all or any assets, including any rights, privileges, receivables, whether tangible or intangible and with or without any liabilities, loans, guarantees, payables or any other liabilities, whether tangible or intangible, for a consideration or otherwise from/to any other individual, society, company, association or entity whether in India or abroad.
35. To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the other business of the Company, or calculated directly or indirectly to promote the interests of the Company, or which may be subsidiary to any of the Company's objects, and to

undertake and transact all kinds of agency business.

IV) The liability of members is limited and this liability is limited to the amount unpaid, if any, on shares held by them.

V.) #The Authorized Share Capital of the Company is Rs. 13,00,00,000/- (Rupees Thirteen Crore only), divided into 6,50,00,000 (Six Crores Fifty Lakhs) Equity Shares of Rs. 2/- (Rupees Two only) each.

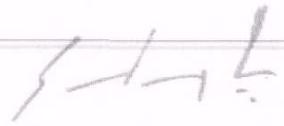
*(#Amended pursuant to Ordinary Resolution passed at the Extraordinary General Meeting held on 4<sup>th</sup> January, 2018)*

*(#Increased from Rs. 1,00,000 to 12,00,000 pursuant to Scheme of Arrangement between the Company and HT Media Limited and their respective shareholders and creditors under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 ('the Scheme'), sanctioned by the Hon'ble NCLT, New Delhi bench vide order no. 307 dated 7<sup>th</sup> March, 2019)*

*(#Amended pursuant to Ordinary Resolution passed at the 8<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2025)*

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**CERTIFIED TRUE COPY**

  
**FOR DIGICONTENT LIMITED**

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

Sr. No.	Name, Description Occupation and Address of each Subscriber	No. of Equity Shares taken by each Subscriber	Signature of Subscribers	Name, Address, Description Occupation and Signature of witness or witnesses
1	<p>HT Media Limited                      Hindustan Times House                      18-20, Kasturba Gandhi                      Marg, New Delhi-110004                      Through its authorized                      Signatory                      Dinesh Mittal                      S/o Late. Shri J.P. Mittal                      Occupation: Service                      40 IIIrd Floor, 228                      Jagti Enclave,                      Delhi-110092</p> 	<p>9,994                      (NINE                      THOUSAND                      NINE                      HUNDRED                      NINETY                      FOUR.)</p>		<p>I endorse the subscriber who have subscribed and signed in my presence, further I have verified their identity details (ID) for their identification and satisfied myself of their identification particulars herein.</p> <p>Shreyansh                      (C.S. Shreyansh                      Practising Chartered Accountant                      Office No. 303, Building No. 14, Vasant Square,                      Anand Vihar, Delhi-110021                      Mr. No. F-28621                      9515</p> 

Place: New Delhi

Dated: 01-08-2017

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

Sr. No.	Name, Description Occupation and Address of each Subscriber	No. of Equity Shares taken by each Subscriber	Signature of Subscribers	Name, Address, Description Occupation and Signature of witness or witnesses
2	<p>Rajgopal Chastia S/o Sri Shyam Sundar Chastia Occupation: Industrial R/o 19, Balaoda Colony West, New Delhi - 110015 (Nominée of UT Media Limited)</p> 	(One)		<p>I witness the subscribers who have subscribed and signed in my presence further I have verified their identity details (ID) for their identification and certified correct for their subscription particulars as filled in.</p> <p>Shyam Sundar Chastia C.S. Shyam Sundar Chastia Office no. 502, Building no. 19, Vihar Sector, New Delhi - 110015</p> <p>DEEN - 110092 M. No - 5062 C.P. No - 9515</p> 

Place: New Delhi

Dated: 01/08/2017

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

Sr. No.	Name, Description Occupation and Address of each Subscriber	No. of Equity Shares taken by each Subscriber	Signature of Subscribers	Name, Address, Description Occupation and Signature of witness or witnesses
3.	<p>Shamit Bhastin                      5/10 Shiv Shyam Dandas                      Bhastin                      Occupation: Industrialist                      R/o 19, Friends Colony, Delhi                      New Delhi - 110028                      (Nominee of AIT India Limited)</p> 	1 (ONE)		<p>I witness the Subscriber who have subscribed &amp; signed in my presence                      further I have verified their identity details (ID) for their identification                      &amp; submitted myself of their identifying particulars as follows:-</p> <p>Shreyansh Jain                      C.S. Shreyansh Associates Pvt. Ltd.                      Office: No. 302, Building No. 14, Vastu Square, Shaktinagar                      Delhi - 110092</p> <p>AT. NO - F8621, CIND - 7515</p> 

Place: New Delhi

Dated: 01-08-2017

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

Sr. No.	Name, Description Occupation and Address of each Subscriber	No. of Equity Shares taken by each Subscriber	Signature of Subscribers	Name, Address, Description Occupation and Signature of witness or witnesses
1.	<p>Tarun Kumar Borant S/o, Dr. D.B. Borant Occupation - Service Flat 3313 Aksh Vibar F-2, Sector-50 Noida. At Gauram Badli Noida Pin- 201301 As nominee of Himedia Limited.</p> 	(one)		<p>I witness the Subscriber who have subscribed and signed in my presence further I have verified their identity details (ID) for their identification &amp; satisfied myself of their identification particulars as filed in.</p> <p>Prakash Kumar C.S. Chartered Accountant Office No. 302 17th Floor, 15th Floor, Sector-50, Noida, U.P. Pin No. 201301 CIP No. - 9515</p>

Place: New Delhi

Dated: 11-02-2017

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

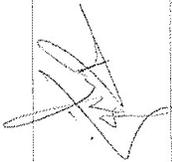
Sr. No.	Name, Description Occupation and Address of each Subscriber	No. of Equity Shares taken by each Subscriber	Signature of Subscribers	Name, Address, Description Occupation and Signature of witness or witnesses
5.	Sharan Saxena So Shri Mohinder Sahai Occupation: Service R/o 204B, Beauty park I, Mita Road, Burgaon, Nargana (Nominee of HT Media Limited) 	1 (ONE)		I witness the subscribers to have subscribed & signed in my presence, further I have verified their identity details (ED) for their identification & subscribed myself of their identification particulars as filled in.  (Shyam Jain) Office No. 302, Building No. 14, Vastu, Sector 14, Block 2, Shalimar, Delhi-110017 M. No. - 98261, C.P. NO - 9515

Place: New Delhi

Dated: 01/08/2017



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

Sr. No.	Name, Description Occupation and Address of each Subscriber	No. of Equity Shares taken by each Subscriber	Signature of Subscribers	Name, Address, Description Occupation and Signature of witness or witnesses
7	<p>Piyush Gupta S/o Shri Jagdish Prasad Gupta Occupation, Service R/o G-124, Dulek Vihar Phase - I, New Delhi - 110052 (Nominee of HT Media Ltd).</p> 	1 (One)		<p>I witness the Subscriber who have subscribed &amp; signed in my presence that they I have verified their identity details (S.I.D) for their identification of Subscriber myself of their identification particulars as filled in.</p> <p>(C.S. Shyam Singh, S/o Shri Mohan Singh)</p>  <p>Office No. 507, Building No. 14, VPO, Sector 14, Block, Sector 14, Delhi - 110092 M. No. - 88621, Cf. No. - 9518</p>
TOTAL		10000 (Ten Thousand Equity Share)		

Place: New Delhi

Dated: 01/08/2017

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**ARTICLES OF ASSOCIATION**  
**OF**  
**DIGICONTENT LIMITED**

*(FORMERLY HT DIGITAL VENTURES LIMITED)*

---

CERTIFIED TRUE COPY

For Digicontent Limited  
(Formerly known as HT Digital Ventures Limited)

*Harad Jaume*  
Director



**THE COMPANIES ACT, 2013**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**DIGICONTENT LIMITED**  
**(Formerly HT Digital Ventures Limited)**

*(Adopted by Special Resolution passed at the Extra-Ordinary General Meeting of the  
Company held on 26<sup>th</sup> March, 2019)*

**I. INTERPRETATION**

Except where provided in these Articles, the Articles contained in Table 'F' of Schedule I of the Act, shall apply to the Company as if the Articles contained therein were mentioned in these presents. In case of conflict between Table 'F' and these Articles, the provisions of these Articles shall prevail.

**(1) Definitions:-**

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the meaning assigned to them respectively hereunder, namely:

- a) **"Act"** means the Companies Act, 2013 including rules made thereunder and every statutory modification or re-enactment thereof and to the limited extent the Companies Act, 2013 is not enforced, and consequentially the Companies Act 1956 applies, means the Companies Act, 1956;
- b) **"Annual General Meeting"** means a general meeting of Members held in accordance with the provisions of the Act, and any adjourned holding thereof;
- c) **"Articles"** means these Articles of Association, as amended from time to time;
- d) **"Auditor"** means and includes a person appointed as such for the time being of the Company in accordance with the provisions of these Articles and applicable Laws;

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*Shahad Saad*  
For Digicontent Limited  
(Formerly known as HT Digital Ventures Limited)

- e) **“Board of Directors”** or **“Board”** means the Board of Directors of the Company constituted from time to time consistent with the provisions of these Articles and applicable Laws;
- f) **“Beneficial Owner”** shall mean a Beneficial Owner as defined in Clause (a) of Sub-Section (1) of Section 2 of the Depositories Act, 1996.
- g) **“Chairperson”** means the Chairperson of the Board of Directors;
- h) **“Company”** means DIGICONTENT LIMITED;
- i) **“Committee”** means a Committee of the Board;
- j) **“Director”** means a Director of the company appointed from time to time;
- k) **“Depository”** Depository shall have the meaning as ascribed under the Depositories Act, 1996;
- l) **“Extra-ordinary General Meeting”** means a General Meeting other than Annual General Meeting of the Members;
- m) **“General Meeting”** means a meeting of the Members.
- n) **“Financial Year”** means the period ending on March 31 every year or any other period as allowed under the Act;
- o) **“Law”** includes all statutes, enactments, acts of legislature or parliament, Laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, tribunal board, court or recognized stock exchange;
- p) **“Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- q) **“Manager”** means a Manager of the Company as defined in the Act;
- r) **“Member”** means in relation to the Company a Member as defined in the Act
- s) **“Memorandum of Association”** or **“Memorandum”** means the Memorandum of Association, of the Company registered with the Registrar of Companies as amended from time to time

- t) **“Postal Ballot”** means voting by post, or electronic mode or through any other mode permissible by Law from time to time;
- u) **“Proxy”** means any person who is duly appointed as such under the Act;
- v) **“Register of Charges”** means the Register of Charges maintained by the Company pursuant to the Act;
- w) **“Register of Members”** means the Register of Members maintained by the Company pursuant to the Act and also includes records of the Depository maintained in any media as may be permitted by applicable Law including electronic media;
- x) **“Seal”** means the common Seal of the Company
- y) **“Secretary”** means the Company Secretary of the Company as defined under Section 2(24) of the Act;
- z) **“Share”** means a Share in the share capital of the Company and includes stock

## **(2) Interpretation:-**

(2.1) In these Articles, unless the context requires otherwise:

- i). reference to the singular includes a reference to the plural and vice versa;
- ii). reference to any gender includes a reference to all other genders;
- iii). reference to an individual shall include his legal representative, successor, legal heir, executor and administrator;
- iv). reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment (whether before or after the date of these Articles) for the time being in force and to all statutory instruments or orders made pursuant to statutory provisions;
- v). references to any statute or regulation made using a commonly used abbreviation, shall be construed as a reference to the title of the statute or regulation;
- vi). references to any Article, shall be deemed to be a reference to an Article of these Articles.
- vii). Words and expressions used, and not defined in these Articles, but defined under the applicable provisions of the Act, shall have the meanings respectively assigned to them in the Act.

- (3) Any word or phrase defined in the body of these Articles as opposed to being defined in Article I(1) above shall have the meaning assigned to it in such definition throughout these Articles, unless the contrary is expressly stated or the contrary clearly appears from the context.
- (4) The use of the word “including” followed by a specific example/s in these Articles shall not be construed as limiting the meaning of the general wording preceding it.
- (5) Reference to a “person” includes (as the context requires) an individual, proprietorship, partnership firm, company, body of corporate, co-operative society, entity, authority or any body, association or organization of individuals or persons whether incorporated or not.

## II. SHARE CAPITAL AND VARIATION OF RIGHTS

1. (i) Subject to the provisions of the section 62 of the Act and these Articles, the shares in the Capital of the Company for the time being shall be under the control of the Board, who may, issue, allot or otherwise dispose off the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par or at a discount and at such times as they may from time to time think fit and with the sanction of the Company in General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.
  - (ii) The authorized share capital of the Company shall be as prescribed in the Memorandum of Association.
  - (iii) **Terms of Issue of Shares:** New shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the Board/General Meeting, as applicable, resolving upon the creation whereof shall direct. The rights to exercise a call on shares of the Company cannot be given to any person except with the sanction of the Board/ General Meeting as applicable.

(iv) **Terms of Issue of Debentures:** Any debentures, debenture-stock or other securities may be issued by the Company with or without an option to convert into shares either wholly or partly, in terms of the applicable provisions of the Act.

(v) **Further issue of Shares:** - Whenever it is proposed to increase the subscribed capital of the Company by issue of further Shares either out of the unissued capital or out of the increased share capital then:

- a) such further Shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion as near as circumstances admit, to the capital paid up on these Shares at the date;
- b) such offer shall be made by a notice specifying the number of shares offered and limiting a time within which the offer, if not accepted, will be deemed to have been declined;
- c) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in Sub-Clause (b) hereof in favour of any person and the notice shall contain a statement of this right. Provided that the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any Member may renounce the shares offered to him;
- d) after expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose off them in such manner and to such person(s) as they may think fit, in their sole discretion.

(vi) Notwithstanding anything contained in the above clause hereof, the further shares aforesaid may be offered to any person (including to employees under a scheme of employee's stock option, and whether or not those persons include the persons referred to in Clause II.1.(v) (a) hereof) in any manner whatsoever:

- a) if a special resolution to that effect is passed by the Company in General Meeting, or
- b) where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in the General Meeting (including the casting vote, if any of the Chairperson) by the Members who, being entitled to do so, vote in person, or where Proxies are allowed, by Proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and

the Central Government/any other designated authority/body is satisfied on an application made by the Board of Directors in this behalf that the proposal be approved.

(vii) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

(viii) Nothing in Sub-Clause (c) of II.1.(v) hereof shall be deemed:

- a) to extend the time within which the offer should be accepted; or
- b) to authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(ix) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:

- i). to convert such debentures or loans into shares in the Company; or
- ii). to subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- a) either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with rules, if any, made by that Government in this behalf; and
- b) in the case of debentures or loans or other than debentures issued to or loans obtained from Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

(x) Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with

reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

(xi) Subject to these Articles, the applicable provisions of the Act and other applicable Laws, the Company may, with the necessary approval of the shareholders, issue sweat equity Shares, on such terms and conditions and in the manner provided in the resolution authorizing such issue, and in absence of any specific condition of their issue in that behalf, in such manner as the Board may deem fit.

(xii) The Company may issue Share warrants subject to, and in accordance with, the terms and conditions as may be prescribed pursuant to the provisions of the Act or as may be permissible under applicable Law from time to time. Accordingly the Board may in its discretion, and subject to the Act, prescribe applicable procedure, charges and requirements from time to time that will apply in that regard

(xiii) The Company shall be entitled to dematerialize or rematerialize any or all of its shares, debentures and other marketable securities pursuant to the Depositories Act, 1996 and, subject to these presents, to offer its shares, debentures and other securities for subscription in a dematerialized form.

(xiv) Every person subscribing to securities offered by the Company shall have the option either to receive the security certificates or to hold the securities with a Depository. If a person opts to hold the securities with a Depository, the Company shall intimate such Depository the details of allotment of the security. On receipt of such information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the security.

(xv) Every person who is the Beneficial Owner of the securities can at any time opt out of a Depository, in the manner provided by the Depositories Act, 1996. The Company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required certificates of securities.

(xvi) All securities held by a Depository shall be dematerialized and be in fungible form.

(xvii) Notwithstanding anything to the contrary contained in the Act or the Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the Beneficial Owner.

(xviii) Save as otherwise provided in the above article, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(xix) Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

2. (i) Every Member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fees as the Directors may determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within 2 month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares, as the case may be, every certificate of shares shall be under the Seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve.

Provided that in respect of Share(s) held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be sufficient delivery to all such holder.

(ii) Every certificate shall be authenticated by (a) two Directors duly authorized by the Board for the purpose or the Committee of the Board, if so authorized by the Board; and (b) Company Secretary or any other person as may be authorized by the Board for the purpose.

3. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost

or destroyed certificate. Every certificate under the Articles shall be issued without payment of fees or if the Directors so decide, on payment of such fees (not exceeding Rs. 50/- for each certificate or such higher fees as may be allowed to be charged pursuant to the Act) as the Directors shall prescribe. Provided that notwithstanding what is stated above, the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act or rules applicable in this behalf.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. The Company may exercise the powers of paying commissions conferred by Section 40 of the Act and applicable rules, subject to such conditions as may be prescribed thereunder. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way or partly in other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.
6. Notwithstanding anything contained in any of these Articles, but subject to the applicable provisions of the Act and other applicable Laws, the Company may from time to time, issue to any person(s) as it may deem fit, Shares whether equity, preference or any other class(es), by whatever name called, with differential rights as to voting, dividend or otherwise.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
8. (i) Subject to these Articles, the applicable provisions of the Act and other applicable Laws, the Company, with the necessary approval of shareholders, if required, shall have the power to issue or re-issue preference shares of one or more classes, which are liable to be redeemed and/or converted into equity shares, on such terms and conditions, and in the manner provided in the resolution authorizing such issue, and in

absence of any specific condition of their issue in that behalf, in such manner as the Board may deem fit.

(ii) Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

### **III. LIEN**

9. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures, and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed, the registration of a transfer or shares / debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may, at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Clause.
10. The Company may sell, in such manner as the Board think fit, any share on which the Company has a lien provided that no sale shall be made :-
  - a) unless a sum in respect of which the lien exists is presently payable; or
  - b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
 

(ii) The purchaser shall be registered as the shareholder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of the whole or part of the amount in respect of which the lien exist as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares as the date of sale, be paid to the person entitled to the shares at the date of the sale.

#### **IV. CALLS ON SHARES**

13. (i) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the person or persons and at the time and place appointed by the Board. A call may be made payable by installments. The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call and may extend such time as to the payment of any call for any of the Members; but no Member shall be entitled to such extension save as a matter of right.

(ii) The Board may, from time to time, make calls upon the Members in respect of any monies unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(iii) Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.

(iv) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed and may be made payable by Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. (i) If any Member fails to pay any call due from him on the date appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall, from time to time be fixed by the Board or a Committee of the Board if so authorized in this regard.  
  
(ii) The Board / Committee shall be at liberty to waive payment of any such interest wholly or partly.
17. (i) Any sum, which by the terms of issue of a Share becomes payable on allotment or at any fixed date whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable.  
  
(ii) In case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. (i) The Directors may if they think fit subject to the provisions of the Act, agree to and receive from any Member willing to advance the same whole or any part of the monies due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding, unless the Company in General Meeting directs, twelve percent per annum, as may be agreed between the Board and the Member paying the sum in advance. However, such amounts paid in advance of call shall not confer a right to participate in profits or dividend.  
  
(ii) The directors may at any time repay the amount so advanced.

(iii) The members shall not be entitled to any voting right in respect of the money so paid by him until the same would but for such payment, become presently payable.

(iv) The provisions of these Articles with respect to the calls on shares shall *mutatis mutandis* apply to the calls on debentures of the company.

(v) Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principle or interest nor any indulgence granted by the Company in respect of payment of any money shall preclude the forfeiture of such shares as herein provided.

(vi) No Member shall be entitled to receive any dividend or to exercise any privilege as a Member until he shall have paid all calls for the time being due and payable on every Share held by him whether alone or jointly with any person, together with interest and expenses, if any.

(vii) On the trial or hearing of any action or suit brought by the Company against any Member or his legal representatives for the recovery of any moneys claimed to be due to the Company in respect of his shares it shall be sufficient to prove that the name of the Member in respect of whose shares the moneys are sought to be recovered, is entered in the Register of Members as a Member/one of the Members at or any subsequent date on which the moneys sought to be recovered are alleged to have become due on the shares and that the resolution making the call is duly recorded in the Minute book and the notice of such call was duly given to the Member, holder or joint-holder or his legal representatives issued in pursuance of these presents. It shall not be necessary to prove the appointment of Directors who made such call nor that the quorum of Directors was present at the Board at which any such call was made nor that the Meeting at which any such call was made had been duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

## **V. TRANSFER OF SHARES**

19. The instrument of transfer of any Shares shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. Subject to the provisions of Section 58, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of Law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal, provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.
21. (i) A common instrument of transfer shall be used which shall be in writing in case of shares/debentures held in physical form and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being, shall be duly complied with in respect of all transfer of shares and the registration thereof.
- (ii) The instrument of transfer in case of shares/debentures held in physical form shall be in writing and all provisions of Section 56 of the Act, and statutory modification thereof, and rules prescribed under the Act for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
- (iii) Subject to the provisions of Law, in the event that the proper documents have been lodged, the Company shall register the transfer of securities in the name of the transferee except:
- a) when the transfer is, in exceptional circumstances, not approved by the Directors in accordance with the provisions contained herein;
  - b) when any statutory prohibition or any attachment or prohibitory order of a competent authority restrains the Company from transferring the securities out of the name of the transferor;
  - c) when the transferor object to the transfer, provided he serves on the Company within a reasonable time a prohibitory order of a court of competent jurisdiction;
  - d) the transfer of a Share, not being a fully paid Share, to a person whom they do not approve;
  - e) any transfer of Share(s) on which the Company has lien.

22. (i) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
- (ii) The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any Share.
- (iii) Subject to the provisions of Sections 56 and 72 of the Act, a transfer of the shares or other interest in the Company of a deceased Member thereof made by his legal representative shall although the legal representative is not himself a Member, be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
- (iv) The instrument of transfer shall, after registration, be retained by the Company and shall remain in its custody. All the instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as may be prescribed.

## **VI. TRANSMISSION OF SHARES**

23. Subject to the provisions of Section 72 of the Act and Clauses 26 (ii) and 26 (iv) of these Articles, the executors or administrators of a deceased Member or a holder of a succession certificate or other legal representative or nominee in respect of shares of a deceased Member where he was a sole or only surviving holder shall be the only person whom the Company will be bound to recognize as having any title to the shares registered in the name of such Member and the Company shall not be bound to recognize such executors, administrators or holder unless such executors or administrators shall have first obtained probate or letters of administration or such holder is the holder of a succession certificate or other legal representation, from a court of competent jurisdiction or in the case of nomination, on the production of such evidence as the Board may require, as the case may be.

Provided that in any case where the Directors, at their absolute discretion, think fit, the Directors may dispense with production of probate or letters of administration or succession certificate or other legal representation or other evidence and register the name of any person who claims to be absolutely entitled to the share standing in the

name of a deceased Member as a Member, in accordance with the provisions of these Articles.

24. (i) Any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Directors shall require, either be registered as a Member in respect of such shares or may subject to the regulations as to transfer contained in these presents and applicable Law, transfer such shares to some other person. This Article, in these presents, is referred to as the "Transmission Clause".

(ii) The Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

(iii) Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

(iv) Notwithstanding anything provided in these Articles, a nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either :

- a) to be registered himself as holder of the share/bond/debenture or deposits, as the case may be; or
- b) to make such transfer of the Share/bond/debenture or deposits, as the case may be, as deceased Share/bond/debenture holder or depositor could have made;
- c) if the nominee elects to be registered as holder of the Share/bond/debenture or deposits, himself, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased Share/bond/debenture holder or depositor, as the case may be;
- d) if the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share

- e) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
  - f) The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.
25. A nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the share/bond/debenture or deposits except that he shall not, before being registered as a Member in respect of his Share/bond/debenture or deposits be entitled in respect of it to exercise any right conferred by membership in relation to meeting of the Company.

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

26. (i) In case of a One Person Company –
- a) on the death of the sole member, the person nominated by such member shall be the person recognised by the company as having title to all the shares of the member;
  - b) the nominee on becoming entitled to such shares in case of the member's death shall be informed of such event by the Board of the company;
  - c) such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of that company was entitled or liable;
  - d) on becoming member, such nominee shall nominate any other person with the prior written consent of such person who, shall in the event of the death of the member, become the member of the company.

(ii) Nomination -

- a) Every Share/bond/debenture holder of the Company and a depositor under the Company's Public Deposit Scheme (Depositor) of the Company may at any

time, nominate in the prescribed manner, a person to whom his shares/bonds/debentures or deposits in the Company shall vest in the event of his death.

- b) Where the shares or bonds or debentures or deposits in the Company are held by more than one person jointly, the joint holder may together nominate, in the prescribed manner, a person to whom all the rights in the shares or bonds, debentures or deposits in the Company, as the case may be, shall vest in the event of death of all the joint holders.
- c) Notwithstanding anything contained in these Articles, or any other Law for the time being in force or in disposition, whether testamentary or otherwise, in respect of such shares/bonds/debentures or deposits in the Company, where a nomination made in the prescribed manner purport to confer on any person the right to vest the shares/bonds/debentures or deposits in the Company, the nominee shall on the death of the Share/bond/debenture holder or a depositor, as the case may be, or on the death of the joint holders become entitled to all the rights in such shares/bonds/debentures or deposits, as the case may be, to the exclusion of all persons, unless the nomination is varied, cancelled in the prescribed manner.
- d) Where the nominee is a minor, it shall be lawful for the holder of the shares/bonds/debentures or deposits, to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares/bonds/debentures or deposits in the Company, in the event of his death, during the minority.

(iii) No fee shall be charged for registration of transfer , transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document of shares or debentures, as the case may be.

(iv) The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by the apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend to give effect to any notice which may be given to them of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so though it may have been entered or referred to in some book of the Company but the Company shall

nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

## VII. FORFEITURE OF SHARES

27. If a Member or debenture-holder fails to pay any call or the allotment money or installment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or allotment money or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part serve a notice on him requiring payment of so much call or installment as is unpaid, together with any interest which may have accrued.
28. The notice aforesaid shall:
  - a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - b) state that, in the event of non-payment on or before the day so named, the shares or debentures in respect of which the call was made will be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with, any Share or debenture in respect of which the notice has been given, may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
30. (i) A forfeited Share or debenture may be sold or otherwise disposed off on such terms and in such manner as the Board thinks fit.
  - (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
31. (i) A person whose shares or debentures have been forfeited shall cease to be Member or holder in respect of the forfeited shares or debentures, but shall notwithstanding the forfeiture remain liable to pay to the Company all moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the Share or debenture.

(ii) All such moneys payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the moneys due, without any allowance for the value of the shares or debentures at the time of forfeiture, or waive payment in whole or in part.

(iii) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares or debentures.

32. (i) A duly verified declaration in writing that the declarant is a Director, Manager or the Company Secretary and that a Share or debenture in the Company has been duly forfeited on the date stated in the declaration, shall be conclusive evidence of the facts therein stated, as against all persons claiming to be entitled to the Share or debenture.

(ii) The Company may receive the consideration, if any, given for the Share or debenture on any sale or disposal thereof and may execute a transfer of the Share or debenture in favour of the persons to whom the Share or debenture is sold or disposed of.

(iii) The transferee shall thereupon be registered as the holder of the Share or debenture.

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share or debenture be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share or debenture.

33. (i) The provision of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the term of issue of a Share or debenture, becomes payable at a fixed time, whether on account of the nominal value of the Share or debenture or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

(ii) The Board may subject to the provisions of the act accept from any shareholder/debenture holder on such terms and conditions as shall be agreed, a surrender of all or any of his shares/debentures.

## **VIII. ALTERATION OF CAPITAL**

34. Subject to provisions of the Act, the Company in General Meeting, may increase the share capital by such sum to be divided into Shares of such amount as the resolution shall prescribe.
35. Subject to the provisions of the Act, the Company in a General Meeting, may from time to time sub-divide or consolidate its shares or any of them and exercise any of the other powers conferred by Section 61 of the Act or any other applicable provisions and shall file with the Registrar such notice in exercise of any such powers, if any, as may be required by the Act.
36. Not Applicable.
37. (i) The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:-
- a) its share capital;
  - b) any capital redemption reserve account or capital reserve account; or
  - c) any share premium account.
- (ii) The Company may, from time to time, by special resolution and on compliance with the provisions of Section 66 of the Act, reduce its share capital.

## **IX. CAPITALISATION OF PROFITS**

38. (i) The Company in General Meeting may, upon the recommendation of the Board, resolve—
- a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the statement of profit and loss, or otherwise available for distribution; and
  - b) that such sum be accordingly set free for distribution in the manner specified in Clause 38(ii) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, either in or towards:

- a) paying up any amounts for the time being unpaid on any shares held by such Members respectively;
  - b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid; or
  - c) partly in the way specified in Sub-Clause (a) and partly in that specified in Sub-Clause (b).
  - d) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares.
  - e) The Board shall give effect to the resolution passed by the Company in pursuance of this Article. Provided however that such payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.
39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any; and
  - b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have full power:
- a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares or debentures becoming distributable in fractions; and
  - b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (iii) Any agreement made under such authority shall be effective and binding on all such Members.

**X. BUY-BACK OF SHARES**

40. Notwithstanding anything contained in these Articles, the Company shall be entitled to purchase its own shares and specified securities, as permitted by Law, and in connection thereto the Board may, when and if thought fit, buy back such of the Company's own shares or specified securities permitted by Law, as it may think fit, subject to such limits, upon such terms and conditions, and in such manner as may be prescribed by Law and subject to such approvals as may be necessary.

**XI. GENERAL MEETINGS**

41. All General Meetings other than the Annual General Meeting shall be called Extraordinary General Meetings.
42. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the paid-up capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made. Such requisition shall state the reason for calling the meeting.

**XII. PROCEEDINGS AT GENERAL MEETINGS**

43. (i) No business shall be discussed at any General Meeting except the election of a Chairperson, whilst the Chair is vacant.  
  
(ii) Such minimum number of Members, as prescribed under Section 103 or any other applicable provisions of the Act, to be personally present for comprising quorum for meetings, and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business.
44. The Chairperson or in his/her absence the Vice Chairperson, if any, of the Board shall preside as Chairperson at every General Meeting of the Company.
45. (i) If there be no Chairperson or, if at any meeting he shall not be present within 15 minutes after the time appointed for holding such meeting, or is unwilling to act, Directors present shall elect one amongst them to be the Chairperson of the meeting.

(ii) If at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one amongst them to be Chairperson of the meeting.

(iii) **Postal Ballot:** Notwithstanding anything contained in the Articles of the Company, the Company do adopt the mode of passing resolutions by the Members of the Company by means of Postal Ballot (which includes voting by electronic mode) and/or other ways as may be prescribed under the Act or Rules formed thereunder from time to time in respect of the matters specified in said Rules as modified from time to time instead of transacting such business in a General Meeting of the Company subject to compliances with the procedure for such Postal Ballot and/or other requirements prescribed in the rules in this regard.

(iv) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.

(v) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting -

- a) is, or could reasonably be regarded, as defamatory of any person; or
- b) is irrelevant or immaterial to the proceedings; or
- c) is detrimental to the interests of the Company.

(vi) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.

(vii) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

(viii) The books containing the minutes of the proceedings of any General Meeting or a resolution passed by Postal Ballot shall: (a) be kept at the registered office of the Company; and (b) be open to inspection of any Member without charge, during 10.00 a.m. to 1.00 p.m. on all working days other than Saturdays.

(ix) Subject to the provisions of the Act, any Member shall be entitled to be furnished within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred in the above clause.

46. Not Applicable.

### **XIII. ADJOURNMENT OF MEETING**

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting adjourn any meeting from time to time, and from place to place.

(ii) If within half an hour from the time appointed for the General Meeting, a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved and in any other case shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Board may determine. If at such adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting the Members present shall be a quorum and may transact the business for which the meeting was called.

(iii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for more than 30 days, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of the adjournment or of the business to be transacted at an adjourned Meeting.

### **XIV. VOTING RIGHTS**

48. (i) Subject to the provisions of the Act :

- a) on a show of hands, every Member present in person shall have one vote; and
- b) on a poll, the voting rights of Members shall be as provided in Section 47 of the Act.

(ii) At any General Meeting, a resolution put to vote at the meeting shall be decided on a show of hands unless the voting is carried out electronically, or a poll is ordered

(before or on the declaration of the result on a show of hands) to be taken by the Chairperson of the meeting of his own motion or demanded by any Member or Members present in person or by Proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five lakh rupees or such higher sum as may be prescribed under Section 109 of the Act has been paid up and unless a poll is so ordered to be taken or demanded, a declaration by the Chairperson that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or lost, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution. In case voting through electronic means is applicable pursuant to provisions of Section 108 of the Act, the manner prescribed pursuant thereto and other applicable provisions of the Act shall apply.

(iii) If a poll is demanded on the election of a Chairperson or on a question of adjournment, it shall be taken forthwith and without adjournment. A poll demanded on any other question shall be taken at such time not being later than forty eight hours from the time when the demand was made, as the Chairperson may direct.

(iv) On a poll taken at a meeting of the Company, a Member entitled to more than one vote or his Proxy or other person entitled to vote for him as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

(v) Where a poll is to be taken, the Chairperson of the meeting shall appoint one or more Scrutineer to scrutinize the votes given to the poll and to report thereon to him. The Chairperson shall have power, at any time before the result of the poll is declared, to remove a Scrutineer from office and to fill vacancies in the office of the Scrutineer arising from such removal or from any other cause. Scrutineers appointed under this Article may be a Member present at the meeting (not being an officer or employee of the Company), provided that such a Member is available and willing to be appointed.

(vi) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

(vii) In the case of any equality of votes, whether on a show of hands or on a poll, the Chairperson of the meeting at which the show of hands takes place or at which the poll is demanded, shall, unless otherwise provided under the Act, be entitled to a casting vote in addition to his own votes to which he may be entitled as a Member.

(viii) Notwithstanding anything contained in the provisions of these presents, the provisions of Section 110 of the Act and the rules made thereunder, shall apply in relation to passing of resolutions by Postal Ballot.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names of joint holders stand in the Register of members.
51. Any Member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction to lunacy, may vote whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by Proxy.
52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
53. (i) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.  
  
(ii) Any Member whose name is entered in the Register of Members, or who is a Beneficial Owner of the shares shall enjoy the same right and be subject to the same liabilities as all other Members of the same class. No Member shall exercise any voting rights in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the company has exercised any right of lien.  
  
(iii) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member, by resolution of its Board or other governing body authorize such person as it thinks fit to act as its representative at any meeting of the Company in accordance with the provisions of Section 113 of the Act. The production at the meeting of a copy of such resolution duly signed by one Director of such body corporate or by a Member of its governing body and certified by him as being a true copy of the resolution shall on production at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment.

(iv) Any person entitled under the Transmission Clause to transfer any shares may vote at General Meetings in respect thereof as if he was the registered holder of such shares provided that at least 48 hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Board of his right to transfer such shares unless the Board has previously admitted his right to vote at such meeting in respect thereof.

54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

## **XV. PROXY**

55. (i) Any Member who is entitled to attend and vote at a meeting of Company shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself. A Proxy so appointed shall not have any right to speak at the meeting.

(ii) Votes may be given either personally or by attorney or by Proxy or in the case of a body corporate by a representative duly authorized as aforesaid.

(iii) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. (i) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105 of the Act.

(ii) No person shall act as Proxy unless the instrument of his appointment and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall have been deposited at the registered

office of the Company at least 48 hours before the time for holding the meeting at which the person named in the instrument of Proxy proposes to vote and in default the instrument appointing the Proxy shall not be treated as valid. No attorney shall be entitled to vote unless the power of attorney or other instrument appointing him as attorney or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than 48 hours before the time of the meeting at which the attorney proposes to vote or is deposited at the registered office not less than 48 hours before the time of such meeting as aforesaid. Notwithstanding that a power of attorney of that authority has been registered in the records of the Company, the Company may by notice in writing addressed to the Members or the attorney at least seven days before the date of a meeting require him to produce the original power of attorney or authority and unless the same is thereupon deposited with the Company not less than 48 hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board, at its absolute discretion, excuse such non-production and deposit. Every Member entitled to vote at a meeting of the Company or on any resolution to be moved thereat shall be entitled, during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company provided that not less than three days notice in writing of the intention to inspect is given to the Company.

(iii) If any such instrument of appointment be confined to the object of appointing a Proxy or substitute for voting at meetings of the Company, it shall remain permanently or for such time as the Board may determine, in the custody of the Company and if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

57. (i) A vote given in accordance with the terms of an instrument of Proxy shall be valid notwithstanding the previous death of the principal or revocation of the Proxy or of any power of attorney under which such Proxy was signed or the transfer of Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the registered office before meeting.

(ii) No objection shall be made to the validity of the vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by Proxy not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

(iii) The Chairperson of any meeting shall be the sole judge of the validity of every vote cast at such meeting. The Chairperson present at the taking of a poll shall be the sole judge of the validity of every vote cast at such poll.

## **XVI. BOARD OF DIRECTORS**

58. (i) The following shall be the first Directors of the Company: -

- a) Priyavrat Bhartia
- b) Rajiv Verma
- c) Sharad Saxena

(ii) Unless otherwise determined by the Company in General Meeting and subject to the provisions of the Act, the number of Directors of the Company shall not be less than three and not more than fifteen or any other number as the Act may prescribe. The composition of the Board shall comply with the terms of the Act and Listing Regulations.

(iii) Subject to provisions of the Act, and in particular Section 149 (13) of the Act, two-thirds (any fraction to be rounded off to the next number) of the Directors shall be persons whose period of office shall be liable to determination by rotation and save as otherwise expressly provided in the Act, be appointed by the Company in General Meeting.

(iv) In accordance with provisions of Section 152 of the Act, at every Annual General Meeting of the Company held next after the date of General Meeting in which first Directors are appointed, one-third of such Directors for the time being liable to retire by rotation (if their number is not three or a multiple of three, then the number nearest to one-third) shall retire from office.

(v) Directors to retire by rotation at every Annual General Meeting shall be those (other than the Chairperson if such Chairperson is a Managerial Personnel of the Company, and such other non-retiring Directors, if any) who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, unless otherwise agreed among themselves, be determined by lot.

(vi) Subject to the provisions of the Act, a retiring Director shall be eligible for re-election. The Company at the Annual General Meeting in which Director retires, may

fill-up the vacated office by appointing the retiring Director or some other person thereto.

(vii) If the place of retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a holiday, at the same time and place, and if at the adjourned meeting also, the place of retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless :

- a) at that meeting or at the previous meeting, a resolution for the re-appointment of such Director has been put to the meeting and lost;
- b) the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so re-appointed;
- c) he is not qualified or is disqualified for appointment;
- d) a resolution, whether special or ordinary, is required for his appointment by virtue of any provisions of the Act;
- e) a resolution was moved and passed for appointment of another person in place of the retiring director, but is rendered void pursuant to Section 162(2) of the Act.

(viii) The Board shall have the power to appoint any person or persons as Director(s) nominated by any bank, financial institution or any other lender to the Company in pursuance of the provisions of any Law for the time being in force or any agreement.

59. (i) Subject to Sections 197 and other applicable provisions of the Act, the Directors shall be paid such remuneration, salary and/or allowances as may, from time to time, be approved and determined in accordance with the Act. The remuneration of Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day. In addition to the remuneration payable to the Directors under this Act, all reasonable expenses of Directors, including the Nominee Directors, for attending meetings of the Board or any Committee thereof or General Meetings of the Company or otherwise in connection with the business may be borne by the Company.

(ii) The Directors shall not be required to hold any qualification shares.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. (i) The Directors shall cause a proper register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to registration of mortgages and charges and in regard to inspection to be given to creditors or Members of the Register of Charges and of copies of instruments creating charges. Such sum as may be prescribed pursuant to the Act shall be payable by any person other than a Creditor or Member of the Company for each inspection of the Register of Charges.

(ii) Subject to the provisions of the Act, the Company shall keep and maintain at its registered office or such other place, statutory register(s) as required under the Act.

(iii) The statutory registers and copies of annual return shall be open for inspecting during 10.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at such place where the statutory registers are kept, by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed under the Act.

(iv) The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

(v) The foreign register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the Register of Members.

62. (i) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

(ii) **Borrowing Powers -**

a) Subject to the provisions of Section 73, 179 and 180 of the Act and these Articles, on behalf of the Company, the Board may, from time to time at its discretion, by means of a resolution, and, if statutorily required, passed at a General Meeting, accept deposits from Members either in advance of calls or

otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. Provided, however where the moneys to be borrowed together with moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves (that is to say, reserves which are available for distribution as dividend) the Board shall not borrow such moneys without consent of the Company in General Meeting.

- b) The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board resolution, or Special Resolution, as the case may be, shall prescribe including by the issue of debentures or debenture stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being; and debentures, debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
- c) Any bonds, debentures, debenture stock or other securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider being for the benefit of the Company.
- d) Subject to the provisions of the Act and applicable Law, any bonds, debentures, debenture stock or other securities may be issued at a discount, premium or at par and with any special privileges as to redemption, surrender, drawing, allotment of shares, appointment of Directors or otherwise.
- e) If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may authorize the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the Members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Directors' power or otherwise and shall be assignable if expressed so to be.

(iii) The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things (directly or through a committee or through employees or authorized representatives), as the Company is by the memorandum of association or otherwise authorized to exercise and do.

(iv) The Board of Directors may, to the extent permissible in Law, have the Company take an insurance as the Board may deem appropriate on behalf of the Directors, including the Managing Director(s), Whole-time Director(s), Manager, Chief Executive Officer, Chief Financial Officer, Company Secretary or such other persons as the Board may deem fit for indemnifying any of them against liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company and the premium paid on such insurance shall, subject to proviso to Section 197(13), not be treated as a part of the remuneration payable to such personnel, if any. Further provided that to the extent such personnel are not directly responsible for such liability the Company shall, to the extent permissible in Law, shall keep them indemnified to the extent insurance is not available.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. (i) Subject to the provisions of the Act, the Board shall have the power to appoint alternate and additional director(s).

(ii) The additional director(s) shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act

**(iii) Managing Director & Whole-time Director -**

a) Subject to the provisions of the Act and these Articles, the Board shall have the power to appoint, remove, replace and dismiss at the same time more than one Managerial Personnel including Managing Director and Whole-time Director, upon such terms and conditions as the Board thinks fit and, the Board may by resolution vest in such Managerial Personnel powers, as it thinks fit, hereby vested in the Board generally, and such powers may be made exercisable for such period or periods and upon such condition and subject to such restrictions as the Board may determine.

- b) Subject to the provisions of Law and requisite permission/approvals of the shareholders and the Central Government, if required, the remuneration of the Managerial Personnel as per the above clause, shall be such as may be determined by the Board from time to time and may be by way of monthly payment, fee for each meeting or participation in profits or by any or all these modes or any other mode not expressly prohibited by the Act.
- c) The terms and period of appointment of the Managerial Personnel shall be determined by the Company from time to time.

## **XVII. PROCEEDINGS OF THE BOARD**

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) Subject to provisions of the Act and applicable Law, meetings of the Board shall be held in such manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board and at least four such meetings shall be held every year. Notice of every meeting of the Board of Directors shall be given in accordance with the Act and other applicable Laws. Provided however that the accidental omission to give notice of any meetings of the Board to any Director shall not invalidate any resolution passed at any meeting.

(iii) The quorum necessary for the transaction of business of the Directors shall be one-third of the total strength of Directors (any fraction contained in that one third being rounded off as one) or two Directors whichever is higher (participation of the Directors by video conferencing or by any other audio visual means shall also be counted for the purpose of quorum) as provided in Section 174 of the Act.

(iv) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(v) Every Director present at any meeting of the Board or a committee thereof shall sign his name in a book to be kept for that purpose, to show his attendance thereat.

66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

(iii) Each Director shall be entitled to exercise one vote.

67. (i) The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

(ii) If the office of any Director appointed by the Company in a General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board in terms of applicable provisions of the Act.

68. (i) The Board shall from time to time, elect from amongst itself a Director to be the Chairperson of the Board, and to be the Vice Chairperson of the Board, and determine the periods for which the Chairperson and the Vice Chairperson shall hold such office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Vice Chairperson shall be the Chairperson for that meeting, and in the absence of both the Chairperson and the Vice Chairperson, the Directors present may choose one of their number to be the Chairperson of the meeting.

69. (i) The Board may, subject to the provision of Section 179 and other applicable provisions of the Act, delegate any of their powers to its committees ("Committees") consisting of such Member or Members of their body as they think fit and they may from time to time revoke such delegation. Any Committee so formed shall, in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board of Directors including with relation to sub-delegation of its powers or any other matter. The proceedings of such a Committee shall be placed before the Board at its next meeting or in a subsequent meeting of the Board held within a period of 120 days.

(ii) The meeting and proceedings of any such Committee consisting of two or more Members shall, subject to applicable Law, be governed by the provisions of the Act, other applicable Laws and its charter of constitution for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto.

70. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
71. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done by any meeting of the Board or a Committee thereof or by any person acting as a Director, shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be valid as if every such Director or such person had been duly appointed was qualified to be a Director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.

#### **XVIII. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

74. Subject to the provisions of the Act:
- (i) the Board of Directors may, from time to time, appoint for such term, at such remuneration and upon such conditions as it may think fit, and at its discretion, remove, a chief executive officer, manager, company secretary or chief financial officer. Such officers may be appointed to perform any functions, which by the Act are to be performed by the chief executive officer, manager, company secretary or chief financial officer respectively, and to execute any other managerial, ministerial or administrative duties or functions, which may, from time to time, be assigned to any of them by the Board of Directors.

(ii) the Board of Directors may appoint one or more chief executive officers for its multiple businesses.

(iii) a Director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

(iv) an individual can be the chairperson of the Company as well as the managing director and/or chief executive officer of the Company, at the same time.

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### **XIX. THE SEAL**

76. (i) The Board, may in its discretion, provide or continue with a common Seal for the purpose of the Company and shall have power from time to time to discontinue, destroy the same and substitute a new Seal in lieu thereof. The Board shall provide for the safe custody of the Seal, if the same is continued.

(ii) The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf and except in the presence of at least one Director and the Company Secretary of the Company or such other persons as the Board may appoint for the purpose; and that one Director and the Company Secretary or such other persons as aforesaid shall sign every instrument to which the Seal of the Company is so affixed, in their presence. Director may, however, sign a Share/debenture certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine equipment or other metal used for the purpose. In the absence of the Seal, the provisions of Section 22 and other applicable provisions of the Act shall apply for authorization in lieu thereof.

#### **XX. DIVIDENDS AND RESERVE**

77. (i) The profits of the Company available for payment of dividend subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of the Act and these presents as to the reserve fund and amortisation of capital shall be divisible among the Members in proportion to the amount of capital paid-up by them respectively. Provided always that (subject as aforesaid) any capital paid-up on a Share during the period in respect of which a dividend is declared shall only entitle the holder of such Share to an apportioned amount of such dividend as from the date of payment.
- (ii) The Company in a General Meeting may declare a dividend (other than interim dividend) to be paid to the Members according to their rights and interests in the profits and may fix the time for payment, but no dividend shall exceed the amount recommended by the directors, but a Company may declare a lesser dividend at the General Meeting.
- (iii) No dividend shall be declared or paid by the Company for any Financial Year except out of profits of the Company for that year arrived after providing for the depreciation in accordance with the provisions of Section 123 of the Act or out of profits of the Company for any previous Financial Year or years arrived after providing for the depreciation in accordance with applicable Laws and remaining undistributed or out of both or out of moneys provided by the government for the payment of dividend in pursuance of a guarantee given by the government. No dividend shall carry interest against the Company. No dividend shall be declared unless carried over previous years losses and depreciation not provided in previous year(s) are set off against profit of the Company for the current year.
78. The Directors may, from time to time, and subject to the provisions of Section 123 of the Act, pay to the Members such interim dividends, as in their judgment the position of the Company justifies.
79. (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.

80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purposes of these Articles as paid on the Share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any Share is issued on terms providing that it shall rank for dividend as from a particular date, such Share shall rank for dividend accordingly.

81. (i) The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

(ii) Subject to the provisions of Section 123 of the Act, no dividend shall be payable except in cash.

(iii) A transfer of shares shall not pass the right to any dividend declared thereon after transfer and before the registration of the transfer.

82. (i) Unless otherwise directed, any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic means or by cheque or demand draft or warrant or such other permissible means to the registered address of the Member or person entitled or in the case of joint holding, to the registered address of that one whose name stands first in the register in respect of joint holding and every cheque, demand draft or warrant so sent shall be made payable to the Member or to such person and to such address as the shareholder or the joint shareholders in writing may direct.

(ii) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment

which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

83. Any one of the several persons who are registered as the joint holders of any Share, may give effectual receipts for all dividends and payments on accounts of dividends in respect of such shares.

84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act

85. (i) No dividend shall bear interest against the company.

(ii) Where the Company has declared a dividend but which has not been paid or claimed or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall, within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend Account" of the Company and transfer to the said account, the total amount of dividend which remains unpaid/unclaimed or in relation to which no dividend warrant has been posted.

(iii) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company alongwith interest accrued to the fund established under Section 125 of the Act (viz. Investor Education and Protection Fund) in accordance with the provisions of Section 124(5) and other applicable provisions of the Act.

(iv) No unclaimed or unpaid dividend shall be forfeited by the Board and all unclaimed dividends shall be dealt with in accordance with the provisions of the Act.

(v) The Board may retain dividend payable upon Shares in respect of which any person is, under the Articles regarding transmission hereinbefore contained, entitled to become a Member, until such person shall become a Member in respect of such Shares.

## **XXI. ACCOUNTS**

86. (i) The Board shall cause proper books of accounts to be maintained under Sections 128 & 129 of the Act.

(ii) Directors shall, from time to time, determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Law or authorised by the Board of Directors or by the Company in General Meeting.

(iii) At least once in every year, the accounts of the Company shall be balanced and audited and the correctness of the statement of profit and loss and balance sheet ascertained by one or more Auditor or Auditors to be appointed as required by the Act.

(iv) The Company, at the Annual General Meeting, shall appoint an Auditor or Auditors for a term as prescribed under the Act. The appointment and the removal of Auditors and the person who may be appointed as the Auditors shall be as provided in the Act.

(v) The Auditor of the branch office, if any, of the Company shall be appointed by and in the manner provided by Section 143 of the Act.

(vi) The remuneration of the Auditors of the Company shall be fixed and determined in accordance with the provisions of Section 142 of the Act. The powers and duties of the Auditor shall be the same as those provided in the Act.

## **XXII. WINDING UP**

87. (i) Subject to the provisions of the Act:-

- a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such

division shall be carried out as between the Members or different classes of Members.

- c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any Shares or other Securities whereon there is any liability.

(ii) **Reconstruction** – In the event of winding up, pursuant to any compromise or arrangement with Creditors and Members under Sections 391 and 394 of the Companies Act 1956, till the same are in force, or under the applicable provisions of the Act when enforced, the liquidator or sponsors of such scheme of arrangement, composition or re-construction may propose the sale of any undertaking thereunder and the Company may accept fully paid-up or partly paid-up shares, debentures or securities of any other Company, whether incorporated in India or not, either then existing or to be formed for the purchase in whole or in part of the property of the Company or for cash consideration. Such scheme shall be approved and passed by the requisite majority and if required by special majority, as required by the court/the Tribunal, as the case may be, monitoring the scheme. The liquidators (in a winding-up) may distribute such shares or securities, or any other property of the Company amongst the contributories without realisation, or vest the same in trustees for them, and may, if authorised by an appropriate resolution, including, if required by Special Resolution, provide for the distribution or appropriation of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the contributories of the Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and the contributories shall be bound to accept and shall be bound by any valuation or distribution so authorised and may waive all rights in relation thereto, save such statutory rights (if any) under the Act as are incapable of being varied or excluded by these presents.

### **XXIII. INDEMNITY**

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

### **XXIV. OTHERS**

89. (i) A notice (which expression for the purposes of these presents, shall be deemed to include and shall include any summon, notice, process, order, judgment or any other document in relation to or in the winding up of the Company) may be given by the Company to any Member either personally or by sending it by post to him to his registered address or electronic mode or such other mode as is permissible under applicable Law.

(ii) Where a notice is sent by post, the service of such notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice.

Provided that where a Member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post/speed post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, and the same is duly accepted by the Company, the service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the Member.

(iii) If a Member has no registered address in India and has not supplied to the Company an address within India for giving of notices to him, a notice advertised in a newspaper circulating in the neighborhood of the registered office shall be deemed to be duly given to him on the day on which the advertisement appears.

(iv) A notice may be given by the Company to the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through electronic mode or through the post in a pre-paid letter, addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

(v) Subject to the provisions of the Act and these presents, notice of every General Meeting shall be given in any manner hereinbefore authorized to:

- a) every Member of the Company, legal representatives of any deceased Member or the assignee of an insolvent Member ;
- b) every Director of the Company
- c) the Auditor or Auditors of the Company;
- d) the Secretarial Auditor; and

e) the debenture trustee, if any.

(vi) Any notice to be given by the Company shall be signed by or be given under the authority of anyone of the Company Secretary, Chief Executive Officer, Chief Financial Officer or such Director or Officer as the Board may appoint. Such signature may be written or printed or lithographed or affixed in electronic/digital mode or in such other mode as prescribed under the Act.

(vii) Every person who, by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every notice in respect of such Share, which previously to his name and address and title to the Share being notified to the Company, shall have been duly given to the person from whom he derives his title to such Share.

(viii) Subject to the provisions of the Act and these presents, any notice given in pursuance of these presents or document delivered or sent by electronic mode or post to or left at the registered address of any Member or at the address given by him in pursuance of these presents, shall notwithstanding that such Member be then deceased and whether or not the Company have notice of his death, be deemed to have been duly served in respect of any registered Share, whether held solely or jointly by other persons, to such Member until some other person be registered in his stead as the holder or the joint holder thereof and such service shall, for all purposes of these presents, be deemed sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any jointly interested with him or her in any such Share.

(ix) Ensuring compliance with applicable Law: Notwithstanding anything stated elsewhere in these Articles, the Directors shall be entitled to take all necessary steps to ensure compliance with applicable Law(s) including, without limitation, the applicable provisions of the Guidelines for Foreign Direct Investment in Indian Entities publishing Newspapers and Periodicals dealing with News and Current Affairs published by the Ministry of Information and Broadcasting, Government of India and subject to the provisions of Sections 58 and 59 of the Act, and the other provisions of applicable law, the Directors may, for contravention of the provisions of Securities and Exchange Board of India Act, 1992, or regulations made thereunder or the Sick Industrial Companies (Special Provisions) Act, 1985, or the Guidelines for Foreign Direct Investment in Indian Entities publishing Newspapers and Periodicals dealing with News and Current Affairs, or other applicable Law for the time being in force, and by giving reasons, decline to register or acknowledge any transfer or

transmission of shares whether fully paid or not, and the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was given to it, send to the transferee a notice of the refusal to accept such transfer or transmission of its shares.

(x) Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

(xi) **Confidentiality:-**

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

We the several persons, whose names and addresses are hereinafter subscribed, are desirous of being formed into a Company in pursuance of this Articles of Association.

Sr. No.	Name, Description Occupation and Address of each Subscriber	Signature of Subscribers	Name, Address, Description Occupation and Signature of witness or witnesses
1	<p>HIT Media Limited                      Hindustan Times House,                      13-20, Kachubua Gandhi                      Marg, New Delhi - 110005                      Through its authorized                      Signatory                      Vinay Mittal,                      S/o late Shri. J.P. Mittal                      Occupation: Service                      1/6 IIIrd floor, 22B,                      Jagriti Enclave,                      Delhi - 110092</p> 		<p>I witness the Subscriber who have subscribed &amp; signed in my presence                      when I have verified their identity detail (P.D) for their identification &amp;                      satisfied myself of their identity particulars as stated</p>  <p>C.C. Shrivastava Partner Secy No. 40, Connaught Place, New Delhi - 110028                      Office no. 301, Building no. 14, Vasant Vihar, New Delhi - 110014                      M. No. F8601                      C.P.No. 2515</p>

Place: New Delhi

Dated: 01-08-2017

We the several persons, whose names and addresses are hereinafter subscribed, are desirous of being formed into a Company in pursuance of this Articles of Association.

Sr. No.	Name, Description, Occupation and Address of each Subscriber	Signature of Subscribers	Name, Address, Description, Occupation and Signature of witness or witnesses
2.	<p>Pradyumn Bhatia                      c/o Chh. Stryam Sundar                      Bhatia                      Occupation - Industrialist                      R/o 19, Biscuits Colony                      West,                      New Delhi - 110085                      (Nominee of HT Martin (P))</p> 		<p>I witness the subscriber who have subscribed and signed in my presence, further I have verified their identity details (PAN, Aadhar, Mhartrahay and furnished myself of their intimation particulars as Annexure</p> <p><i>Sanjay Singh</i>                      C.S. Shriparsh Bhatia, c/o Chh. Stryam Sundar Bhatia - (Nominee)                      Office No. 302, Building No. 14, Vasant Enclave, New Delhi - 110042                      M. No. 88621                      C.F. No. - 1815</p> 

Place: New Delhi;

Date: 01/08/2017

We the several persons, whose names and addresses are hereinafter subscribed, are desirous of being formed into a Company in pursuance of this Articles of Association.

Sr. No.	Name, Description Occupation and Address of each Subscriber	Signature of Subscribers	Name, Address, Description Occupation and Signature of witness or witnesses
3.	<p>Shamit Bhatia                      S/o Shri Shyam Sunder Bhatia                      Occupation: Industrialist                      H/o 19, Friends Colony West,                      New Delhi - 110065                      (Member of HT Media Limited)</p> 		<p>I witness the subscriber who have subscribed and signed in my presence further I have verified their identity details (ID) for their identification. I witnessed myself of their identification process as filled in.</p> <p><i>Shyam Sunder Bhatia</i>                      (Joint Witness)</p> <p><i>Shyam Sunder Bhatia</i>                      Office No. 302, Building No. 14, Vaidya Swasthya Bhawan, Delhi - 110022                      M. No - 98621                      C.P. No - 9515</p> 

Place: New Delhi

Dated: 01-08-2017

We the several persons, whose names and addresses are hereinafter subscribed, are desirous of being formed into a Company in pursuance of this Articles of Association.

Sr. No.	Name, Description Occupation and Address of each Subscriber	Signature of Subscribers	Name, Address, Description Occupation and Signature of witness or witnesses
4.	<p>Tarika Kumar Barat S/o Dr. D.B. Barat Occupation - Service Flat 3313 Ape Vihar F-3, Sector-50 Noida. Dt. Gurgaon Gand nagar Pin - 201301 As nominee of HT media limited</p> 		<p>I certify the Subscriber who have signed &amp; subscribed in my presence, further I have verified their identity detail (ID) for their identification and satisfied myself of their identification particulars as attached in</p>  <p>C.C. Shreyansh Swaidan Office No. 302, Building No. 14, Veer Gaurav Block, Sector-50, Gurgaon, Delhi-122092. M.No - 9821 C.I.No - 9515</p>

Place: New Delhi

Dated: 11-02-2017

We the several persons, whose names and addresses are hereinafter subscribed, are desirous of being formed into a Company in pursuance of this Articles of Association.

Sr. No.	Name, Description Occupation and Address of each Subscriber	Signature of Subscribers	Name, Address, Description Occupation and Signature of witness or witnesses
5	<p>Anand Saxena                      P/O Sri Mahesh Sahu                      Occupation: Service                      Plot 2042, Sector Part 2                      N/A Road, Indraprastha,                      Mayapuri,                      New Delhi.                      (Member of M. P. Ltd.)</p> 	<p>Anand Saxena</p>	<p>I witness the Subscribers who have subscribed &amp; signed in my presence further I have verified their Identity details (PAN) for their identification and satisfied myself of their incorporation particulars as filled in.</p> <p>Shreyash Jain                      P.O. Shreyash Jain, Plot No. 14, Sector 14, Near Sector 14, Mayapuri, New Delhi.                      M. No. - 98001                      C.F. No. - 9815</p> 

Place: New Delhi

Date: 01-08-2017

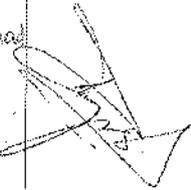
We the several persons, whose names and addresses are hereinafter subscribed, are desirous of being formed into a Company in pursuance of this Articles of Association

Sr. No.	Name, Description Occupation and Address of each Subscriber	Signature of Subscribers	Name, Address, Description Occupation and Signature of witness or witnesses
6	<p>Dinesh Mittal                      S/o Late. Shri J. P. Mittal                      Occupation: Service                      R/o IIIrd Floor, 228,                      Jagriti Enclave,                      Delhi-110092                      (Nominee of HT Medialimit)</p> 		<p>I witness the Subscriber who have Subscribed and Signed in my presence                      And I have written their identity details (I.D) for their Identification                      And Subscribed myself in their identification particulars as stated in.</p> <p style="text-align: right;">                       P. S. Chhajwani                      14, Vardh Sector                      M NO - F8621                      C P NO - 9515                 </p>

Place: Noida, Delhi

Date: 01-08-2017

We the several persons, whose names and addresses are hereinafter subscribed, are desirous of being formed into a Company in pursuance of this Articles of Association.

Sr. No.	Name, Description Occupation and Address of each Subscriber	Signature of Subscribers	Name, Address, Description Occupation and Signature of witness or witnesses
7	<p>Piyush Gupta S/o Shri Nagesh Prasad Gupta Occupation: Service R/o G-124, Dshok Vihar Phase - I, New Delhi - 110052 (Nominee of HT Media Limited).</p> 		<p>I witness the subscriber who have subscribed and signed in my presence for the, I have verified their identity details (ID) for their identification and satisfied myself of their identification particulars as per in</p> <p>Shreyansh Mehta C.S. Shreyansh Mehta S/o Shri Narendra Mehta Office No. 303, Building No. 14, New Saket, New Delhi - 110092 M.No - 9876543210 C.P.No - 9515</p> 

Place: New Delhi

Dated: 01-08-2017

CERTIFIED TRUE COPY

*Shreyansh Mehta*  
For Shreyansh Mehta & Associates  
(Formerly known as HT Digital Ventures Limited)



No. 307  
Date of Presentation  
of application for Copy 11/03/19  
No. of Pages 11  
Copying Fee \$7  
Registration & Postage Fee  
Total 255

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
AT NEW DELHI**

**CORAM: SMT. INA MALHOTRA, MEMBER (JUDICIAL)  
& SH. V.K SUBBURAJ, MEMBER (TECHNICAL)**

**CAA- 86(ND) 2018**

Date of Receipt &  
Record of Copy  
Date of Preparation of Copy 27/03/19  
Date of Copy 27/03/19  
DD/DR/Asst Court Officer  
National Company Law Tribunal  
New Delhi

**IN THE MATTER OF SCHEME OF ARRANGEMENT  
BETWEEN**

HT Media Limited

(APPLICANT NO. 1/ DEMERGED COMPANY)

WITH

Digicontent Limited  
(Formerly known as HT Digital Ventures Limited)

(APPLICANT NO. 2/ RESULTING COMPANY)

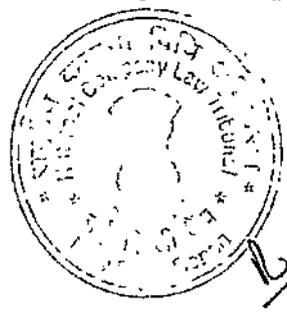
Present- Mr. Rajeev Kumar, Advocate

**ORDER DELIVERED ON -07.03.2019**

**ORDER**

**PER SMT. INA MALHOTRA, MEMBER (J)**

1. This Joint application has been filed by the Applicant Companies under sections 230 and 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangement, and Amalgamation) Rules, 2016 for the purpose of approval of the Scheme of Arrangement, as contemplated between the Demerged Company and the Resulting Company.



2. Both the Demerged and Resulting Companies have their registered offices at 18-20, Kasturba Gandhi Marg, New Delhi-110001, falling within the jurisdiction of this Tribunal.
3. A perusal of the petition discloses that initially the Demerged Company and Resulting Company had jointly filed the first motion application bearing CAA 24/ND/2018 which had been disposed off by this Tribunal vide its order dated 06.03.2018 directing:-

**A.) In respect to the Demerged Company:**

- i. A meeting to be convened on 19.05.2018 in respect of its 45,326 Equity Shareholders.
- ii. A meeting to be convened on 19.05.2018 in respect of its 3 Secured Creditors.
- iii. A meeting to be convened on 19.05.2018 in respect of its 734 Unsecured Creditors

**B.) In respect to the Resulting Company:**

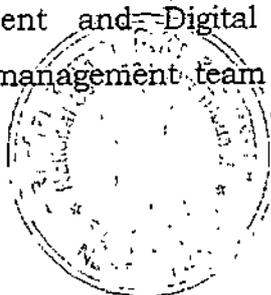
- i. The requirement of convening a meeting of the shareholders was dispensed with, in view of the consent affidavits of its 7 equity shareholders.
- ii. As there were no Secured Creditor of the Resulting Company, the requirement of convening meeting of the Secured Creditors did not arise.
- iii. The requirement of convening a meeting in respect of its 1 Unsecured Creditors, was dispensed with in view of the consent affidavit being on record.



4. The aforesaid meeting of Equity Shareholders, Secured and Unsecured Creditors of the Demerged Company was duly held on 09.06.2018 as directed by the Tribunal, wherein the proposed Scheme was approved by its members and creditors. The Chairman's reports dated 13.06.2018, recording the approval of the proposed scheme without modification subsequent to the voting process, is on record.

5. Vide the present Scheme, the Demerged Company seeks to demerge its business of Entertainment and Digital Innovation with the Resulting Company. They have outlined the rationale and benefit in the Scheme as under:-

- The Entertainment & Digital Innovation Business of HTML has significant potential for growth. The nature of risk, competition, challenges, opportunities and business operations is separate and distinct from other business of HTML. Thus the scheme, which envisages demerger of Entertainment and Digital Innovation Business into a separate company, would enable this business to innovate, scale up and run independent to pursue growth opportunities in a more focused manner.
- As a part of M/s Digicontent Limited, the Entertainment and Digital Innovative Business shall be amenable to benchmarking, and be in a position to attract the right set of investors, strategic partners, employees and other relevant stakeholders.
- There would be more enhanced focus on the operation of the Entertainment and Digital Innovative Business under a dedicated management team of the M/s Digicontent Limited,



who can chart out and pursue an independent strategy to maximize value creation for stakeholders. Likewise, there would be greater management focus on the remaining business of HTML.

- The listing of shares of M/s Digicontent Limited stock exchanges, would enable independent benchmarking of Entertainment and Digital Innovative Business, and give a distinct identity to the Entertainment and Digital Innovative Business which is independent and accountable to the interest of all stakeholders and thus, would provide enhanced liquidity to the investor of HTML.
- There is no adverse effect of scheme on the directors, key managerial personnel, promoters, non-promoters, shareholders of HTML and M/s Digicontent Limited and the scheme would be in the best interest of all stakeholders.
- Scheme shall be amendable to benchmarking and be in a position to attract the right set of investors, strategic partners, employees and other relevant stakeholders.

6. So far as the Share Exchange Ratio is concerned, in terms of the scheme, it has been determined in accordance with the settled principles of valuation. The Report on Valuation of Shares & Share Exchange Ratio dated 25<sup>th</sup> August, 2017 has been issued by M/s Jain Jindal & Co. Chartered Accountants, New Delhi, proposing that for every 4 Equity share of face value of Rs.2/- each, held in HTML as on the record date, the equity shareholders of HTML shall be issued 1



✓

equity share of face value of Rs. 2/- each credited as fully paid-up in the M/s Digicontent Limited.

7. The other Salient features of the scheme are:-

a.) The Appointed date shall be 31<sup>st</sup> March, 2018;

b.) Clauses 14.1(a) and 14.2(a) provide that simultaneously with the issue and allotment of the new equity shares by the Resulting Company to the equity shareholders of HTML in accordance with clause 12.1 of the Scheme, in the books of the Resulting Company, any equity shares held by HTML in the Resulting Company shall stand cancelled, extinguished and annulled on and from the Effective Date. The cancellation, which amounts to reduction of share capital of the Resulting Company, shall be effected as an integral part of this Scheme itself in accordance with the provisions of section 66 of the Act for the purpose of confirming the reduction. The reduction would not involve diminution of liability in respect of unpaid share capital or payment of paid up share capital.

c.) Clause 20.2 provides that in order to give effect to this Scheme, the authorized share capital of the Resulting Company shall be increased from Rs. 1,00,000 to Rs. 12,00,00,000. By virtue of clause 20.2 read with clause 3.2 Clause(v) of the Memorandum of association of the Resulting Company shall, without any further act or deed, be amended accordingly to read as under:

*"the Authorized Share capital of the Company is Rs. 12,00,00,000 divided into 6,00,00,000 Equity Shares of Rs.2/- each".*



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8. Copies of the Memorandum of Association and Articles of Association along with their audited Balance Sheets, as on 31.03.2017 and reports of the auditors of both the Applicant Companies have been filed on record. Provisional Balance Sheet as on 31<sup>st</sup> December, 2017 of both the Applicant Companies have also been filed.

The Applicants submits that the provisions relating to the accounting treatment for the proposed arrangement, as contained in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013. This has been certified by the Statutory Auditors of the applicant companies.

9. The applicant companies have now initiated the Second Motion. An affidavit dated 17.08.2018 discloses that the applicants had effected publication in daily newspapers in "The Hindustan Times" (English) and in "Hindustan" (Hindi) both dated 08.08.2018 (Delhi Edition). The affidavits filed further disclose that due notice of the proposed scheme had been served on the Registrar of Companies, Regional Director, (Northern Region) and the Income tax Department, inviting objections, if any, to the proposed Scheme of Arrangement.

Pursuant to the Publication in the daily newspapers, for listing of the matter before this Bench, one objector has appeared before us opposing the prayer of demerger by the applicant no.1 company, whose objections have been considered by this Bench.

10. The sole objector, Phonographic Performance Ltd. (PPL) has raised an objection on grounds that there is a contingent liability which the applicants have failed to disclose. The objector and HT Music and Entertainment Co. Ltd. had entered into a License Agreement dated 11.10.2006 which was renewed from time to time. These agreements were executed separately for each radio station at Kolkata, Bangalore, Mumbai and New Delhi. The business of HT Music Entertainment Music was

specifically amalgamated with the business FM Business of HT Radio vide order dated 19.05.2009 passed by the Hon'ble High Court of Delhi. The licenses were terminated due to efflux of time and were not renewed thereafter. However, the applicant no.1 company is alleged to have infringed the copyright in the Sound Recordings administered by the Objectors which gave rise to filing of a suit being CS(OS) No. 2749 of 2011 [subsequently re-numbered as CS(COMM) 457 of 2017] pending before the Hon'ble High Court of Delhi. In the said proceedings, the applicant company has been directed to pay a royalty giving rise to a contingent liability being adjudicated by the Delhi High Court.

It is argued by ld. Counsel for the objector that the scheme as proposed is against the interest of the creditors and is not just, fair and reasonable.

11. Reply has been filed on behalf of the applicant company allaying the apprehensions of the objector. It is submitted that vide the proposed scheme, demerger of only one branch of HT Media Ltd. i.e in respect of its Entertainment and Digital Innovation Business is proposed. It is categorically stated that the radio business of the applicant no.1 company shall continue with the Demerged Company, and they shall continue to remain liable towards liabilities, if any, towards PPL to the extent adjudicated by the Hon'ble High Court of Delhi in the pending proceedings. It is argued by the ld. Counsel for the applicant companies that the objector is merely using the scheme of arrangement as a tool to recover outstanding debts which at the moment are only contingent. The objections raised by the PPL are therefore untenable and not sufficient to derail the scheme. The scheme has been made keeping in view the larger interest of the share holders and its creditors, and apart from the objector herein, none of the creditors have raised any objection.

12. As per averments of the applicants and the arguments advanced before this Bench, it has categorically been submitted on their behalf that the demerger of only the Entertainment and Digital Innovation Business of the H T Media Ltd. is being proposed for a more efficacious operation of its business and the scheme shall not in any way effect the contingent liability of the objector herein. The FM radio business shall continue to be run by the Demerged company as its remaining business and has been clarified in the Scheme of Arrangement.

Clause 1.6 clarifies that the "Entertainment & Digital Innovation Business of HTML" shall mean all the businesses, undertakings, activities, assets, properties and liabilities, of whatsoever nature and kind and where so ever situated, of HTML pertaining to the Entertainment & Digital Innovation Business.

Further, it is submitted that the use of the phrase "Fever Audio tool" is merely a tool that is used for aggregation and creation of audio content that is utilized in the Entertainment and Digital Innovation business which is admittedly not used for music.

Therefore, it is further clarified that the Objector does not have any relation with the Entertainment and Digital Innovation Business.

Keeping in view the submissions made, we find that the interest of the objector are not affected by the Scheme and therefore their objections raised are not sufficient to reject the scheme.

13. The Department of the Income Tax has not made any significant objections that would impeditment the sanction of the Scheme. In the reply dated 24.08.2018 filed by the Regional Director, Northern Region. it has been confirmed that the Demerged and Resulting Company are regular in filing their statutory returns. No prosecution has been filed, no complaints are pending and no inspection or investigation has been conducted. Further in

their report, they have stated that they have no objection to the sanction of the proposed scheme.

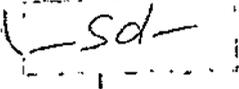
14. As the shares of the HTML are listed on the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), the requisite consent, approval and permission from BSE and NSE under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been obtained. Further the No Objection Certificate dated 26<sup>th</sup> December, 2017 issued by the BSE Limited and the National Stock Exchange of India Limited dated 22<sup>nd</sup> December, 2017 have been filed.

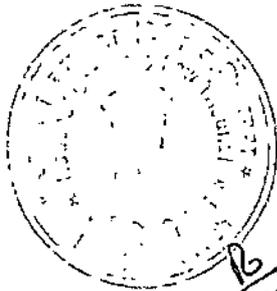
15. In view of the foregoing and upon considering the approval accorded by the members and creditors of both companies to the proposed Scheme, and no objections having been raised by the office of the Regional Director or the Income Tax Dept or any other interested party, other than PPL whose objections have been taken care of, there appears to be no impediment in granting sanction to the Scheme. Consequently, sanction is hereby granted to the Scheme under sections 230-232 of the Companies Act, 2013. The sanctioned Scheme of arrangement shall be binding on the Demerged and the Resulting Company and on all their respective shareholders and creditors. The Applicants shall also be bound to comply with the statutory requirements in accordance with law, and the submissions made to the objections of PPL.

16. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this court to the scheme will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of both the petitioner companies.

- d.) That all proceedings now pending by or against the demerged company, in respect of demerged undertaking, be continued by or against the resultant company; and
- e.) That petitioner shall within thirty days of the date of the receipt of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration.
- f.) That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.
- g.) The Demerged Company has consented to pay a sum of **Rs. 1 Lakh** to the Prime Minister Relief Fund within four weeks from the date of the order.

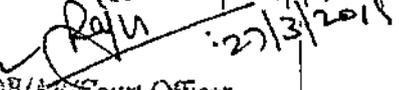
The petition stands disposed of in the above terms.

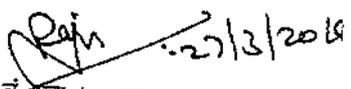
  
(V.K Subburaj)  
Member Technical



  
(Ina Malhotra)  
Member Judicial

No. .... 307  
Date of Presentation  
of application for Copy. 11/03/19  
No. of Pages. 11  
Copying Fee. 5/-  
Registration & Postage Fee.  
Total ₹. 200/-  
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Record of Copy.  
Date of Preparation of Copy. 27/03/19  
Date of Delivery of Copy. 27/03/19

  
DD/DR/Asst. Court Officer  
National Company Law Tribunal  
New Delhi

  
व.वि.चं राजू / V.V.B. RAJU  
उप पंजीयक / DEPUTY REGISTRAR  
राष्ट्रीय कम्पनी विधि अधिकरण  
NATIONAL COMPANY LAW TRIBUNAL  
Block-J, 6th Floor, CGO COMPLEX  
LODHI ROAD, NEW DELHI - 110003

# ANNEX P-1

55

SCHEME OF ARRANGEMENT

BETWEEN

HT MEDIA LIMITED (DEMERGED COMPANY)

AND

DIGICONTENT LIMITED (RESULTING COMPANY)  
[FORMERLY KNOWN AS HT DIGITAL VENTURES LIMITED]

AND

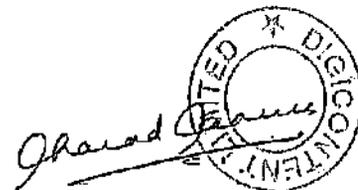
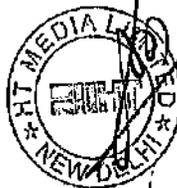
THEIR RESPECTIVE SHAREHOLDERS AND  
CREDITORS

UNDER SECTIONS 230 TO 232 OF THE COMPANIES  
ACT, 2013

READ WITH SECTION 66 OF THE COMPANIES ACT, 2013

No. 307  
Date of Presentation  
of application for Copy 11/03/19  
No. of Pages 29  
Copying Fee 5/5  
Registration & Postage Fee.....  
Total ₹. 200/-  
Date of Receipt &  
Record of Copy.....  
Date of Preparation of Copy 27/03/19  
Date of Delivery of Copy 27/03/19

RAU : 27/3/2019  
DD/DR/AR/Court Officer  
National Company Law Tribunal  
New Delhi



B.

PREAMBLE

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This Scheme (hereinafter defined) is presented under Sections 230 to 232 read with Section 66 and other applicable provisions of the Act (hereinafter defined), for transfer and vesting of Entertainment & Digital Innovation Business (hereinafter defined) of HTML (hereinafter defined) to the Resulting Company (hereinafter defined) with effect from the Appointed Date (hereinafter defined), and upon effectiveness of the Scheme on the Effective Date (hereinafter defined). In addition, the Scheme also provides for various other matters consequential and/or otherwise integrally connected herewith.

A. Background

1. HT Media Limited ("HTML" or the "Demerged Company") is a public limited company incorporated under the provisions of the Companies Act, 1956 on December 03, 2002 bearing Corporate Identification Number L22121DL2002PLC117874. The registered office of HTML is situated at 18-20, Kasturba Gandhi Marg, New Delhi - 110001. The correspondence email address of HTML is investor@hindustantimes.com. The equity shares of HTML are listed on BSE Limited ("BSE") & National Stock Exchange of India Limited ("NSE").

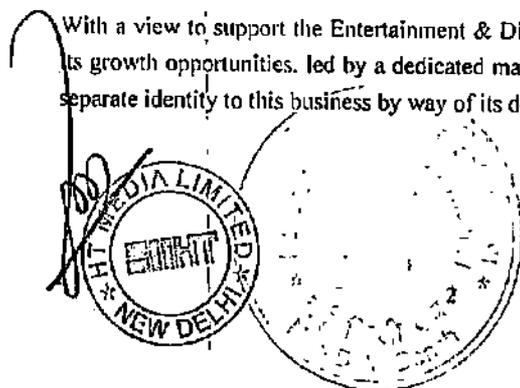
HTML is engaged in the following key businesses:

- a) Printing and publication of newspapers and periodicals
  - b) FM Radio Broadcasting
  - c) Entertainment & Digital Innovation Business
  - d) Operating Online job portal "shine.com"
2. Digicontent Limited ("DCL" or the "Resulting Company") is a public limited company incorporated under the provisions of Companies Act, 2013 on August 14, 2017 bearing Corporate Identification Number U74999DL2017PLC322147 under the name of HT Digital Ventures Limited ("HTDVL"). Subsequently, the name was changed to Digicontent Limited with effect from October 24, 2017. The registered office of the Resulting Company is situated at Hindustan Times House, 2nd Floor, 18-20, Kasturba Gandhi Marg, New Delhi-110001. The correspondence email address of the Resulting Company is tridib.barat@livehindustan.com. It is a wholly owned subsidiary of HTML and has been recently incorporated. The Entertainment & Digital Innovation Business is proposed to be demerged and vested into the Resulting Company.

B. Rationale for the Scheme of Arrangement

HTML has various businesses that are complementary in nature. However, they are distinct in terms of their nature, regulatory & competitive environment, risk profile, workforce capability, capital requirement and growth trajectory.

With a view to support the Entertainment & Digital Innovation Business to capitalize on its growth opportunities, led by a dedicated management team, it is proposed to assign a separate identity to this business by way of its demerger into the Resulting Company.



The proposed demerger is likely to offer benefits to HTML and the Resulting Company, as outlined hereunder:

- a. The Entertainment & Digital Innovation Business of HTML has significant potential for growth. The nature of risk, competition, challenges, opportunities and business operations of the Entertainment & Digital Innovation Business is separate and distinct from other businesses of HTML. Thus, the Scheme, which envisages demerger of Entertainment & Digital Innovation Business into a separate company, would enable this business to innovate, scale up and run independently to pursue growth opportunities in a more focused manner.
- b. As part of the Resulting Company, the Entertainment & Digital Innovation Business shall be amenable to benchmarking, and be in a position to attract the right set of investors, strategic partners, employees and other relevant stakeholders.
- c. There would be enhanced focus on the operations of the Entertainment & Digital Innovation Business under a dedicated management team of the Resulting Company, who can chart out and pursue an independent strategy to maximize value creation for stakeholders. Likewise, there would be greater management focus on the Remaining Business (hereinafter defined) of HTML.
- d. The listing of shares of the Resulting Company on stock exchanges, would enable independent bench-marking of Entertainment & Digital Innovation Business, and give a distinct identity to the Entertainment & Digital Innovation Business which is independent, and accountable to the interest of all stakeholders and thus, would provide enhanced liquidity to the investors of HTML.

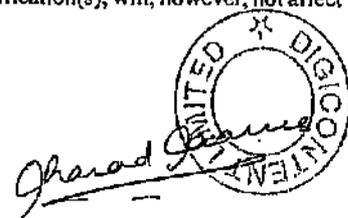
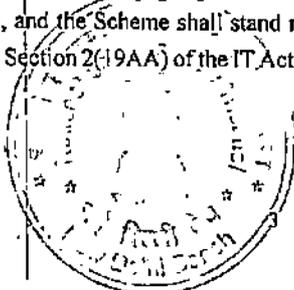
There is no adverse effect of Scheme on the directors, key managerial personnel, promoters, non-promoter shareholders, creditors, vendors and employees of HTML and the Resulting Company. The Scheme would be in the best interest of all stakeholders.

Pursuant to this Scheme, all shareholders of HTML shall be entitled to equity shares in the Resulting Company on a pro-rata basis on the terms specified in this Scheme.

Accordingly, the Board of Directors of HTML and the Resulting Company have decided to make requisite applications and/or petitions before the Tribunal (hereinafter defined), as applicable under Sections 230 to 232 of the Act (hereinafter defined) read with section 66 of the Act and other applicable provisions for the sanction of this Scheme.

### C. Treatment of Scheme for the purposes of Income-Tax Act, 1961

The provisions of this Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the Income-tax Act, 1961 ("IT Act"). 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 IT Act shall prevail, and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the IT Act. Such modification(s), will, however, not affect



the other provisions of the Scheme.

D. The Scheme is divided into the following parts:

PART A deals with Definition and Share Capital of the companies.

PART B deals with the transfer and vesting of the Entertainment & Digital Innovation Business (hereinafter defined) of HTML to and with the Resulting Company in accordance with Sections 230 to 232 of the Act (hereinafter defined) read with Section 66 of the Act, other applicable provisions of the Act and/ or the 1956 Act (hereinafter defined), and in accordance with Section 2(19AA) of the IT Act.

PART C deals with general terms and conditions that would be applicable to the Scheme.

PART A

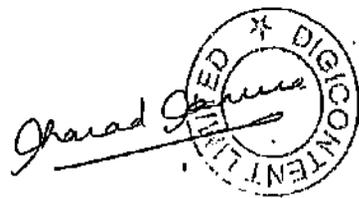
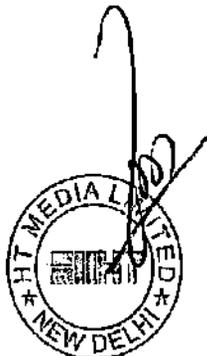
DEFINITION AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject, following expressions shall have the meanings respectively assigned against them:

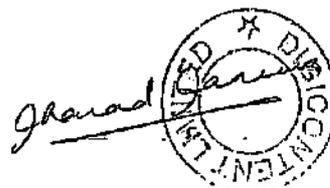
- 1.1 "the Act" means the Companies Act, 2013, as notified, and ordinances, rules and regulations made and notifications, circulars etc. issued thereunder, and shall include any statutory modifications, re-enactments or amendments thereof.
- 1.2 "1956 Act" means the Companies Act, 1956 (as applicable) and ordinances, rules and regulations made thereunder, and shall include any statutory modifications, re-enactments or amendments thereof.
- 1.3 "Appointed Date" shall mean March 31, 2018(at close of business hours).
- 1.4 "Board of Directors" or "Board" means and includes the respective Boards of Directors of the Demerged Company and the Resulting Company or any committee constituted by such Board of Directors for the purposes of the Scheme.
- 1.5 "Clause" and "Sub Clause" means the relevant clause /sub clause set out in the Scheme.
- 1.6 "Entertainment & Digital Innovation Business of HTML" or "Entertainment & Digital Innovation Business" means all, the businesses, undertakings, activities, assets, properties and liabilities, of whatsoever nature and kind and where so ever situated, of HTML pertaining to the Entertainment & Digital Innovation Business, including specifically the following:

- 1.6.1 Fever Audio Tools for aggregation and creation of audio, audio feed which plays music and promotional talks across various stores, malls, buildings.



restaurants, eateries, etc., distribution of in-house creative and niche celeb based content to mobile and digital users, innovative tools to build, promote and amplify brand communication and deliver it with a greater impact and credibility; strategic investments in multimedia content management business, movie review and rating entertainment platform and the digital repository of images;

- 1.6.2 All immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise), benefits of any rental agreement for use of premises, marketing offices, share of any joint assets, etc., which immovable properties are being used for the purpose of and in relation to the Entertainment & Digital Innovation Business and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;
- 1.6.3 All assets, as are movable in nature pertaining to and in relation to the Entertainment & Digital Innovation Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, capital work in progress, stores under progress, electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory, hardware & software and tools and plants, stock-in-trade, stock-in-transit, raw materials, finished good packaging items), actionable claims, current assets, earnest monies and sundry debtors, investments, financial assets, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to Goods and Services tax credits, CENVAT credits, value added/sales tax/entry tax credits or set-offs, advance tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds;
- 1.6.4 All permits, licenses, permissions including municipal permissions, right of way, approvals, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages (including consent/authorisation granted by relevant authorities and other licenses/permits granted/issued/ given by any governmental, statutory or regulatory or local or administrative bodies for the purpose of carrying on the Entertainment & Digital Innovation Business or in connection therewith) including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereon that pertain exclusively to the Entertainment & Digital



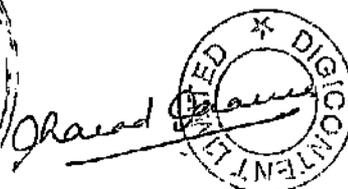
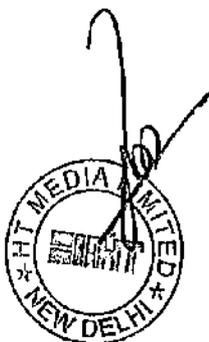
Innovation Business;

1.6.5 All contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letter of intent, hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Entertainment & Digital Innovation Business;

1.6.6 All applications (including hardware, software, licenses, source codes, parameterization and scripts), registrations, licenses, trade names, service marks, trademarks, copyrights, patents, domain names, websites, designs, contracts, intellectual property rights (whether owned, licensed or otherwise, and whether registered or unregistered), trade secrets, research and studies, technical knowhow, confidential information and all such rights of whatsoever description and nature that pertain exclusively to the Entertainment & Digital Innovation Business;

1.6.7 All rights to use and avail telephones, telexes, facsimile, email, Internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by HTML pertaining to or in connection with or relating to the Entertainment & Digital Innovation Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by HTML and pertaining to the Entertainment & Digital Innovation Business;

1.6.8 All books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books



and records, whether in physical or electronic form that pertain to the Entertainment & Digital Innovation Business;

1.6.9 All debts, liabilities including contingent liabilities, duties, taxes and obligations of HTML pertaining to the Entertainment & Digital Innovation Business and/or arising out of and/or relatable to the Entertainment & Digital Innovation Business including;

- a) the debts, liabilities, duties and obligations of HTML which arises out of the activities or operations of the Entertainment & Digital Innovation Business;
- b) specific loans and borrowings raised, incurred and utilized solely for the activities or operations of or pertaining to the Entertainment & Digital Innovation Business; and
- c) liabilities other than those referred to in sub-clauses a) and b) above and not directly relatable to the Remaining Business of HTML, being the amounts of general and multipurpose borrowings of HTML shall be allocated to the Entertainment & Digital Innovation Business in the same proportion which the value of assets transferred under this Scheme bears to the total value of HTML immediately before giving effect to Part B of the Scheme.

1.6.10 All employees of HTML employed/engaged in the Entertainment & Digital Innovation Business as on the Effective Date ("Employees"); and

1.6.11 All legal or other proceedings of whatsoever nature that pertain to the Entertainment & Digital Innovation Business.

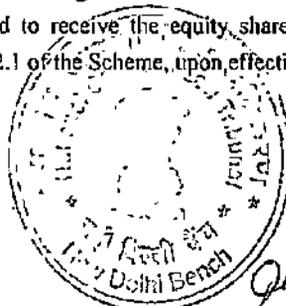
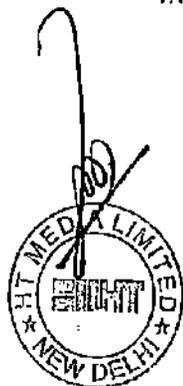
1.7 "Demerged Company" shall mean HT Media Limited ("HTML").

1.8 "Effective Date" means the date on which the last of the conditions mentioned in Clause 18 of Part C of the Scheme is fulfilled and the Scheme is made effective with effect from the Appointed Date. Any references in this Scheme to the "date of coming into effect of this Scheme" or "effectiveness of the Scheme" or "Scheme taking effect" shall mean the Effective Date.

1.9 "ESOP Plans" shall mean, collectively all Employee Stock Option Schemes approved by the Board of Directors and shareholders of HTML, as amended, modified or replaced from time to time.

1.10 "National Company Law Tribunal" or "NCLT" or "Tribunal" means the National Company Law Tribunal, New Delhi Bench or any other bench having jurisdiction over the Demerged Company and/or Resulting Company.

1.11 "Record Date" means the date fixed by the Board of Directors of the Resulting Company or any committee thereof, in consultation with the Demerged Company, for the purpose of determining names of the members of the Demerged Company, who shall be entitled to receive the equity shares in the Resulting Company pursuant to Clause 12.1 of the Scheme, upon effectiveness of this Scheme.



- 1.12 "Remaining Business" means all assets, liabilities, businesses, activities and operations of the Demerged Company other than the Entertainment & Digital Innovation Business.
- 1.13 "Resulting Company" means Digicontent Limited ("DCL"), formerly known as HT Digital Ventures Limited ("HTDVL").
- 1.14 "Scheme" or "the Scheme" or "this Scheme" or "the Composite Scheme" means this Scheme of Arrangement among the Demerged Company, the Resulting Company and their respective shareholders and creditors pursuant to the provisions of Sections 230 to 232 read with section 66 and other applicable provisions of the Act or the 1956 Act, as the case may be, in its present form or with any modification(s) made under Clause 17 of the Scheme by the Board of Directors of the Demerged Company and the Resulting Company, and/ or as approved or directed by the Tribunal, as the case may be.
- 1.15 "SEBI" means Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- 1.16 "SEBI Circulars" means Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, issued by SEBI and as amended from time to time or any other circular(s) issued by SEBI applicable to a scheme of arrangement.
- 1.17 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996, SEBI Circulars and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or reenactment thereof from time to time.

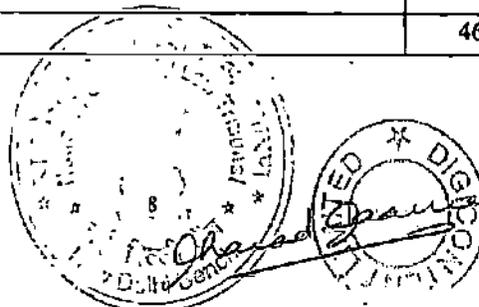
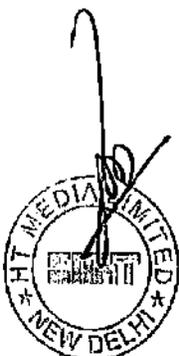
## 2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein, in its present form or with any modification(s) and amendments(s) made under Clause 17 of the Scheme or as approved or imposed or directed by the Tribunal, as the case may be and applicable, shall be effective from the Appointed Date, but shall be made operative from the Effective Date.

## 3. CAPITAL STRUCTURE OF THE COMPANIES

3.1. The share capital of HTML as at March 31, 2017 is as under:

Particulars	Amount (Rs.)
<b>Authorized Share Capital</b>	
36,25,00,000 Equity Shares of Rs.2/-each	72,50,00,000/-
<b>Total</b>	<b>72,50,00,000/-</b>
<b>Issued, Subscribed and Paid Up Share Capital</b>	
23,27,48,314 Equity Shares of Rs.2/- each fully paid up	46,54,96,628/-
<b>Total</b>	<b>46,54,96,628/-</b>



Since March 31, 2017 and as on the date of filing of this Scheme, there is no change in the capital structure of HTML.

3.2. The share capital of the Resulting Company as at August 14, 2017 is as under:

Particulars	Amount (Rs.)
<b>Authorized Share Capital</b>	
10,000 Equity Shares of Rs. 10/- each	1,00,000/-
<b>Total</b>	<b>1,00,000/-</b>
<b>Issued, Subscribed and Paid Up Share Capital</b>	
10,000 Equity Shares of Rs. 10/- each fully paid up	1,00,000/-
<b>Total</b>	<b>1,00,000/-</b>

The entire issued, subscribed and paid up share capital of the Resulting Company is presently held by HTML and its nominees and hence, the Resulting Company is a wholly owned subsidiary of HTML.

Since August 14, 2017 the Resulting Company has sub-divided its equity shares to a face value of Rs. 2/- per equity share from Rs 10/- per equity share.

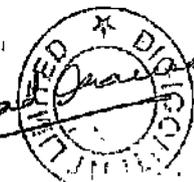
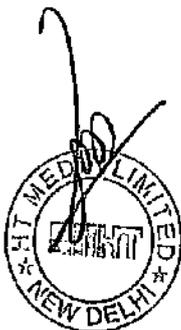
The existing Share Capital of the Resulting Company is as under:

Particulars	Amount (Rs.)
<b>Authorized Share Capital</b>	
50,000 Equity Shares of Rs. 2/- each	1,00,000/-
<b>Total</b>	<b>1,00,000/-</b>
<b>Issued, Subscribed and Paid Up Share Capital</b>	
50,000 Equity Shares of Rs. 2/- each fully paid up	1,00,000/-
<b>Total</b>	<b>1,00,000/-</b>

#### 4. MAIN OBJECTS

4.1. The main objects of HTML as on the date of filing of the Scheme are as follows:

1. To print, publish and conduct for sale one or more newspapers and other periodicals including magazines, books, pamphlets or any other publication in English, Hindi or any other language, anywhere in India, either daily or otherwise.
2. To manufacture, produce, exhibit, distribute, buy and sell, assign, licence, telecast, broadcast news and current affairs, television films, commercial films, video films, video magazines and to engage in other similar activities

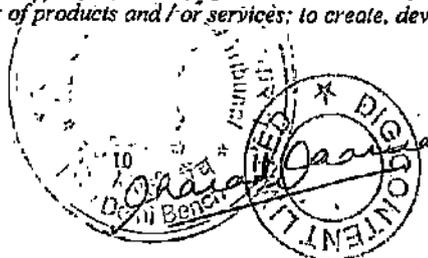
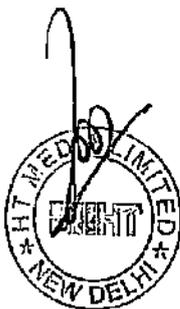


related thereto.

3. To engage in the business of dissemination of news, knowledge and information of general interest, across the globe, through web-page design, creation, hosting and any business relating to the Internet or email, networking and communication environments.
4. To engage in the business of radio broadcast and all other allied activities including producing buying, selling and distribution of radio programs.
5. To carry on in India and elsewhere the business to produce, promote, manage, project, procure or acquire rights, participate, manufacture, process, prepare, alter, develop, expose, edit, exhibit, broadcast, transmit, make, remake, display, print, reprint, convert, duplicate, finish, buy, sell, run, import, export and deal in any manner, to act as broker, agent, distributor, proprietor, organizers, promoters, sponsors, copyright owners, audio & video right owners, media partners and media advisors of all kinds of live and recorded sports, entertainment events, news & current affair events, summits, pageants, concerts, shows, exhibitions, premiers in all languages in India or elsewhere.
6. To carry on business as advertising agent, to purchase and sell advertising time or space on any media like, newspaper, magazine, pamphlet, publications, television, radio, mobile, Internet, satellite in India or abroad or any other kind of media currently in vogue or which may be in vogue at any time, and to act as agent or representative for any person(s) or entities for soliciting/booking advertisements and/or any other promotional, commercial and other programmes on any form of media or medium including collection of charges and remittances thereof to principals and any other activities related to or necessary in the context of the said business.

4.2. The main objects of the Resulting Company as on the date of filing of the Scheme are as follows:

1. To engage in, deal, carry out any activity or business in the digital media space and electronic media, for creation, dissemination and/or integration of news, knowledge, information, entertainment, brand/event promotion and content of general interest, in English, Hindi or any other language, across the globe through networking, telecom, web-page design, creation, hosting, radio, television and/or any other mode of communication whether currently in vogue or which may be in vogue in the future.
2. To carry on in India or elsewhere, the business to produce, promote, manage, project, procure, acquire rights, develop digital and other tools, create, curate, edit, aggregate, digital content (including photo, audio and video content) and/or to participate in, manufacture, process, aggregate, accumulate, syndicate, prepare, alter, develop, edit, exhibit, broadcast, transmit, make, remake, display, print, reprint, convert, duplicate, finish, buy, sell, promote, run, impart, export, act as broker, agent, distributor, proprietor, organizers, promoter, sponsors, copyright owner, audio & video right owner, media partners / advisors or deal in any manner, in all kinds of audio, video, photo or digital content, live and recorded sports, entertainment events, music, news & current affairs events, summits, pageants, concerts, shows, exhibitions, premiers, in all languages in India or elsewhere.
3. To carry on by itself, or through franchisees or licensees, classified advertisement business including but not limited to jobs, education, property, automobile, matrimonial, travel, sale or purchase of merchandise and/or providing services in relation thereto, through internet or any other digital medium; to provide web-based services, including but not limited to gaming, blogging, audio-video streaming etc. by designing, creating, hosting, servicing web-sites or any other platform, establishing, providing, operating and managing, e-commerce, direct-to-home, m-commerce platforms, for sale of all categories of products and / or services; to create, develop and market



any technology for facilitation of mobile or electronic or internet based payments or any other technology based payments for transactions, whether currently in vogue or which may be in vogue in the future.

4. To carry on any business relating to Internet or e-mail, networking and communication environments, including but not limited to search engines, jobs, education, property, automobile, classifieds, matrimonial, travel, sale/purchase of merchandise and/or providing services etc. through internet/on-line medium and/or to provide various web-based services, including but not limited to gaming, blogging, audio/video streaming etc. by designing, creating, hosting, servicing etc. appropriate web-sites, merchandising the web-sites or any other internet based media, to be the licensee of different web-sites, to manage, operate and maintain web-sites of different types (content, technical or otherwise) web related products or internet related activities and to execute e-commerce, e-logic, e-solutions, business of internet service, electronic mail service, facsimile service, content marketing efficiency model, content and event aggregation for online medium and/or mobile applications, providing or engaging in business of m-commerce solutions, providing content for value added services in mobile telephones and/or other communication systems and to carry on any internet, web-based or any other prevalent or future technology based business.
5. To carry on the business to act as advisors, consultants, guides, executives, agents, liaison representatives or in any other manner, for marketing promotion and/or brand promotion, including business-to-business solutions of any product, person, entity, advertisement and public relations agency, government and non-governmental organization, through all communication mediums, including but not limited to newspaper, magazine, pamphlet, publications, television, events, conferences, radio, mobile, internet, satellite in India or abroad or any other kind of media currently in vogue or which may be in vogue in the future.

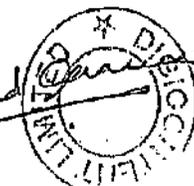
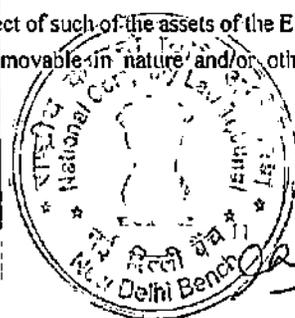
## PART B

### TRANSFER AND VESTING OF ENTERTAINMENT & DIGITAL INNOVATION BUSINESS OF HTML TO AND WITH THE RESULTING COMPANY

#### 5. TRANSFER AND VESTING OF ENTERTAINMENT & DIGITAL INNOVATION BUSINESS FROM DEMERGED COMPANY TO RESULTING COMPANY

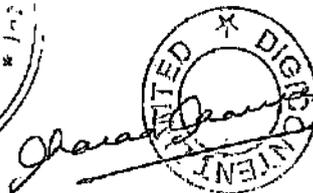
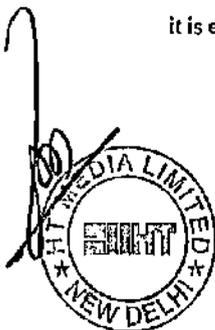
5.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the "Entertainment & Digital Innovation Business" (including all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances of the "Entertainment & Digital Innovation Business") shall, without any further act, instrument, deed, matter or thing, be demerged from HTML and stand transferred to and vested in the Resulting Company or be deemed to have been demerged from HTML, and transferred to and vested in the Resulting Company as a going concern, so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interests and authorities of the Resulting Company, pursuant to Section 232 of the Act.

5.2. In respect of such of the assets of the Entertainment & Digital Innovation Business as are movable in nature and/or otherwise capable of transfer by manual or



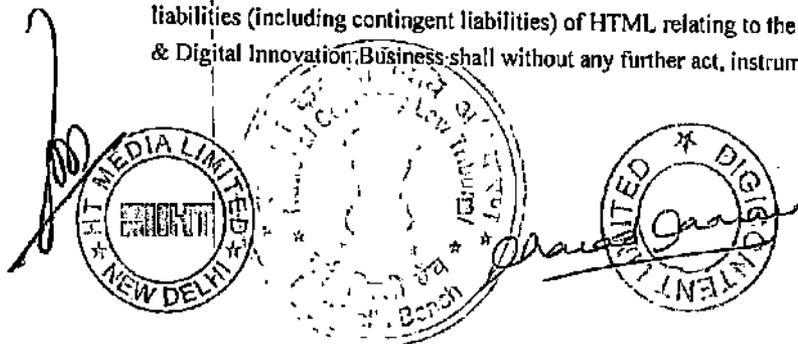
constructive delivery of possession and/or by endorsement and delivery, the same shall be so transferred by HTML to the Resulting Company upon the coming into effect of this Scheme pursuant to the provisions of Section 232 of the Act, without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Resulting Company as an integral part of the Entertainment & Digital Innovation Business.

- 5.3. In respect of the movable assets other than those dealt with in clause 5.2 above, including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with the Government, semi-Government, local and any other authorities and bodies and/or customers, if any, whether recoverable in cash or in kind or for value to be received, bank balances, etc. the same shall stand transferred to and vested in the Resulting Company without any notice or other intimation to any person in pursuance of the provisions of Sections 230 to 232 read with Section 66 and other relevant provisions of the Act, to the end and intent that the right of HTML to recover or realize the same stands transferred to the Resulting Company. The Resulting Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Resulting Company and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.
- 5.4. In respect of such of the assets belonging to the Entertainment & Digital Innovation Business other than those referred to in clause 5.2 and 5.3 above, the same shall, as more particularly provided in clause 5.1 above, without any further act, instrument or deed, be demerged from HTML and transferred to and vested in and/or be deemed to be demerged from HTML and transferred to and vested in the Resulting Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230-232 of the Act.
- 5.5. All assets, rights, title, interests and investments of HTML in relation to the Entertainment & Digital Innovation Business shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
- 5.6. Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme, all the rights, title, interest and claims of HTML in any leasehold/leave and licence/right of way properties of HTML in relation to the Entertainment & Digital Innovation Business, shall, pursuant to Section 232 of the Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to or vested in the Resulting Company automatically and on the same terms and conditions.
- 5.7. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits,



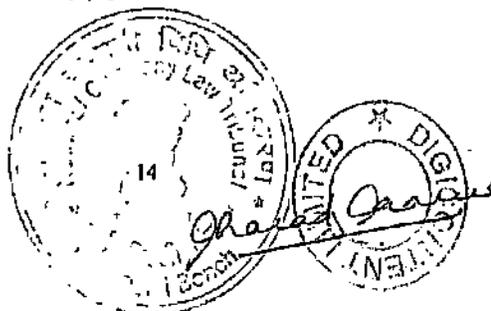
licenses, permissions, right of way, approvals, clearances, consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of HTML, and the rights and benefits under the same, in so far as they relate to the Entertainment & Digital Innovation Business and all quality certifications and approvals, trademarks, trade names, service marks, copy rights, domain names, web-sites, designs, trade secrets, research and studies, technical knowhow and other intellectual properties (whether owned, licensed or otherwise, and whether registered or unregistered) and all other interests relating to the goods or services being dealt with by the Entertainment & Digital Innovation Business and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents acquired by HTML, in relation to the Entertainment & Digital Innovation Business shall be transferred to and vested in the Resulting Company and the concerned licensors and granters of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with law, the Resulting Company on such approvals, clearances, permissions so as to empower and facilitate the approval and vesting of the Entertainment & Digital Innovation Business of HTML in the Resulting Company and continuation of operations pertaining to the Entertainment & Digital Innovation Business of HTML in the Resulting Company without hindrance and that such approvals, clearances and permissions shall remain in full force and effect in favour of or against the Resulting Company, as the case may be, and may be enforced as fully and effectually as if, instead of HTML, the Resulting Company had been a party or beneficiary or obligee thereto.

- 5.8. In so far as various incentives, subsidies, exemptions, special status, indirect tax benefits or credits, income tax holiday/benefit/losses and other benefits or exemptions or privileges enjoyed, granted by any Government body, regulatory authority, local authority or by any other person, or availed of by HTML are concerned, the same shall, without any further act or deed, in so far as they relate to the Entertainment & Digital Innovation Business, vest with and be available to the Resulting Company on the same terms and conditions, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Resulting Company.
- 5.9. Any claims due to HTML from its customers or otherwise and which have not been received by HTML as on the date immediately preceding the Effective Date as the case may be, in relation to or in connection with the Entertainment & Digital Innovation Business, shall also belong to and be received by the Resulting Company.
- 5.10. All assets, estate, rights, title, interest and authorities acquired by HTML after the Appointed Date and prior to the Effective Date for operation of the Entertainment & Digital Innovation Business shall also stand transferred to and vested in the Resulting Company upon the coming into effect of this Scheme.
- 5.11. Upon the coming into effect of this Scheme, all debts, duties, obligations and liabilities (including contingent liabilities) of HTML relating to the Entertainment & Digital Innovation Business shall without any further act, instrument or deed be

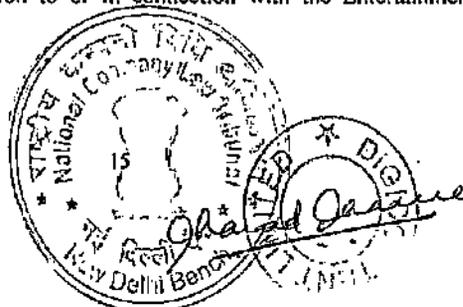


and stand transferred to the Resulting Company and shall thereupon become the debts, duties, obligations and liabilities of the Resulting Company, which it undertakes to meet, discharge and satisfy to the exclusion of HTML and to keep HTML indemnified at all times from and against all such debts, duties, obligations and liabilities (including contingent liabilities) and from and against all actions, demands and proceedings in respect thereto. It shall not be necessary to obtain the consent of any third party or other person, who is a party to an act or arrangement by virtue of which such debts, obligations, duties and liabilities, have arisen in order to give effect to the provisions of this clause.

- 5.12. In so far as loans and borrowings of HTML are concerned, the loans and borrowings and such amounts pertaining to the general and multipurpose loans and borrowings, and liabilities, if any which are to be transferred to the Resulting Company in terms of clause 5.11 above, being a part of the Entertainment & Digital Innovation Business, shall, without any further act or deed, become loans and borrowings of the Resulting Company, and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against the Resulting Company, as if it had entered into such loans and incurred such borrowings. However, without prejudice to such transfer of proportionate liability amount, if any, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, the Resulting Company may discharge such liability (including accretions) by making payments on the respective due dates to HTML, which in turn shall make payments to, the respective creditors.
- 5.13. Subject to clause 5.12 above, from the Effective Date, the Resulting Company alone shall be liable to perform all obligations in respect of the liabilities of the Entertainment & Digital Innovation Business as the borrower/issuer thereof, and HTML shall not have any obligations in respect of the said liabilities.
- 5.14. Where any of the liabilities and obligations of HTML as on the Appointed Date deemed to be transferred to the Resulting Company, have been discharged by HTML after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been made for and on account of the Resulting Company and all liabilities and obligations incurred by HTML for the operations of the Entertainment & Digital Innovation Business after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company and to the extent of their outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company, which shall meet, discharge and satisfy the same.
- 5.15. Any claims, liabilities or demands arising on account of the Entertainment & Digital Innovation Business of HTML which relates to the period prior to the Appointed Date but arises at any time after the Effective Date shall be entirely borne by the Resulting Company. In the event that such liability is incurred by or such claim or demand is made upon HTML, then the Resulting Company shall indemnify HTML for any payments made in relation to the same.



- 5.16. Subject to the other provisions of this Scheme, in so far as the assets of the Entertainment & Digital Innovation Business are concerned, the security, pledge, existing charges and mortgages, over such assets, to the extent they relate to any loans or borrowings of the Remaining Business of HTML shall, without any further act, instrument or deed be released and discharged from the same and shall no longer be available as security, pledge, charges and mortgages in relation to those liabilities of HTML which are not transferred to the Resulting Company.
- 5.17. In so far as the assets of the Remaining Business of HTML are concerned, the security, pledge, existing charges and mortgages over such assets, to the extent they relate to any loans or borrowings of the Entertainment & Digital Innovation Business shall, without any further act, instrument or deed be released and discharged from such security, pledge, charges and mortgages. The absence of any formal amendment which may be required by a bank and/or financial institution in order to affect such release shall not affect the operation of this clause.
- 5.18. In so far as the existing security in respect of the loans and other liabilities relating to the Remaining Business of HTML are concerned, such security shall, without any further act, instrument or deed be continued with HTML only, on the assets which are remaining with HTML.
- 5.19. Without any prejudice to the provisions of the foregoing clauses and upon the Scheme being effective, HTML, and the Resulting Company shall execute any instrument(s) and/or document(s) and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies, NCT of Delhi and Haryana, to give formal effect to the provisions of this clause and foregoing clauses, if required.
- 5.20. Upon the coming into effect of this Scheme, HTML alone shall be liable to perform all obligations in respect of all debts, liabilities, duties and obligations pertaining to the Remaining Business of HTML and the Resulting Company shall not have any obligations in respect of the Remaining Business of HTML.
- 5.21. The foregoing provisions shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security documents, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.
- 5.22. On and from the Effective Date, and thereafter, the Resulting Company shall be entitled to operate the bank accounts of HTML, in relation to or in connection with the Entertainment & Digital Innovation Business, and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes, in relation to or in connection with the Entertainment & Digital Innovation Business, in the name of the Resulting Company in so far as may be necessary until the transfer of rights and obligations of the Entertainment & Digital Innovation Business to the Resulting Company under this Scheme have been formally given effect to under such contracts and transactions. From the Appointed Date and prior to the Effective Date, any money collected or realized by HTML in relation to or in connection with the Entertainment & Digital

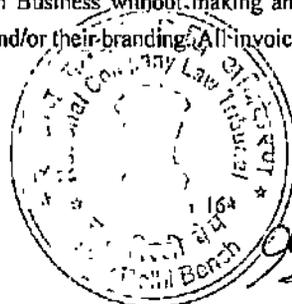
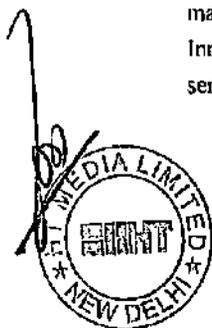


Innovation Business shall be deemed to have been for and on account of the Resulting Company.

5.23. As on the Appointed Date, certain portions of the working capital facilities of HTML are being utilized for the activities or operation of the Entertainment & Digital Innovation Business. It is being clarified that pursuant to the Scheme becoming effective and as part of the transfer and vesting of the Entertainment & Digital Innovation Business with the Resulting Company and subject to the approval of relevant lenders, such working capital facilities, as may be identified by the Board of Directors of HTML, shall stand transferred to the Resulting Company. In the event such facilities are not transferred as on the Effective Date, HTML and the Resulting Company may, subject to applicable laws and if required, enter into inter-company loan arrangement to that extent from HTML to the Resulting Company till the time the Resulting Company establishes its own line of credit.

5.24. For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of bank accounts of HTML, in relation to or in connection with the Entertainment & Digital Innovation Business, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to operate the bank accounts of HTML, in relation to or in connection with the Entertainment & Digital Innovation Business, in the name of HTML in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment, which are in the name of HTML in relation to or in connection with the Entertainment & Digital Innovation Business, after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company. The Resulting Company shall be allowed to maintain bank accounts in the name of HTML for such time as may be determined to be necessary by the Resulting Company for presentation and deposition of cheques and pay orders that have been issued in the name of HTML, in relation to or in connection with the Entertainment & Digital Innovation Business. To the extent such collection is made in the name of HTML it shall also without any further act or deed be and stand transferred to the Resulting Company. It is hereby expressly clarified that any legal proceedings by or against HTML, in relation to or in connection with the Entertainment & Digital Innovation Business, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment, which are in the name of HTML shall be instituted, or as the case may be, continued by or against the Resulting Company after the coming into effect of this Scheme.

5.25. It is clarified that in order to ensure the smooth transition of business in relation to or in connection with the Entertainment & Digital Innovation Business, the Resulting Company shall have the right to use, market, sell, exhaust or to in any manner deal with any items or service pertaining to the Entertainment & Digital Innovation Business without making any modifications whatsoever to items or services and/or their branding. All invoices/payment related documents pertaining



to such items shall be raised in the name of the Resulting Company after the Effective Date.

- 5.26. It is hereby clarified that all assets and liabilities of the Entertainment & Digital Innovation Business, which are set forth in the closing balance sheet of HTML as on the Appointed Date, shall be transferred at values appearing in the books of account of HTML as on the Appointed Date.
- 5.27. Upon this Scheme coming into effect, HTML and the Resulting Company may enter into shared services agreements, inter-alia, in relation to use by the Resulting Company of office space, infrastructure facilities, club membership facilities, information technology services, security personnel, legal, administrative and other services, etc. of HTML on such terms and conditions that may be agreed between the parties and on payment of consideration on an arm's length basis.
- 5.28. Notwithstanding anything contained herein, it is hereby clarified that no separate corporate approvals, inter-alia, under the Act or any other applicable law or regulation or contract, shall be required to be taken for undertaking any of the actions/transactions pertaining to the Entertainment & Digital Innovation Business or the services provided by HTML under clause 5.27 above from the Appointed Date and until the Effective Date and all such actions/transactions shall be deemed to be in compliance with the Act or other laws, regulations, contracts as applicable, by virtue of approval of the Scheme.

## 6. LEGAL PROCEEDINGS

- 6.1. Upon the coming into effect of this Scheme, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against HTML, under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future and in each relating to the Entertainment & Digital Innovation Business shall be continued and enforced by or against the Resulting Company after the Effective Date. In the event that the legal proceedings referred to herein require HTML and the Resulting Company to be jointly treated as parties thereto, the Resulting Company shall be added as a party to such proceedings and shall prosecute and defend such proceedings in co-operation with HTML. In the event of any difference or difficulty in determining as to whether any specific legal or other proceedings relate to the Entertainment & Digital Innovation Business or not, a decision jointly taken by the Board of Directors of HTML and the Resulting Company in this regard, shall be conclusive evidence of the matter.
- 6.2. If proceedings are taken against HTML in respect of the matters referred to in clause 6.1 above, it shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company, and the latter shall reimburse and indemnify HTML against all the liabilities and obligations incurred by HTML in respect thereof.
- 6.3. The Resulting Company shall have all legal or other proceedings initiated by or against HTML with respect to the Entertainment & Digital Innovation Business,



transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of HTML.

7. CONTRACTS, DEEDS, ETC.

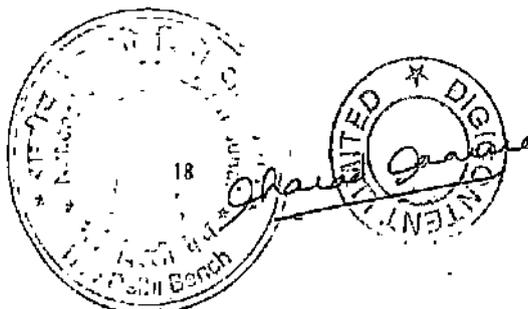
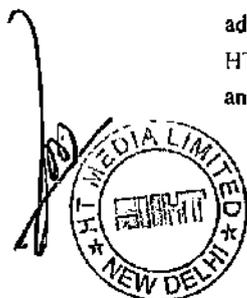
7.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Entertainment & Digital Innovation Business to which HTML is a party or to the benefit of which HTML may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect by or against or in favour of the Resulting Company, as the case may be, and may be enforced as fully and effectually as if, instead of HTML, the Resulting Company had been a party or beneficiary or obligee thereto.

7.2. Notwithstanding the fact that vesting of the Entertainment & Digital Innovation Business occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings with any party to a contract or arrangement to which HTML is a party in order to give formal effect to the above provisions. The Resulting Company will, if necessary, also be a party to the above. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings and carry out or perform, all such formalities or compliances referred to above on behalf of HTML.

7.3. Without prejudice to the aforesaid, it is clarified that if any assets (estate, claims, rights, title, interests in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Entertainment & Digital Innovation Business which HTML owns or to which HTML is a party to, cannot be transferred to the Resulting Company for any reason whatsoever, HTML shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature, in trust for the benefit of the Resulting Company, in so far as it is permissible so to do, till such time as the transfer is effected.

8. SAVING OF CONCLUDED TRANSACTIONS

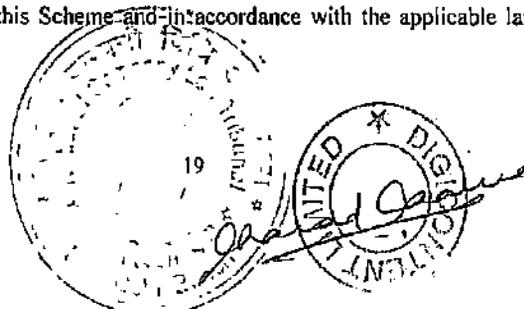
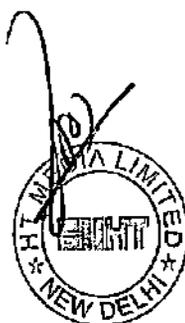
8.1. The transfer and the vesting of the assets, liabilities and obligations of the Entertainment & Digital Innovation Business under clause 5 hereof and the continuance of proceedings by or against the Resulting Company under clause 6 hereof shall not affect any transaction or proceedings already completed by HTML on or after the Appointed Date, to the end and intent that the Resulting Company adopts, accepts all acts, deeds and things done and executed by and/or on behalf of HTML in relation to Entertainment & Digital Innovation Business as acts, deeds and things made, done and executed by and on behalf of the Resulting Company.



9. STAFF, EMPLOYEES & WORKMEN

73

- 9.1. Upon the coming into effect of this Scheme, all the employees relating to the Entertainment & Digital Innovation Business that were employed by HTML, immediately before the Effective Date, shall become the employees of the Resulting Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Entertainment & Digital Innovation Business of HTML immediately prior to the demerger of the Entertainment & Digital Innovation Business.
- 9.2. The Resulting Company agrees that the length of service of the employees pertaining to the Entertainment & Digital Innovation Business with HTML up to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in HTML up to the Effective Date. The Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with HTML, shall also be taken into account and agrees and undertakes to pay the same as and when payable.
- 9.3. Upon the coming into effect of this Scheme, the Resulting Company shall make all the necessary contributions for such transferred employees relating to the Entertainment & Digital Innovation Business, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. The Resulting Company will also file relevant intimations in respect of the Entertainment & Digital Innovation Business to the statutory authorities concerned who shall take the same on record and substitute the name of the Resulting Company for HTML.
- 9.4. In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by HTML for employees of the Entertainment & Digital Innovation Business are concerned, such proportion of the funds, contributions to the funds or the scheme or the investments made into the funds relatable to the employees pertaining to the Entertainment & Digital Innovation Business as on the Effective Date, who are being transferred along with the Entertainment & Digital Innovation Business in terms of the Scheme, upon the coming into effect of this Scheme, shall be transferred to the necessary funds, schemes or trusts of the Resulting Company and till the time such necessary funds, schemes or trusts are created by the Resulting Company, all contribution shall continue to be made to the existing funds, schemes or trusts of HTML.
- 9.5. In respect of the stock options granted by HTML under the ESOP Plans, it is hereby clarified that upon the coming into effect of this Scheme, the options as of the Effective Date would continue on the existing terms and conditions except for such modifications / adjustments as may be deemed appropriate by the Board of HTML in view of this Scheme and in accordance with the applicable laws. Any such



modifications/ adjustments shall not require any further approval of the shareholders of HTML and/or holders of options in the said behalf.

10. CONDUCT OF BUSINESS

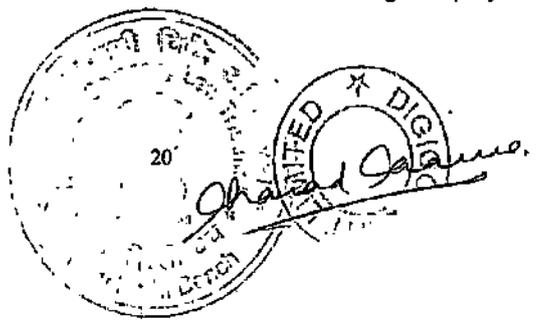
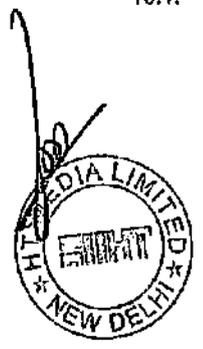
10.1. With effect from the Appointed Date and up to and including the Effective Date:

- a) HTML undertakes to carry on and shall be deemed to carry on all businesses and activities and stand possessed of the properties and assets of the Entertainment & Digital Innovation Business, for and on account of and in trust for the Resulting Company.
- b) All profits accruing to HTML and all taxes thereon or losses arising or incurred by it with respect to the Entertainment & Digital Innovation Business shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Resulting Company.
- c) All accretions and depletions in relation to the Entertainment & Digital Innovation Business shall be for and on account of the Resulting Company.

10.2. With effect from the date of approval to the Scheme by the Board of Directors of HTML and the Resulting Company, and upto and including the Effective Date, HTML shall carry on the business of the Entertainment & Digital Innovation Business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto. Notwithstanding anything contained herein, it is hereby clarified that no separate corporate approvals, inter-alia, under the Act or any other applicable law or regulation or contract, shall be required to be taken for undertaking any of the actions/transactions pertaining to the Entertainment & Digital Innovation Business or services provided by HTML under Clause 5.27 from the Appointed Date and until the Effective Date and all such actions/transactions shall be deemed to be in compliance with the Act or other laws, regulations, contracts as applicable, by virtue of approval of the Scheme.

10.3. From the date of filing of this Scheme with the Tribunal and upto and including the Effective Date, HTML and the Resulting Company shall, unless expressly prohibited under this Scheme, carry on their respective business in ordinary course and shall also be *inter alia* permitted to make a payment or distribution of dividend in any manner, alter its share capital in any manner including any subdivision of shares, change in the constitutional documents including the objects or name of the company, any issue of shares or other securities, acquisition and/ or restructuring with the approval of their respective Board any other activity or business as may be deemed necessary or expedient in the opinion of the Board.

10.4. 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

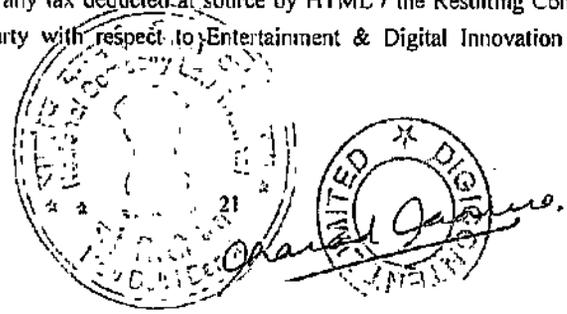


including the registration, approvals, exemptions, reliefs, etc., as may be required/ granted under any law for time being in force for carrying on business of Entertainment & Digital Innovation Business.

11. TREATMENT OF TAX

- 11.1. The Resulting Company will be the successor of HTML vis-à-vis the Entertainment & Digital Innovation Business. Hence, it will be deemed that the benefits of any tax credits whether central, state, or local, availed vis-a-vis the Entertainment & Digital Innovation Business and the obligations, if any, for payment of taxes on any assets of the Entertainment & Digital Innovation Business or their erection and/or installation, etc. shall be deemed to have been availed by the Resulting Company, or as the case may be deemed to be the obligation of the Resulting Company.
- 11.2. With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess, receivables/ payables by HTML relating to the Entertainment & Digital Innovation Business including all or any refunds/ credits/ claims/ tax losses/ unabsorbed depreciation relating thereto shall be treated as the assets/ liability or refund/ credit/ claims/ tax losses/ unabsorbed depreciation, as the case may be, of the Resulting Company.
- 11.3. HTML and the Resulting Company are expressly permitted to revise their tax returns including tax deducted at source ("TDS") certificates/ returns and to claim refund, advance tax, credits, excise and service tax credits, set off etc. on the basis of the accounts of the Entertainment & Digital Innovation Business as vested with the Resulting Company upon coming into effect of this Scheme. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired.
- 11.4. Any refund, under the Income tax Act, 1961, Goods & Service Tax, Service Tax laws, Excise Duty laws, Central Sales Tax, applicable State Value Added Tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies due to Entertainment & Digital Innovation Business of HTML consequent to the assessment made on HTML and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company upon this Scheme becoming effective.
- 11.5. The tax payments (including, without limitation income tax, Goods & Service Tax, Service Tax, Excise Duty, Central Sales Tax, applicable State Value Added Tax, etc.) whether by way of tax deducted at source, advance tax, all earnest monies, security deposits provisional payments, payment under protest, or otherwise howsoever, by HTML with respect to the Entertainment & Digital Innovation Business after the Appointed Date, shall be deemed to be paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.

11.6. Further, any tax deducted at source by HTML / the Resulting Company or any other party with respect to Entertainment & Digital Innovation Business on



transactions with HTML/ the Resulting Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.

- 11.7. Obligation for deduction of tax at source on any payment made by or to be made by HTML shall be made or deemed to have been made and duly complied with by the Resulting Company.
- 11.8. Upon the Scheme becoming effective, all unavailed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax, Goods and Service Tax, Cenvat, Customs, VAT, Sales Tax, Service Tax etc. relating to the Entertainment & Digital Innovation Business to which HTML is entitled to shall be available to and vest in the Resulting Company, without any further act or deed.
- 11.9. The Board of Directors of HTML shall be empowered to determine if any specific tax liability or any tax proceeding relates to the Entertainment & Digital Innovation Business and whether the same would be transferred to the Resulting Company.

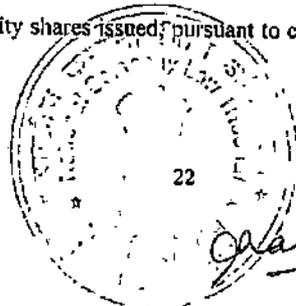
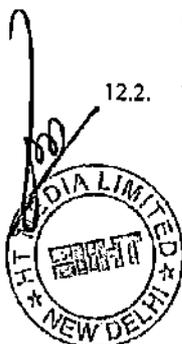
12. CONSIDERATION

- 12.1. Upon the coming into effect of this Scheme and in consideration of the transfer and vesting of the Entertainment & Digital Innovation Business of HTML in the Resulting Company, the Resulting Company shall, without any further act or deed, issue and allot to the equity shareholders of HTML, whose names appear in the Register of Members of HTML, on a date (hereinafter referred to as "Record Date") to be fixed in that behalf by the Board of Directors of HTML in consultation with the Resulting Company for the purpose of reckoning the names of the equity shareholders of HTML in the following proportion namely,:

"for every 4 (four) equity share of face value of Rs.2/- (Rupees two only) each held in HTML as on the record date, the equity shareholders of HTML shall be issued 1 (one) equity share of face value Rs. 2/- (Rupees two only) each credited as fully paid-up in the Resulting Company."

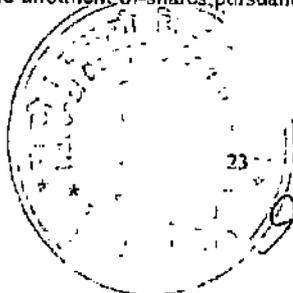
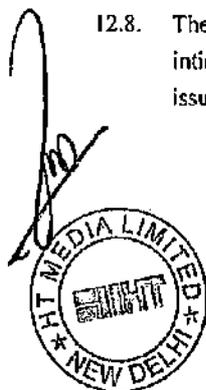
In issue and allotment of such shares of the Resulting Company to the equity shareholders of HTML, as aforesaid, the fractional entitlements shall not be taken into account, but such shares representing fractional entitlements shall be consolidated and thereupon, the Resulting Company will issue and allot shares in lieu thereof to a Director or Company Secretary or Key Managerial Personnel of the Resulting Company or such other person as the Board of Directors of the Resulting Company shall appoint in this behalf upon trust, who will sell them on the date of listing of the Resulting Company or within such period of listing of the Resulting Company as may be decided by the Board of Directors of the Resulting Company, and distribute their sale proceeds (less expenses, if any) to the shareholders of HTML, who are entitled to such fractional shares of the Resulting Company.

- 12.2. The new equity shares issued pursuant to clause 12.1 above, shall be issued and



allotted in a dematerialized form to those equity shareholders who hold equity shares in HTML in dematerialized form, into the account with the depository participant in which the equity shares of HTML are held on the Record Date. All those equity shareholders of HTML who hold equity shares of HTML in physical form shall also have the option to receive the new equity shares, in dematerialized form, provided the details of their account with the depository participant are intimated in writing to the Resulting Company before the Record Date. In the event that the Resulting Company has received notice from any equity shareholder of HTML that equity shares are to be issued in physical form or if any equity 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 equity shareholder do not permit electronic credit of the shares of the Resulting Company, then the Resulting Company shall issue new equity shares of the Resulting Company in accordance with clause 12.1 above, as the case may be, in physical form to such equity shareholder.

- 12.3. The new equity shares of the Resulting Company to be issued to the shareholders of HTML in terms of clause 12.1 above, shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank, pari-passu, in all respects with the then existing equity shares the Resulting Company, if any in all respects including dividends.
- 12.4. Where the new equity shares of the Resulting Company are to be allotted, pursuant to clause 12.1 above, to heirs, executors or administrators or, as the case may be, to successors of deceased equity shareholders of HTML, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of Directors of the Resulting Company.
- 12.5. The new equity shares to be issued by the Resulting Company, pursuant to clause 12.1 above, in respect of any equity shares of HTML, which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance by the Resulting Company.
- 12.6. The approval of this Scheme by the shareholders of the Resulting Company shall be deemed to be due compliance of the provisions of section 62 of the Act and other applicable provisions of the Act, for the issue and allotment of new equity shares by the Resulting Company to the shareholders of HTML, as provided in this Scheme.
- 12.7. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of HTML, the Board of Directors of HTML shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in HTML as if such changes in the registered holder were operative as on the Record Date and to remove any difficulties arising thereto.
- 12.8. The Resulting Company shall, if and to the extent required to, apply for and/or intimate and/or obtain any approvals from the concerned regulatory authorities for issue and allotment of shares pursuant to the Scheme including the provisions of



78

Foreign Exchange Management Act, 1999, if any, for issue and allotment of new equity shares to the non-resident equity shareholders of HTML, if any.

- 12.9. The new equity shares to be issued by the Resulting Company, in terms of clause 12.1 above, will be listed and/or admitted to trading on the BSE and NSE, where the equity shares of HTML are listed and/or admitted to trading in terms of the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable regulations. The Resulting Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the aforesaid stock exchanges. On such formalities being fulfilled, the said stock exchanges shall list and /or admit such new equity shares also for the purpose of trading. The new equity shares allotted by the Resulting Company, pursuant to clause 12.1 above, shall remain frozen in the depositories system till the listing/trading permission is given by the BSE and NSE. Between the date of allotment of the equity shares of the Resulting Company to the shareholders of HTML and the date of listing of the equity shares of the Resulting Company with the stock exchanges, except as provided for in Clause 14.1 of this Scheme in relation to the reduction of the existing share capital of the Resulting Company, there shall be no change in the shareholding pattern or control of the Resulting Company.

### 13. ACCOUNTING TREATMENT

#### Accounting treatment in the books of HTML

On effectiveness of the Scheme and with effect from the Appointed Date, HTML shall account for Demerger of the Entertainment & Digital Innovation Business in its books of account in accordance with the Indian Accounting Standard (IND AS) prescribed under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, as under:

- 13.1. All the assets and the liabilities of the Entertainment & Digital Innovation business being transferred shall be reduced at their Book Value as on the Appointed date. (other than inter-company loan, if any, referred to in Clause 5.23 of the Scheme)
- 13.2. The difference between the book value of assets and book value of liabilities of the Entertainment & Digital Innovation business as on the Appointed date shall be adjusted against the Capital Reserve, to the extent required.
- 13.3. If considered appropriate for compliance with Accounting Standards, HTML may make suitable adjustment to the accounting treatment and adjust the effect thereof in the manner determined by the Board of Directors of HTML.
- 13.4. Upon the Scheme being effective, the existing equity shareholding of HTML in the Resulting Company shall stand cancelled. Upon cancellation, HTML shall credit to its investment in the Resulting Company, the value of investment held by HTML in the Resulting Company, which stands cancelled and the same shall be



debited to the Profit & Loss Account of HTML.

79

#### Accounting treatment in the books of the Resulting Company

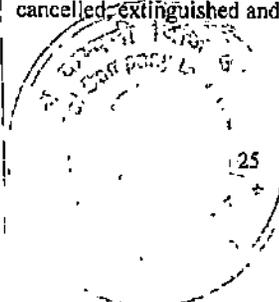
On effectiveness of the Scheme and with effect from the Appointed Date, since the transaction involves entities which are ultimately controlled by the same party before and after the transaction, the Resulting Company shall account for Demerger of the Entertainment & Digital Innovation Business in its books of account in accordance with Appendix C 'Business combinations of entities under common control' of the Indian Accounting Standard (Ind AS) 103 for Business Combination prescribed under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, as under:

- 13.5. The Resulting Company shall, record the assets and liabilities of the Entertainment & Digital Innovation business vested in it pursuant to this Scheme at the respective carrying amounts appearing in the books of HTML.
- 13.6. The Resulting Company shall credit its share capital account with the aggregate face value of the new equity shares issued by it to the equity shareholders of HTML pursuant to Clause 12.1 of this Scheme.
- 13.7. The difference between the carrying amount of the assets and liabilities as recorded under Clause 13.5 above and the share capital account credited with aggregate face value of the new equity shares as recorded under Clause 13.6 above, shall be recorded as Capital Reserve.
- 13.8. If considered appropriate for the purpose of application of uniform accounting policies and method or for compliance with the applicable Accounting Standards, the Resulting Company may make suitable adjustment and adjust the effect thereof in the manner determined by the Board of Directors of the Resulting Company.
- 13.9. Upon the Scheme being effective, the existing shareholding of HTML in the Resulting Company shall stand cancelled. Upon cancellation, the Resulting Company shall debit to its Equity Share Capital Account, the aggregate face value of existing equity shares held by HTML in the Resulting Company, which stands cancelled and the same shall be credited to the Capital Reserves of the Resulting Company.

#### 14. REDUCTION OF SHARE CAPITAL OF THE RESULTING COMPANY AND REDUCTION OF CAPITAL RESERVE IN HTML

##### 14.1. Reduction of share capital of the Resulting Company

- a) Simultaneously, with the issue and allotment of the new equity shares by the Resulting Company to the equity shareholders of HTML in accordance with clause 12.1 of the Scheme, in the books of the Resulting Company, any equity shares held by HTML in the Resulting Company shall stand cancelled, extinguished and annulled on and from the Effective Date.



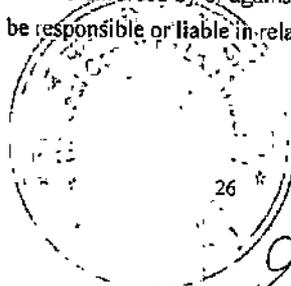
- b) The cancellation, as mentioned under clause 14.1(a) above, which amounts to reduction of share capital of the Resulting Company, shall be effected as an integral part of this Scheme itself in accordance with the provisions of section 66 of the Act and the order of the Tribunal sanctioning the Scheme shall be deemed to be also the order under Section 66 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 or payment of paid-up share capital.
- c) Notwithstanding the reduction as mentioned above, the Resulting Company shall not be required to add "and reduced" as suffix to its name and the Resulting Company shall continue in its existing name.

#### 14.2. Reduction of capital reserve of HTML

- a) The reduction under clause 13.2 in the Capital Reserve account of HTML shall be effected as an integral part of the Scheme in accordance with the provisions of Sections 66 of the Act and the order of the Tribunal, as the case may be, as applicable sanctioning the Scheme shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction. The approval granted by the shareholders of HTML to the Scheme shall be deemed to be the approval for the purpose of Section 66 and other relevant provisions of the Act. HTML and the Resulting Company shall not be obliged or required to call for a separate meeting of its shareholders/ creditors for obtaining their approval for sanctioning the reduction in capital reserves. The reduction does not involve either a diminution of liability in respect of unpaid share capital or payment of paid up share capital under the provisions of Section 66 of the Act.
- b) Notwithstanding the reduction as mentioned above, HTML shall not be required to add "and reduced" as suffix to its name and HTML shall continue in its existing name.

#### 15. REMAINING BUSINESS TO CONTINUE WITH HTML

- 15.1. The Remaining Business, and all the assets, liabilities and obligations pertaining thereto, shall continue to belong to, and be vested in and be managed by HTML, subject to the provisions of the Scheme as may be applicable.
- 15.2. All legal or other proceedings by or against HTML under any statute, whether pending on the Appointed Date or which may be instituted in future whether or not in respect of any matter arising before the Effective Date, and relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of HTML in respect of the Remaining Business) shall be continued and enforced by or against HTML. The Resulting Company shall, in no event, be responsible or liable in relation to any such legal or other proceedings



by or against HTML.

- 15.3. With effect from the Appointed Date and up to and including the Effective Date:
  - a. HTML shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;
  - b. all profits and income accruing or arising to HTML, and any cost, charges, losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) relating to the Remaining Business shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of HTML; and
  - c. all employees relatable to the Remaining Business shall continue to be employed by HTML, and the Resulting Company shall not in any event be liable or responsible for any claims whatsoever regarding such employees.

**PART C**

**GENERAL TERMS & CONDITIONS**

**16. APPLICATION TO TRIBUNAL**

The companies shall, with all reasonable dispatch, make necessary applications/petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to the Tribunal for seeking sanction of this Scheme.

**17. MODIFICATION(S) OR AMENDMENT(S) TO THE SCHEME**

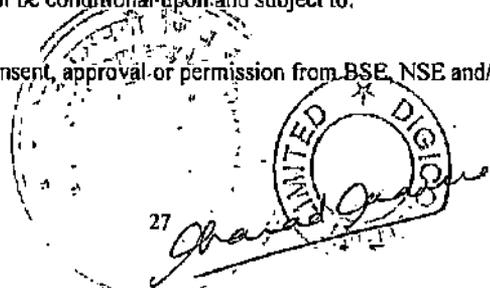
17.1. HTML and the Resulting Company, by their respective Boards of Directors, may assent to/make and/or consent to any modifications/amendments to the Scheme, or to any conditions or limitations that the Tribunal and/or any other authority (including SEBI and stock exchanges) under law may deem fit to direct or impose, or which may otherwise be considered by them necessary, desirable or appropriate as a result of subsequent events or otherwise by them.

17.2. HTML and the Resulting Company, by their respective Board, are authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or order of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

**18. CONDITIONALITY OF THE SCHEME**

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

- 18.1. The requisite consent, approval or permission from BSE, NSE and/or SEBI under



82

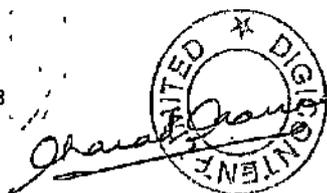
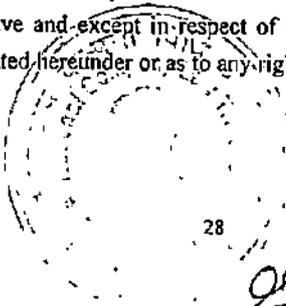
Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which by law or otherwise may be necessary for the implementation of this Scheme in compliance with the provisions of SEBI Circular;

- 18.2. The approval of the Scheme by the respective requisite majorities in number and value of the shareholders and/or creditors (where applicable) of the Companies in accordance with Section 230 to 232 read with section 66 of the Act;
- 18.3. The Scheme being sanctioned by the Tribunal in terms of Sections 230 to 232 read with section 66 and other relevant provisions of the Act and the requisite orders of the Tribunal;
- 18.4. Certified copies of the orders of the Tribunal sanctioning this Scheme being filed with the relevant Registrar of Companies by HTML and the Resulting Company as per the provisions of the Act, and
- 18.5. If any part of this Scheme is found to be unworkable or unviable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Companies affect the validity or implementation of the other parts and/or provisions of this Scheme.
- 18.6. This Scheme, although to come into operation from the Appointed Date, shall not become effective until the later of the following dates, namely:
  - a. That on which the last of the aforesaid approvals and sanctions as mentioned in Clause 18.1, 18.2 & 18.3 shall be obtained or passed; or
  - b. That on which all necessary authenticated/ certified copies of the Tribunal Order(s) being filed with the relevant Registrar of Companies by the Demerged Company and the Resulting Company respectively.

The last of such dates shall be the 'Effective Date' for the purpose of this Scheme.

#### 19. EFFECT OF NON-RECEIPT OF APPROVALS

- 19.1. In the event of any of the said sanctions and approvals referred to in Clause 18.1, 18.2, 18.3 and 18.4 not being obtained and/ or complied with and/or satisfied, this Scheme shall automatically stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder, or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto, and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.
- 19.2. In the event of revocation of the Scheme under Clause 19.1, no rights and liabilities whatsoever shall accrue to or be incurred inter se to HTML & the Resulting Company or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen



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or accrued pursuant thereto and which shall be governed and be preserved as worked out as is specifically provided in the Scheme or in accordance with the applicable laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.

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 Date of Delivery of Copy.....27/03/19  
 DD/DR/AR/Coast Officer  
 Raju 27/3/2019

19.3. The Board of Directors of HTML and the Resulting Company shall be entitled to withdraw this Scheme prior to the Effective Date.

**20. CHANGE OF NAME, INCREASE IN AUTHORIZED SHARE CAPITAL OF THE RESULTING COMPANY AND CONSEQUENT ALTERATION OF ITS MEMORANDUM OF ASSOCIATION**  
 Company Law Tribunal Delhi

20.1. As an integral part of the Scheme and at any time prior to the Effective date, the name of the Resulting Company may be changed to such other name as may be approved by the Board of the Resulting Company and the Registrar of Companies, subject to the Resulting Company filing necessary forms and applications with the Registrar of Companies in the said behalf. Approval of the shareholders of the Resulting Company and HTML to the Scheme shall be considered as the approval required under the provisions of Act for such change of name.

20.2. In order to give effect to this Scheme, the authorized share capital of the Resulting Company shall be increased from Rs 1,00,000 (Rupees One Lakh) to Rs.12,00,00,000 (Rupees Twelve Crores).

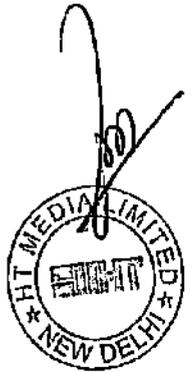
By virtue of Clause 20.2 read with Clause 3.2, , Clause (V) of the memorandum of association of the Resulting Company shall, without any further act or deed, be amended accordingly to read as under:

*"V. The Authorized Share Capital of the Company is Rs 12,00,00,000 (Rupees Twelve Crore only) divided into 6,00,00,000 (Six Crore) Equity Shares of Rs. 2/- (Rupees Two only) each."*

20.3. It is clarified that for the purposes of this Clause 20, the consent of the shareholders of the Resulting Company to this Scheme, shall be sufficient for the purposes of effecting the above changes, and shall be deemed to include consent under any other applicable provisions of the Act, and no further resolution(s) under any provisions of the Act, including Section 13 and Section 61 thereof, would be separately required. The Resulting Company shall discharge the applicable filing fees and stamp duty in relation to such changes.

**21. COSTS, CHARGES AND EXPENSES**

21.1. All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of HTML and the Resulting Company arising out of or incurred in connection with implementation of this Scheme and matters incidental thereto, shall be borne by HTML.



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