

COMPOSITE SCHEME OF ARRANGEMENT

AMONGST

E-EIGHTEEN.COM LIMITED

AND

ITS SHAREHOLDERS AND CREDITORS

&

TV18 BROADCAST LIMITED

AND

ITS SHAREHOLDERS AND CREDITORS

&

NETWORK18 MEDIA & INVESTMENTS LIMITED

AND

ITS SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES
ACT, 2013



(A) **THE SCHEME**

This composite scheme of arrangement under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") provides for the following and various other matters consequent and incidental thereto:

- (i) amalgamation of e-Eighteen.Com Limited ("E18"), a 91.89% subsidiary of Network18 Media & Investments Limited ("Network18") with Network18; and
- (ii) amalgamation of TV18 Broadcast Limited ("TV18"), a 51.17% subsidiary of Network18 with Network18.

(B) **DESCRIPTION OF COMPANIES**

1. **e-Eighteen.com Limited ("E18" or "Amalgamating Company 1")**, incorporated under the Companies Act, 1956 having Corporate Identity Number U99999MH2000PLC274703 and its registered office at First Floor, Empire Complex 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra, is a material subsidiary of Network18. E18 *inter alia* owns and operates the well-known platform www.moneycontrol.com website and app.
2. **TV18 Broadcast Limited ("TV18" or "Amalgamating Company 2")**, incorporated under the Companies Act, 1956 having Corporate Identity Number L74300MH2005PLC281753 and its registered office at First Floor, Empire Complex 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, Maharashtra, is a material subsidiary of Network18. TV18 is *inter alia* engaged in the media business and it broadcasts general news channels in Hindi, English and other regional languages and business news channels in Hindi, English and Gujarati and also broadcasts, through its subsidiary, Viacom18 Media Private Limited ("Viacom18") general entertainment channels in Hindi, English and other regional languages. Viacom18 also operates the well-known JioCinema platform. The equity shares of TV18 are listed on the Stock Exchanges.
3. **Network18 Media & Investments Limited ("Network18" or "Amalgamated Company")**, incorporated under the Companies Act, 1956 having Corporate Identity Number L65910MH1996PLC280969 and its registered office at First Floor, Empire Complex 414, Senapati Bapat Marg, Lower Parel Mumbai - 400 013, Maharashtra, *inter alia* houses a portfolio of digital news websites and magazines. The equity shares of Network18 are listed on the Stock Exchanges.

(C) **RATIONALE**

The Scheme will consolidate into Network18, the broadcasting and digital media business of TV18 and the moneycontrol business of E18, resulting in all the businesses being housed in one listed company, Network18, with the following benefits:

- (i) The shareholders of all the three companies, Network18, E18 and TV18, will be able to participate in the consolidated businesses of the group.



- (ii) The combination of the businesses of TV18, E18 and Network18 will result in operational synergies, cost optimization and increased revenue realisation.

The Scheme is in the interest of all the companies involved and their respective stakeholders.

(D) PARTS OF THE SCHEME

PART I deals with the definitions, share capital of the Parties and date of taking effect and implementation of this Scheme; **PART II** deals with the amalgamation of E18 with Network18; **PART III** deals with the amalgamation of TV18 with Network18; and **PART IV** deals with the ancillary provisions and general terms and conditions applicable to this Scheme.

PART –I

DEFINITIONS, SHARE CAPITAL OF THE PARTIES AND DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

1. DEFINITIONS

- 1.1 In this Scheme, unless inconsistent with the subject or context thereof (i) capitalised terms defined by inclusion in quotations and / or parenthesis shall have the meanings so ascribed; and (ii) the following expressions shall have the meanings ascribed hereunder:

“Applicable Law” or **“Law”** means any applicable national, foreign, provincial, local or other law including applicable provisions of all: (a) constitutions, decrees, treaties, statutes, enactments, laws (including the common law), bye-laws, codes, notifications, rules, regulations, policies, guidelines, circulars, clearances, approvals, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, Tribunal; (b) Permits; and (c) orders, decisions, writs, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties in each case having the force of law and that is binding or applicable to a Person as may be in force from time to time;

“Appointed Date” means opening business hours of April 1, 2023 or such other date as may be approved by the Boards of the Parties;

“Appropriate Authority” means: (a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunals, central bank, commission or other authority thereof; (b) any governmental, quasi-governmental or private body, self-regulatory organisation, or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, statutory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, Ministry of Information and Broadcasting, SEBI and the Tribunal; and (c) Stock Exchanges.



“Board” in relation to the Parties, means the board of directors of such Party, and shall include a committee of directors or any person authorized by such board of directors or such committee of directors;

“Effective Date” means the day on which all conditions precedent set forth in Clause 25 (Conditions Precedent) are fulfilled. Reference in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“effect of this Scheme”** or **“upon the Scheme becoming effective”** shall mean the Effective Date;

“Parties” means E18, TV18 and Network18, collectively and **“Party”** shall mean each of them, individually;

“Permits” means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory or regulatory as required under Applicable Law;

“Person” means an individual, a partnership, a corporation, a limited liability partnership, a company, an association, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

“RoC” means the Registrar of Companies Mumbai at Maharashtra;

“Record Date” means the date(s) to be fixed by the Board of Network18 for the purpose of determining the equity shareholders of TV18 and / or E18, to whom equity shares of Network18 will be allotted pursuant to this Scheme;

“Scheme” or **“this Scheme”** means this composite scheme of arrangement as modified from time to time;

“SEBI” means the Securities and Exchange Board of India;

“SEBI Circular” means SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, and any amendment thereof or modifications thereto;

“SEBI LODR Regulations” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and any amendment thereof;

“Stock Exchanges” means BSE Limited and National Stock Exchange of India Limited, collectively;

“Tax Laws” means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax / value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature;

“Taxation” or **“Tax”** or **“Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net



wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of tax, whether by way of deduction at source, collection at source, dividend distribution tax, buyback distribution tax, equalization levy, advance tax, self-assessment tax, regular assessment taxes, goods and services tax or otherwise or attributable directly or indirectly to any of the Parties and all penalties, surcharge, cess, charges, costs and interest relating thereto; and

“Tribunal” means the Mumbai bench of the National Company Law Tribunal.

1.2 Interpretation

In this Scheme, unless the context otherwise requires:

- 1.2.1 words denoting the singular shall include the plural and *vice versa*;
- 1.2.2 reference to any law or legislation shall include the rules and regulations thereunder;
- 1.2.3 headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information and convenience only and shall be ignored in construing the Scheme; and
- 1.2.4 all terms and words not defined in this Scheme shall unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, Income Tax Act, 1961 or any other applicable laws, rules, regulations, bye laws, as the case may be.

2. SHARE CAPITAL

2.1 The share capital of TV18 as on December 6, 2023 is as follows:

Particulars	Amount (in Rs.)
Authorized share capital	
676,05,00,000 equity shares of Rs 2 each	1352,10,00,000
Total	1352,10,00,000
Issued share capital	
171,44,09,196 equity shares of Rs 2 each	342,88,18,392
Total	342,88,18,392
Subscribed and paid-up share capital	
171,43,60,160 equity shares of Rs 2 each fully paid-up	342,87,20,320
<i>Add: Amount paid on 49,036 forfeited equity shares</i>	24,518
Total	342,87,44,838



2.2 The share capital of E18 as on December 6, 2023 is as follows:

Particulars	Amount (in Rs.)
Authorized share capital	
1,00,00,000 equity shares of Rs 10 each	10,00,00,000
Total	10,00,00,000
Issued, subscribed and paid-up share capital	
54,04,000 equity shares of Rs 10 each fully paid-up	5,40,40,000
Total	5,40,40,000

2.3 The share capital of Network18 as on December 6, 2023 is as follows:

Particulars	Amount (in Rs.)
Authorized share capital	
516,98,40,000 equity shares of Rs 5 each	2584,92,00,000
1,55,00,000 preference shares of Rs 10 each	15,50,00,000
11,00,000 preference shares of Rs 100 each	11,00,00,000
1,05,00,000 preference shares of Rs 200 each	210,00,00,000
Total	2821,42,00,000
Issued, subscribed and paid-up share capital	
104,69,48,519 equity shares of Rs 5 each fully paid-up	523,47,42,595
Total	523,47,42,595

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

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

PART - II

AMALGAMATION OF E18 WITH NETWORK18

4. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF E18

4.1 Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income-tax Act, 1961, E18 shall stand amalgamated with Network18 as a going concern and all assets and liabilities of E18 shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in Network18, so as to become on and from the Appointed Date, the assets and liabilities of Network18 by virtue of operation of law, and in the manner provided in this Scheme.

4.2 With respect to the assets and properties of E18 which are movable in nature (including but not limited to plant and machinery and intangible assets) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand



transferred upon coming into effect of this Scheme and shall, *ipso facto* and without any other order to this effect, become the assets and properties of Network18 without requiring any deed or instrument of conveyance for transfer of the same.

- 4.3 With respect to the assets and properties of E18 other than those referred to in Clause 4.2 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of E18, the same shall, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in Network18 with effect from the Appointed Date by operation of law as transmission in favour of Network18. With regard to assets such as leases or licenses of the properties, Network18 will enter into novation agreements, if it is so required.
- 4.4 In respect of such of the assets and properties of E18 which are immovable in nature, whether or not recorded in the books of E18, including rights, interest and easements in relation thereto, the same shall stand transferred to and be vested in Network18 with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by E18 and / or Network18.
- 4.5 For the avoidance of doubt and without prejudice to the generality of Clause 4.4 above, it is clarified that, with respect to the immovable properties of E18 in the nature of land and buildings, E18 and/ or Network18 shall register the true copy of the orders of the Tribunal approving the Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents which may be necessary in this regard. It is clarified that any document executed pursuant to this Clause 4.5 will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any asset of E18 takes place and all assets of E18 shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme.
- 4.6 Upon effectiveness of the Scheme, all debts, liabilities, loans, obligations and duties of E18 as on the Appointed Date shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to Network18 to the extent that they are outstanding as on the Appointed Date and Network18 shall meet, discharge and satisfy the same.
- 4.7 Unless otherwise agreed to between E18 and Network18, the vesting of all the assets of E18, as aforesaid, shall be subject to encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such encumbrances shall be confined only to the relevant assets of E18 or part thereof on or over which they are subsisting on and no such encumbrances shall extend over or apply to any other asset(s) of Network18. Any reference in any security documents or arrangements (to which E18 is a party) related to any assets of E18 shall be so construed to the end and



intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Network18. Similarly, Network18 shall not be required to create any additional security over the assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of / to be availed of by it, and the encumbrances in respect of such indebtedness of Network18 shall not extend or be deemed to extend or apply to the assets so vested.

- 4.8 If E18 is entitled to any unutilized credits (including accumulated losses, capital loss and unabsorbed depreciation, book loss and book depreciation, withholding tax, advance tax, sales tax, excise duty, customs duty, service tax, value added tax, goods and service tax, other incentives), benefits under the state or central fiscal / investment incentive schemes and policies or concessions under any Tax Laws or Applicable Law, any subsidies, special status, benefits, privileges granted by Appropriate Authority or by any other Person, Network18 shall be entitled, as an integral part of the Scheme, to claim such benefit or incentives or unutilised credits as the case may be without any specific approval or permission. Without prejudice to the generality of the foregoing, in respect of unutilized input credits of goods and service tax and value added tax of E18, if any, the same shall be transferred to Network18 in accordance with the Applicable Law.
- 4.9 With effect from the Appointed Date, all the Permits held or availed of by, and all rights and benefits that have accrued to E18 shall be transferred to Network18, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of Network18 as if the same were originally given by or issued to or executed in favour of Network18 and Network18 shall be bound by the terms, obligations and duties thereunder and the rights and benefits under the same shall be available to Network18 to carry on the operations of E18 without any hindrance, whatsoever.
- 4.10 On coming into effect of this Scheme, without any further act or deed and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments (including all licences and other assurances in favour of E18 or powers or authorities granted by or to it) and other assets pertaining to E18 and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to E18, to which E18 is a party or to the benefit of which E18 may be eligible, or under which E18 has any obligations to discharge and which are subsisting or having effect shall, without any further act, instrument or deed, continue in full force and effect in favour of or against Network18 and may be enforced as fully and effectually as if, instead of E18, Network18 had been a party or beneficiary or obligee or obligor thereto or thereunder.
- 4.11 On and from the Effective Date and till such time that the name(s) of the bank accounts of E18 have been replaced with that of Network18, Network18 shall be entitled to maintain and operate the bank accounts of E18 in the name of E18 for such time as may be determined to be necessary by Network18. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of E18 after the Effective Date shall be accepted by the bankers of Network18 and credited to the account of Network18, if presented by Network18.



4.12 Without prejudice to the provisions of the foregoing sub-clauses of this Clause 4 and upon the effectiveness of this Scheme, E18 and Network18 may execute any and all instruments or documents and do all the acts, deeds and things as may be required, including filing of necessary particulars and / or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme.

5. EMPLOYEES

5.1 With effect from the Effective Date, all employees of E18 shall become employees of Network18 on terms and conditions no less favourable than those on which they are engaged by E18 without interruption in service.

5.2 The accumulated balances, if any, standing to the credit of and in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund, national pension scheme and any other fund of which they are members, as the case may be, will be transferred to the funds nominated by Network18. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund, national pension scheme account and other fund respectively of E18 and such funds shall be held for the benefit of the employees transferred under the Scheme.

6. LEGAL PROCEEDINGS

6.1 If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature by or against E18 are pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but it may be continued, prosecuted and enforced by or against Network18 in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against E18 as if this Scheme had not been made. On and from the Effective Date, Network18 may initiate any legal proceeding(s) for and on behalf of E18.

6.2 From the Appointed Date and until the Effective Date, E18 shall defend all legal proceedings, other than in the ordinary course of business, with the advice and instructions of Network18.

7. CONSIDERATION

7.1 Upon coming into effect of the Scheme and in consideration of the amalgamation of E18, Network18 shall issue and allot on a proportionate basis to shareholders of E18, other than Network18, whose names are recorded in the register of members and/ or records of the depository on the Record Date, as follows:

19 (Nineteen) equity shares of Rs. 5 (Five) each fully paid up of Network18 for every 1 (One) equity share of Rs. 10 (Ten) each fully paid up of E18.



The equity shares of Network18 issued as per this Clause 7.1 shall be referred to as “New Shares for E18”.

- 7.2 The New Shares for E18 shall be subject to the provisions of the memorandum of association and articles of association of Network18 and shall rank *pari passu* with the then existing equity shares of Network18.
- 7.3 The New Shares for E18 shall be in dematerialised form. The shareholders of E18 who hold shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to Network18, prior to the Record Date to enable it to issue and allot the New Shares for E18.
- 7.4 However, if no such details have been provided to Network18 by the shareholders of E18 holding shares in physical form on or before the Record Date, then Network18 shall allot the corresponding New Shares for E18 to the demat account of the trust or the trustee of, NETWORK18 TRUST-PhyS to be settled by Network18 (“Trust”) who shall hold these shares in trust for the benefit of such shareholders. The New Shares for E18 held by the Trust shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trust, along with such other documents as may be required. Any benefit in the form of dividend, bonus shares etc. received by the Trust in respect of these shares shall also be transferred to such shareholder. All costs and expenses incurred in this respect shall be borne by Network18.
- 7.5 The issue and allotment of the New Shares for E18 is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of Network18 or its shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of Network18 to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the New Shares for E18 under applicable provisions of the Act.
- 7.6 In the event E18 or Network18 restructure their respective share capital by way of share split or consolidation or any other corporate action before the Record Date, the share entitlement ratio set out in Clause 7.1 shall be suitably adjusted considering the effect of such corporate action without requirement of any further approval from shareholders or Appropriate Authority.
- 7.7 New Shares for E18 issued in terms of this Scheme will be listed and admitted to trading on the Stock Exchanges. Such shares shall remain frozen in the depositories’ system till relevant directions in relation to listing / trading are given by the Stock Exchanges.

8. ACCOUNTING TREATMENT

Upon the effectiveness of this Scheme and with effect from the Appointed Date, Network18 shall account for the amalgamation of E18 in its books as per Appendix C to Indian Accounting Standard (Ind AS) 103 “Business Combinations” notified under



Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (“Ind AS 103 Business Combinations”):

- 8.1 Network18 shall record the assets, liabilities and reserves of E18 vested in it pursuant to this Scheme, at the respective book values thereof;
- 8.2 The investments held by Network18 in E18, inter-company transactions and balances shall stand cancelled pursuant to the amalgamation; and
- 8.3 The difference, if any, between the share capital issued by Network18 pursuant to Clause 7 and the share capital of the E18 shall be transferred to capital reserve.

9. TAXES / DUTIES / CESS

- 9.1 This Scheme has been drawn up to comply with the conditions as specified under Section 2(1B) and other relevant sections of the Income-tax Act, 1961. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said sections and other relevant provisions at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other relevant provisions of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) and other relevant sections of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

Upon the effectiveness of the Scheme, by operation of law pursuant to the order of the Tribunal:

- 9.2 Taxes, whether direct or indirect, of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, tax collected at source, dividend distribution tax, equalisation levy, tax credits, if any, paid by E18 shall be treated as paid by Network18 and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable, notwithstanding that challans or records may be in the name of E18. Further, any tax deducted at source by E18/Network18 on payables to Network18/E18, respectively, which income shall not be accrued in the books pursuant to the Scheme, shall also be deemed to be advance taxes paid by Network18 and shall, in all proceedings, be dealt with accordingly.
- 9.3 E18 / Network18 is expressly permitted to revise and file their income tax returns and other statutory returns, along with the necessary prescribed forms, filings and annexures even beyond the due date, if required, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / value added tax / goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid / withheld, etc. if any, as may be required for the purposes of / consequent to implementation of the Scheme. All compliances undertaken by E18 from the Appointed Date till the Effective Date will be considered as compliances undertaken by Network18. Network18 shall be entitled to credit of the tax paid including, but not limited to, credit of the advance tax, self-



assessment tax, tax deducted at source, tax collected at source and credit under GST law, in relation to E18, for the period between the Appointed Date and the Effective Date.

- 9.4 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, rebate, etc., Network18, if so required, shall issue notice in the name of E18, in such form as it may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, rebate, etc. granted by any Government Body, local authority or by any other person under the Tax Laws due to E18 shall stand vested in Network18 and the above benefits be paid or made good or held on account of Network18, as the person entitled thereto, to the end and intent that the right of E18 to recover or realise or claim such benefit or incentives or unutilised credits, stands transferred to Network18. All taxes / credits including income-tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax or any other direct or indirect taxes as may be applicable, etc. paid or payable by E18 before the Appointed Date, shall be on account of E18. All the expenses incurred by E18 and Network18 in relation to the amalgamation of E18 with Network18 in accordance with this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to Network18 in accordance with Section 35DD of the Income Tax Act, 1961 over a period of five (5) years beginning with the financial year in which this Scheme becomes effective.
- 9.5 Obligation for deduction of tax at source on any payment made by or to be made by E18, under Tax Laws or other Applicable Laws / regulations dealing with Taxes / duties / levies duly complied by E18 shall be made or deemed to have been made and duly complied with by Network18.

10. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon this Scheme coming into effect, the resolutions / power of attorneys / letter of authority(ies) executed by E18 and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions, power of attorney and letter of authority(ies) passed / executed by Network18 and if any such resolutions have any monetary limits approved under the provisions of the Act or any other applicable statutory provisions, then such limits shall be added to the limits, if any, under like resolutions passed by Network18 and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions for the purpose of Network18.

11. DISSOLUTION OF E18

On the Scheme becoming effective, E18 shall stand dissolved without winding up and the Board and any committees thereof shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of E18 shall be deemed to be struck off from the records of the RoC.



PART - III

AMALGAMATION OF TV18 WITH NETWORK18

12. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF TV18

- 12.1 Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, TV18 shall stand amalgamated with Network18 as a going concern and all assets and liabilities of TV18 shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in Network18, so as to become on and from the Appointed Date, the assets and liabilities of Network18 by virtue of operation of law, and in the manner provided in this Scheme.
- 12.2 With respect to the assets and properties of TV18 which are movable in nature (including but not limited to plant and machinery and intangible assets) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon coming into effect of this Scheme and shall, *ipso facto* and without any other order to this effect, become the assets and properties of Network18 without requiring any deed or instrument of conveyance for transfer of the same.
- 12.3 With respect to the assets and properties of TV18 other than those referred to in Clause 12.2 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of TV18, the same shall, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in Network18 with effect from the Appointed Date by operation of law as transmission in favour of Network18. With regard to assets such as leases or licenses of the properties, Network18 will enter into novation agreements, if it is so required.
- 12.4 In respect of such of the assets and properties of TV18 which are immovable in nature, whether or not recorded in the books of TV18, including rights, interest and easements in relation thereto, the same shall stand transferred to and be vested in Network18 with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by TV18 and / or Network18.
- 12.5 For the avoidance of doubt and without prejudice to the generality of Clause 12.4 above and Clause 12.6 below, it is clarified that, with respect to the immovable properties of TV18 in the nature of land and buildings, TV18 and/ or Network18 shall register the true copy of the orders of the Tribunal approving the Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents which may be necessary in



this regard. It is clarified that any document executed pursuant to this Clause 12.5 or Clause 12.6 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any asset of TV18 takes place and all assets of TV18 shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme.

- 12.6 Notwithstanding anything contained in this Scheme, with respect to the immovable properties of TV18 in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty, and vesting in Network18, if Network18 so decides, TV18 and/or Network18, may execute and register or cause so to be done, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of Network18 in respect of such immovable properties. Each of the immovable properties, only for the purposes of payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value as determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme.
- 12.7 Upon effectiveness of the Scheme, all debts, liabilities, loans, obligations and duties of TV18 as on the Appointed Date shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to Network18 to the extent that they are outstanding as on the Appointed Date and Network18 shall meet, discharge and satisfy the same.
- 12.8 Unless otherwise agreed to between TV18 and Network18, the vesting of all the assets of TV18, as aforesaid, shall be subject to encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such encumbrances shall be confined only to the relevant assets of TV18 or part thereof on or over which they are subsisting on and no such encumbrances shall extend over or apply to any other asset(s) of Network18. Any reference in any security documents or arrangements (to which TV18 is a party) related to any assets of TV18 shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Network18. Similarly, Network18 shall not be required to create any additional security over the assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of / to be availed of by it, and the encumbrances in respect of such indebtedness of Network18 shall not extend or be deemed to extend or apply to the assets so vested.
- 12.9 If TV18 is entitled to any unutilized credits (including accumulated losses, capital loss and unabsorbed depreciation, book loss and book depreciation, withholding tax, advance tax, sales tax, excise duty, customs duty, service tax, value added tax, goods and service tax, other incentives), benefits under the state or central fiscal / investment incentive schemes and policies or concessions under any Tax Laws or Applicable Law, any subsidies, special status, benefits, privileges granted by Appropriate Authority or by any other Person, Network18 shall be entitled, as an integral part of the Scheme, to claim such benefit or incentives or unutilised credits as the case may be without any specific approval or permission. Without prejudice to the generality of the foregoing, in respect of unutilized input credits of goods and service



- tax and value added tax of TV18, if any, the same shall be transferred to Network18 in accordance with the Applicable Law.
- 12.10 With effect from the Appointed Date, all the Permits held or availed of by, and all rights and benefits that have accrued to TV18 shall be transferred to Network18, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of Network18 as if the same were originally given by or issued to or executed in favour of Network18 and Network18 shall be bound by the terms, obligations and duties thereunder and the rights and benefits under the same shall be available to Network18 to carry on the operations of TV18 without any hindrance, whatsoever.
- 12.11 On coming into effect of this Scheme, without any further act or deed and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments (including all licences and other assurances in favour of TV18 or powers or authorities granted by or to it) and other assets pertaining to TV18 and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to TV18, to which TV18 is a party or to the benefit of which TV18 may be eligible, or under which TV18 has any obligations to discharge and which are subsisting or having effect shall, without any further act, instrument or deed, continue in full force and effect in favour of or against Network18 and may be enforced as fully and effectually as if, instead of TV18, Network18 had been a party or beneficiary or obligee or obligor thereto or thereunder.
- 12.12 On and from the Effective Date and till such time that the name(s) of the bank accounts of TV18 have been replaced with that of Network18, Network18 shall be entitled to maintain and operate the bank accounts of TV18 in the name of TV18 for such time as may be determined to be necessary by Network18. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of TV18 after the Effective Date shall be accepted by the bankers of Network18 and credited to the account of Network18, if presented by Network18.
- 12.13 Without prejudice to the provisions of the foregoing sub-clauses of this Clause 12 and upon the effectiveness of this Scheme, TV18 and Network18 may execute any and all instruments or documents and do all the acts, deeds and things as may be required, including filing of necessary particulars and / or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme.
- 13. EMPLOYEES**
- 13.1 With effect from the Effective Date, all employees of TV18 shall become employees of Network18 on terms and conditions no less favourable than those on which they are engaged by TV18 without interruption in service.
- 13.2 The accumulated balances, if any, standing to the credit of and in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund, national pension scheme and any other fund of which they are members, as the



case may be, will be transferred to the funds nominated by Network18. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund, national pension scheme account and other fund respectively of TV18 and such funds shall be held for the benefit of the employees transferred under the Scheme.

14. LEGAL PROCEEDINGS

- 14.1 If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature by or against TV18 are pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but the same may be continued, prosecuted and enforced by or against Network18 in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against TV18 as if this Scheme had not been made. On and from the Effective Date, Network18 may initiate any legal proceeding(s) for and on behalf of TV18.
- 14.2 From the Appointed Date and until the Effective Date, TV18 shall defend all legal proceedings, other than in the ordinary course of business, with the advice and instructions of Network18.

15. CONSIDERATION

- 15.1 Upon coming into effect of the Scheme and in consideration of the amalgamation of TV18, Network18 shall issue and allot on a proportionate basis to shareholders of TV18, other than Network18, whose name is recorded in the register of members and/or records of the depository on the Record Date, as follows:

“100 (One Hundred) equity shares of Rs. 5 (Five) each fully paid up of Network18 for every 172 (One Hundred and Seventy Two) equity shares of Rs. 2 (Two) each fully paid up of TV18;

The equity shares of Network18 issued as per this Clause 15.1 shall be referred to as **“New Shares for TV18”**

- 15.2 The New Shares for TV18 shall be subject to the provisions of the memorandum of association and articles of association of Network18 and shall rank *pari passu* with the then existing equity shares of Network18.
- 15.3 The New Shares for TV18 being issued in terms of the Clause 15.1 above shall be in dematerialised form. The shareholders of TV18 who hold shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to Network18, prior to the Record Date to enable it to issue the New Shares for TV18.
- 15.4 However, if no such details have been provided to Network18 by the shareholders of TV18 holding shares in physical form on or before the Record Date, then Network18 shall allot the corresponding New Shares for TV18 to the demat account of the trust



or trustee of "NETWORK18 TRUST- Phys" settled by Network18 ("Trust") who shall hold these shares in trust for the benefit of such shareholder. The New Shares for TV18 held by the Trust shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the Trust, along with such other documents as may be required by the Trust. Any benefit in the form of dividend, bonus shares etc. received by the Trust in respect of these shares shall also be transferred to such shareholder. All costs and expenses incurred in this respect shall be borne by Network18.

- 15.5 For the purpose of the allotment of the New Shares for TV18 pursuant to this Scheme, in case any shareholder's holding in TV18 is such that the shareholder becomes entitled to a fraction of a share of Network18, Network18 shall not issue fractional shares to such shareholder but shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue such consolidated shares to a trust or trustee of "NETWORK18 TRUST – FraC, a trust to be settled by Network18 ("Trust-Fractional"), who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices and at any time within a period of 90 days from the date of allotment of the New Shares for TV18, as the Trust- Fractional may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Amount payable to the shareholders shall be rounded off to the next Rupee. Such distribution shall take place only on the sale of all the shares of Network18 pertaining to the fractional entitlements.
- 15.6 The issue and allotment of the New Shares for TV18 is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of Network18 or its shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of Network18 to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the New Shares for TV18 under applicable provisions of the Act.
- 15.7 In the event TV18 or Network18 restructure their respective share capital by way of share split or consolidation or any other corporate action before the Record Date, the share entitlement ratio set out in Clause 15.1 shall be suitably adjusted considering the effect of such corporate action without requirement of any further approval from shareholders or Appropriate Authority.
- 15.8 The New Shares for TV18 issued in terms of this Scheme will be listed and admitted to trading on the Stock Exchanges. Such shares shall remain frozen in the depositories' system till relevant directions in relation to listing / trading are given by the Stock Exchanges.
- 15.9 The equity shares to be issued pursuant to this Scheme in respect of any equity shares of TV18 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 Network18.

- 15.10 The New Shares for TV18 to be issued by Network18 in respect of the equity shares of TV18 held in the unclaimed suspense account or suspense escrow demat account shall be credited to unclaimed suspense account or suspense escrow demat account, as the case may be, of Network18.

16. ACCOUNTING TREATMENT

Upon the effectiveness of this Scheme and with effect from the Appointed Date, Network18 shall account for the amalgamation of TV18 in its books as per Appendix C to Indian Accounting Standard (Ind AS) 103 "Business Combinations" notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 ("**Ind AS 103 Business Combinations**");

- 16.1 Network18 shall record the assets, liabilities and reserves of TV18 vested in it pursuant to this Scheme, at the respective book values thereof;
- 16.2 The investments held by Network18 in TV18, inter-company transactions and balances shall stand cancelled pursuant to the amalgamation; and
- 16.3 The difference, if any, between the share capital issued by Network18 pursuant to Clause 15 and the share capital of the TV18 shall be transferred to capital reserve.

17. COMBINATION AND RECLASSIFICATION OF AUTHORISED SHARE CAPITAL OF NETWORK18

- 17.1 Upon the Scheme becoming effective and in accordance with Section 232(3) of the Act and as an integral part of this Scheme, the entire authorised equity share capital of TV18 amounting to Rs. 1352,10,00,000 (Rupees One Thousand Three Hundred and Fifty Two Crore and Ten Lakhs only) will stand combined with the authorised equity share capital of Network18 pursuant to the Scheme and consequentially the authorised share capital of Network18 shall stand increased without any further act, instrument or deed on the part of Network18 including payment of stamp duty and registration fee or filing fee to the RoC on such combined authorised share capital and the memorandum of association of Network18 (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of Network18 to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, and for this purpose the stamp duty and fees paid on the authorized capital of TV18 shall be utilized and applied to the increased authorized share capital of Network18 and there would be no requirement for any further payment of stamp duty and/or fee by Network18 for increase in the authorised share capital to that extent.

- 17.2 With effect from the Effective Date and subsequent to the combination of the authorized share capital of TV18 with the authorised equity share capital of



Network18, the authorised share capital of Network18 will be reclassified and the Clause V contained in the memorandum of association of Network18 shall without any further act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 14, 61 and 64 of the Act and Section 232 and other applicable provisions of the Act, as set out below:

“The Authorized Share Capital of the Company is Rs. 4173,52,00,000 (Rupees Four Thousand One Hundred Seventy Three Crore and Fifty Two Lakh Only) divided into 700,00,00,000 (Seven Hundred Crore) Equity Shares of face value of Rs. 5 (Rupees Five only) each and 67,35,20,000 (Sixty Seven Crore Thirty Five Lakh and Twenty Thousand) Preference Shares of face value of Rs. 10 (Rupees Ten only) each with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company and the legislative provisions for the time being in force.”

- 17.3 For the avoidance of doubt, it is clarified that, in case, the authorised share capital of TV18 and/ or Network18, as the case may be, undergoes any change, either as a consequence of any corporate actions or otherwise, then Clause 17.2 shall automatically stand modified/ adjusted accordingly to take into account the effect of such change.
- 17.4 It is clarified that the approval of the members of Network18 to the Scheme shall be deemed to be their consent/ approval also to the alteration of the memorandum of association of Network18 as may be required under the Act.

18. TAXES / DUTIES / CESS

This Scheme has been drawn up to comply with the conditions as specified under Section 2(1B) of the Income-tax Act, 1961 and other relevant provisions of the Income-tax Act, 1961 involving as aforesaid. If any of the 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 a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961 and other relevant provisions of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme. Upon the effectiveness of the Scheme, by operation of law pursuant to the order of the Tribunal:

- 18.1 Taxes, whether direct or indirect, of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, tax collected at source, dividend distribution tax, tax credits, if any, paid by TV18 shall be treated as paid by Network18 and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable notwithstanding that challans or records may be in the



name of TV18. Further, any tax deducted at source by TV18/ Network18 on payables to Network18/ TV18, respectively, which income shall not be accrued in the books pursuant to the Scheme, shall also be deemed to be advance taxes paid by Network18 and shall, in all proceedings, be dealt with accordingly.

- 18.2 TV18/ Network18 is expressly permitted to revise and file their income tax returns and other statutory returns, along with the necessary prescribed forms, filings and annexures even beyond the due date, if required, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / value added tax / goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid / withheld, etc. if any, as may be required for the purposes of / consequent to implementation of the Scheme. All compliances undertaken by TV18 from the Appointed Date till the Effective Date will be considered as compliances undertaken by Network18. Network18 shall be entitled to credit of the tax paid including, but not limited to, credit of the advance tax, self-assessment tax, tax deducted at source, tax collected at source and credit under GST law, in relation to TV18, for the period between the Appointed Date and the Effective Date.
- 18.3 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, rebate, etc., Network18, if so required, shall issue notice in the name of TV18 in such form as it may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, rebate, etc. granted by any Government Body, local authority or by any other person under the Tax Laws due to TV18 shall stand vested in Network18 and the above benefits be paid or made good or held on account of Network18, as the person entitled thereto, to the end and intent that the right of TV18 to recover or realise or claim such benefit or incentives or unutilised credits, stands transferred to Network18. All taxes / credits including income-tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax or any other direct or indirect taxes as may be applicable, etc. paid or payable by TV18 before the Appointed Date, shall be on account of TV18. All the expenses incurred by TV18 and Network18 in relation to the amalgamation of TV18 with Network18 in accordance with this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to Network18 in accordance with Section 35DD of the Income-tax Act, 1961 over a period of five (5) years beginning with the financial year in which this Scheme becomes effective.
- 18.4 Obligation for deduction of tax at source on any payment made by or to be made by TV18, under Tax Laws or other Applicable Laws / regulations dealing with Taxes / duties / levies duly complied by TV18 shall be made or deemed to have been made and duly complied with by Network18.

19. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon this Scheme coming into effect, the resolutions / power of attorneys / letter of authority(ies) executed by TV18 and that are valid and subsisting on the Effective Date,



shall continue to be valid and subsisting and be considered as resolutions, power of attorney and letter of authority(ies) passed / executed by Network18 and if any such resolutions have any monetary limits approved under the provisions of the Act or any other applicable statutory provisions, then such limits shall be added to the limits, if any, under like resolutions passed by Network18 and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions for the purpose of Network18.

20. DISSOLUTION OF TV18

On the Scheme becoming effective, TV18 shall stand dissolved without winding up and the Board and any committees thereof shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of TV18 shall be deemed to be struck off from the records of the RoC.

PART-IV

ANCILLARY PROVISIONS AND GENERAL TERMS & CONDITIONS

21. ADJUSTMENT OF NEGATIVE BALANCE OF RETAINED EARNINGS AGAINST SECURITIES PREMIUM ACCOUNT

- 21.1 Upon the Scheme coming into effect, the entire negative balance of retained earnings of Network18 as on March 31, 2024 shall be adjusted against the balance in the securities premium account as on the said date.
- 21.2 The negative amount of retained earnings so adjusted against the balance in the securities premium account shall amount to reduction of capital of Network18 and the same shall be effected pursuant to Sections 230 to 232 of the Act and as an integral part of the Scheme
- 21.3 It is clarified that the approval of the members of Network18 to this Scheme, shall be deemed to be their consent/ approval for the reduction of the capital of Network18 under applicable provisions of the Act.
- 21.4 Notwithstanding the reduction in the capital of Network18, Network18 shall not be required to add 'And Reduced' as suffix to its name.

22. FACILITATION PROVISION

Notwithstanding anything contained in this Scheme, on and after the Effective Date, until any property, asset, license, Permit, contract, agreement and rights and benefits arising therefrom pertaining to E18 or TV18, as the case may be, are recorded, effected and / or perfected, in the records of any Appropriate Authority or otherwise, in favour of Network18, Network18 is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, Permit, contract or agreement as if they were the owner of such property or asset or as if they were the original party to the license, Permit, contract or agreement.



23. SAVING OF CONCLUDED TRANSACTIONS

Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by E18 and TV18 until the Effective Date, to the end and intent that Network18 shall accept and adopt all acts, deeds and things done and executed by E18 and TV18 in respect thereto, as done and executed on behalf of Network18.

24. BUSINESS UNTIL EFFECTIVE DATE

24.1 With effect from the date of approval of the Scheme by the respective Boards of the Parties and up to and including the Effective Date:

24.1.1 E18 shall carry on its business with reasonable diligence and business prudence and in the same manner as it has been hitherto conducting;

24.1.2 TV18 shall carry on its business with reasonable diligence and business prudence and in the same manner as it has been hitherto conducting; and

24.1.3 Network18 shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which Network18 may require to carry on the business of E18 and TV18, as the case may be, and to give effect to the Scheme.

24.2 E18 and TV18 with effect from the Appointed Date and up to and including the Effective Date:

24.2.1 shall be deemed to have been carrying on and shall carry on their respective businesses and activities and shall hold and stand possessed of their assets for and on account of, and in trust for Network18;

24.2.2 all profits or income arising or accruing to E18 and TV18 and all Taxes paid / credits thereon (including but not limited to advance tax, tax deducted at source, dividend distribution tax, securities transaction tax, Taxes withheld / paid in a foreign country, income-tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and services tax, etc.) by E18 and TV18 in respect of the profits or activities or operation of the business or losses arising or incurred by E18 and TV18 shall, be treated as and deemed to be the profits or income, taxes or losses or corresponding items as mentioned above of Network18 and shall, in all proceedings, be dealt with accordingly; and

24.2.3 all loans raised and all liabilities and obligations undertaken by E18 and TV18 after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of Network18 in which it shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also, without any further act, instrument or deed be and be deemed to become the debts, liabilities, duties and obligations of Network18.



25. CONDITIONS PRECEDENT

25.1 The effectiveness of the Scheme is conditional upon and subject to:

25.1.1 receipt of no-objection/ observation letter from the Stock Exchanges in relation to this Scheme under Regulation 37 of the SEBI LODR Regulations;

25.1.2 approval of this Scheme by the requisite majority of each class of shareholders and creditors of the Parties as applicable or as may be required under the Act and as may be directed by the Tribunal;

25.1.3 TV18 and Network18 complying with other provisions of the SEBI Circular, including seeking approval of the shareholders through e-voting. The Scheme shall be acted upon only if the votes cast by the public shareholders of TV18 and Network18 in favour of the proposal are more than the number of votes cast by the public shareholders against it as required under the SEBI Circular;

25.1.4 sanction of the Scheme by the Tribunal under Sections 230 to 232 of the Act;

25.1.5 relevant approvals for this Scheme as may be required from concerned regulatory and governmental authorities, including Ministry of Information and Broadcasting in the form and manner acceptable to the Parties; and

25.1.6 such other approvals and sanctions as may be required by Applicable Law in respect of this Scheme being obtained.

26. On the approval of this Scheme by the respective requisite majorities of the shareholders of each of the Parties as required under Applicable Law, such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the arrangement set out in this Scheme, related matters and this Scheme itself and shall not cause or required to pass separate resolutions to that effect.

27. APPLICATIONS / PETITIONS TO THE TRIBUNAL

The Parties shall make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.

28. MODIFICATION OR AMENDMENTS TO THIS SCHEME

28.1 The Board of E18 and Network18 may make any modifications or amendments to any matter affecting Part II of this Scheme and the Board of TV18 and Network18 may make any modifications or amendments to any matter affecting Part III of this Scheme. Such modifications or amendments may be made at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate.



28.2 The Boards of the relevant Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.

28.3 For the purposes of giving effect to this Scheme or to any modification hereof, the Boards of the relevant Parties, acting jointly or individually, as may be relevant, give such directions including directions for settling any question or difficulty that may arise and such directions shall be binding on the Parties as if the same were specifically incorporated in this Scheme.

29. WITHDRAWAL OF THIS SCHEME, NON-RECEIPT OF APPROVALS AND SEVERABILITY

29.1 Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.

29.2 In the event of withdrawal of the Scheme under Clause 29.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person.

29.3 In the event of any of the requisite sanctions and approvals not being obtained on or before such date as may be agreed to by the relevant Parties, this Scheme or relevant part(s) of this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme. Further, it is the intention of the Parties that each part shall be severable from the remainder of this Scheme and other parts of the Scheme shall not be affected, if any part of this Scheme becomes null and void, or is found to be unworkable for any reason whatsoever.

30. COSTS AND EXPENSES

All costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of in relation to or in connection with the Scheme and incidental to the completion of transactions contemplated under this Scheme shall be borne and paid by Network18.

