



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH -IV**

CA(CAA)/ 86/MB-IV/2024

*In the matter of the Companies
Act, 2013;*

AND

*In the matter of
Sections 230 to 232 of the Companies
Act, 2013 and other applicable
provisions of the Companies Act,
2013*

*read with Companies (Compromises,
Arrangements and Amalgamation)
Rules, 2016;*

AND

*In the matter of The Scheme of
Arrangement*

Among

e-Eighteen.com Limited

(“Amalgamating Company No. 1”)

and

TV18 Broadcast Limited

(“Amalgamating Company No. 2”)

and

***Network18 Media & Investments
Limited***

(“Amalgamated Company”)

*And their respective Shareholders
and Creditors.*

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e-Eighteen.com Limited
[CIN: U99999MH2000PLC274703] First Applicant Company

TV18 Broadcast Limited
[L74300MH2005PLC281753] Second Applicant Company

Network18 Media & Investments Limited
[L65910MH1996PLC280969] Third Applicant Company

Order delivered on **05.06.2024**

Coram:

Smt. Anu Jagmohan Singh
Hon'ble Member (Technical)

Mr. Kishore Vemulapalli
Hon'ble Member (Judicial)

Appearances:

For the Applicant(s): Mr. Gaurav Joshi, Ld. Sr. Counsel a/w
Mr. Mehul Shah, Mr. Aman Yagnik,
Mr. Haabil Vahanvaty, Mr. Rushabh
Gala, Ms. Dhruvi Dharia and Ms.
Ishrita Bagchi i/b M/s. Khaitan & Co
for the Applicant Companies.

ORDER

1. Heard the Ld. Sr. Counsel for the Applicant Companies.
2. The Applicant Companies have proposed a Composite Scheme of Arrangement amongst e-Eighteen.com Limited (hereinafter referred to as the "**First Applicant Company**" or "**Amalgamating Company 1**" or "**E18**") and its shareholders and creditors & TV18 Broadcast Limited (hereinafter referred to as the "**Second Applicant Company**" or "**Amalgamating Company 2**" or "**TV18**") and its shareholders and creditors & Network18 Media & Investments Limited (hereinafter



referred to as the “**Third Applicant Company**” or “**Amalgamated Company**” or “**Network18**”) and its shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Scheme**”).

3. Ld. Counsel for the Applicant submits that the said Scheme proposes: (i) amalgamation of E18, a 91.89% subsidiary of Network18 with Network18; and (ii) amalgamation of TV18, a 51.17% subsidiary of Network18 with Network18. The Scheme also provides for the various other matters consequent and incidental thereto.
4. Ld. Counsel for the Applicant Companies submits that on **December 6, 2023**, the Board of Directors of the Applicant Companies have approved the Scheme. The Appointed Date of the Scheme is opening business hours of **April 1, 2023** or such other date as may be approved by the Boards of the Applicant Companies.
5. The registered office of all the Applicant Companies are situated in Mumbai, Maharashtra and hence the subject matter of this Company Scheme Application is within the jurisdiction.
6. Ld. Counsel for the Applicant Companies stated that **E18** is a subsidiary of Network18 and *inter alia* owns and operates the well-known platform www.moneycontrol.com website and app. The equity shares of E18 are not listed on any stock exchanges.
7. Ld. Counsel for the Applicant Companies stated that **TV18** is a subsidiary of Network18 and 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. The equity shares of TV18 are listed on BSE Limited and National Stock

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Exchange of India Limited. That *Network18 inter alia* houses a portfolio of digital news websites and magazines. The equity shares of Network18 are listed on BSE Limited and National Stock Exchange of India Limited.

8. Ld. Counsel for the Applicant Companies submits that the *Rationale* of the Scheme is as follows:

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

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

9. Ld. Counsel for the Applicant Companies stated that the Share Capital of E18 as on December 6, 2023 is as follows:

Particulars	Amount
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

10. Ld. Counsel for the Applicant Companies stated that the Share Capital of TV18 as on December 6, 2023 is as follows:

Particulars	Amount
Authorized share capital	
676,05,00,000 equity shares of Rs 2 each	1352,10,00,000

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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

11. Ld. Counsel for the Applicant Companies stated that the share capital of Network18 as on December 6, 2023 is as follows:

Particulars	Amount
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

12. Ld. Counsel for the Applicant Companies submits that the *consideration* of the Scheme is as under:

- (i) for the amalgamation of E18 with Network18, 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 defined in the Scheme*), 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.

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- (ii) for the amalgamation of TV18 with Network18, 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.

13. The Effective Date means the day on which all conditions precedent set forth in Clause 25 (Conditions Precedent) of the Scheme are fulfilled.
14. Ld. Counsel for the Applicant Companies stated that as on March 31, 2024, E18 has **31 (Thirty one) Equity Shareholders** holding 54,04,000 equity shares. A copy of the certificate issued by V. P. Mehta & Co., Independent Chartered Accountant confirming the list of Equity Shareholders of E18 showing the names of the Equity Shareholders, number of equity shares and percentage of holding held by each of them is annexed to the Company Scheme Application. It is submitted that in so far as the Equity Shareholders of E18 are concerned, a meeting of the Equity Shareholders be convened and held on **Wednesday, July 10, 2024 at 10:30 A.M.**, at its Registered Office - First Floor, Empire Complex, 414 - Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India, for the purpose of considering and approving the proposed Scheme.
15. Ld. Counsel for the Applicant Companies submits that as on March 31, 2024, TV18 has **4,74,496 (Four lakh seventy four thousand four hundred and ninety six) Equity Shareholders** holding 171,43,60,160 equity shares. A copy of the certificate issued by V. P. Mehta & Co.,



Independent Chartered Accountant, confirming the shareholding pattern of TV18 is annexed to the Company Scheme Application. It is submitted that in so far as the Equity Shareholders of TV18 are concerned, a meeting of the Equity Shareholders be convened and held on **Wednesday, July 10, 2024, at 2:00 P.M.**, through video conferencing or other audio-visual means, for the purpose of considering and approving the proposed Scheme wherein the Equity Shareholders of TV18 will be able to cast their votes (a) through remote e-voting system available at the meeting and (b) by remote e-voting.

16. Ld. Counsel for the Applicant Companies submits that, as on March 31, 2024, Network18 has **1,45,305 (One lakh forty five thousand three hundred and five) Equity Shareholders** holding 104,69,48,519 equity shares. A copy of the certificate issued by V. P. Mehta & Co., Chartered Accountant, confirming the shareholding pattern of Network18 is annexed to the Company Scheme Application. It is submitted that in so far as the Equity Shareholders of Network18 are concerned, a meeting of the Equity Shareholders be convened and held on **Wednesday, July 10, 2024 at 4:00 p.m.**, through video conferencing or other audio-visual means, for the purpose of considering and approving the proposed Scheme wherein the Equity Shareholders of Network18 will be able to cast their votes (a) through remote e-voting system available at the meeting and (b) by remote e-voting.

17. Ld. Counsel for the Applicant Companies submits that E18, TV18 and Network18 do not have any Preference shareholders. Accordingly, the requirement for convening and holding the meetings of the Preference Shareholders of E18, TV18 and Network18 does not arise. Copy of the certificates issued by V. P. Mehta & Co., Chartered Accountant,



confirming that E18, TV18 and Network18 do not have any Preference Shareholders are annexed to the Company Scheme Application.

18. Ld. Counsel for the Applicant Companies submits that E18, TV18 and Network18 do not have any Secured Creditors from whom fund based facilities, borrowings or loans are availed. Further, TV18 and Network18 do have not any Secured Creditors from whom non-fund-based facilities are availed. Copy of the certificates issued by V. P. Mehta & Co., Chartered Accountant, confirming that E18, TV18 and Network18 do not have any Secured Creditors are annexed to the Company Scheme Application.
19. Ld. Counsel for the Applicant Companies submits that E18 has availed non-fund-based facilities by way of bank guarantee and forex limit from ICICI Bank Limited, pursuant to which ICICI Bank Limited has secured a charge against the fixed deposits of E18. As on the date, no dues are owed by E18 to ICICI Bank Limited in connection with the said non fund-based facilities. However, as matter of abundant caution E18 *vide* its affidavit dated May 8, 2024 has placed on record the consent affidavit procured from ICICI Bank Limited providing its no objection to the Scheme.
20. Ld. Counsel for the Applicant Companies submits that as on March 31, 2024, E18 has **264 (Two Hundred and Sixty Four) Unsecured Creditors** having an outstanding amount of Rs. 19,58,17,130. A copy of the certificate issued by V. P. Mehta & Co., Chartered Accountant, confirming the list of Unsecured Creditors of E18 showing the names of the Unsecured Creditors and their respective outstanding amounts is annexed to the Company Scheme Application. It is submitted that in so far as the Unsecured Creditors of E18 are concerned, a meeting of the



Unsecured Creditors of E18, be convened and held on **Wednesday, July 10, 2024 at 11:30 A.M.**, at its Registered Office - First Floor, Empire Complex, 414 - Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra, India for the purpose of considering and approving the proposed Scheme.

21. Ld. Counsel for the Applicant Companies submits that as on March 31, 2024, TV18 has **2,354 (Two thousand three hundred and fifty four) Unsecured Creditors** having an outstanding amount of Rs. 1229,31,84,794. A copy of the certificate issued by V. P. Mehta & Co., Chartered Accountants, confirming the list of Unsecured Creditors of TV18 showing the names of the Unsecured Creditors and their respective outstanding amounts is annexed to the Company Scheme Application. It is submitted that in so far as the Unsecured Creditors of TV18 are concerned, a meeting of the Unsecured Creditors be convened and held on **Wednesday, July 10, 2024 at 3:00 P.M.**, through video conferencing or other audio-visual means, for the purpose of considering and approving the proposed Scheme wherein the Unsecured Creditors of TV18 will be able to cast their votes (a) through remote e-voting system available at the meeting and (b) by remote e-voting.
22. Ld. Counsel for the Applicant Companies submits that as on March 31, 2024, Network18 has **646 (Six Hundred and Forty Six) Unsecured Creditors** having an outstanding amount of Rs. 2939,03,16,115. A copy of the certificate issued by V. P. Mehta & Co., Chartered Accountant, confirming the list of Unsecured Creditors of Network18 showing the names of the Unsecured Creditors and their respective outstanding amounts is annexed to the Company Scheme Application. It is submitted that in so far as the Unsecured Creditors of Network18 are concerned, a meeting of the Unsecured Creditors be convened and held on



Wednesday, July 10, 2024 at 5:00 P.M., through video conferencing or other audio-visual means, for the purpose of considering and approving the proposed Scheme wherein the Unsecured Creditors of Network18 will be able to cast their votes (a) through remote e-voting system available at the meeting and (b) by remote e-voting.

23. In respect of the meetings of the **Equity Shareholders and Unsecured Creditors of the Applicant Companies**, it is hereby directed as under:

(i) At least one month before the meetings, notice convening the said meetings at the day, date and time as fixed in accordance with paras stated above, together with a copy of the Scheme, a copy of the Explanatory Statement required to be sent under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, shall be sent to the respective Equity Shareholders and Unsecured Creditors of the Applicant Companies, by electronic mail to their registered e-mail address, as per the records available with the Applicant Companies. For the benefit of the Equity Shareholders and Unsecured Creditors of the Applicant Companies whose email addresses are not available hereto; The Applicant Companies are hereby directed to serve notices to the Equity Shareholders and Creditors, through Registered Post-AD/ Speed Post. Further, TV18 and Network18 shall ensure that, notice convening their respective meetings are available on the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively.

(ii) At least 30 (Thirty) days before the meetings of the Equity Shareholders and Unsecured Creditors of E18, TV18 and

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Network18 at the date and time fixed in accordance with paras stated above be published each in '*Business Standard*' in English having nation-wide circulation, and '*Loksatta*' in Marathi having circulation in Maharashtra, stating that copies of the Scheme and the said statement required to be furnished pursuant to Section 230(3) of the Companies Act, 2013 can be obtained free of charge from respective the registered office of respective Applicant Companies, or by emailing E18 at mcafiling@nw18.com; TV18 at investors.tv18@nw18.com and Network18 at investors.n18@nw18.com.

- (iii) The Applicant Companies undertake to:
- a) Issue respective notices convening meeting of Equity Shareholders and Unsecured Creditors of the Applicant Companies as per Form No CAA.2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;
 - b) Issue statement containing all the particulars as per Section 230 of the Companies Act, 2013;
 - c) Advertise the notice convening meetings as per Form No. CAA.2 (Rule 7) of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016; and
 - d) Publish the notice convening the meetings of Equity Shareholders and Unsecured Creditors of the Applicant Companies on the respective websites of the Applicant Companies.

24. Justice (Retd.) **Justice V. Ramasubramanian**, Former Judge, Supreme Court of India, failing him, **Shri L. Viswanathan**, Sr. Partner, Cyril Amarchand Mangaldas, Advocates are hereby appointed as the



Chairperson for the meetings of (i) the Equity Shareholders of E18, TV18 and Network18; and (ii) Unsecured Creditors of E18, TV18 and Network18.

25. **Mr. B. Narsimhan**, Practising Company Secretary, Proprietor of M/s. BN Associates, failing whom, **Mr. Venkataraman K**, Practising Company Secretary, Partner M/s. BN Associates is hereby appointed as a Scrutinizer for the meetings of (i) the Equity Shareholders of E18, TV18 and Network18; and (ii) Unsecured Creditors of E18, TV18 and Network18.
26. The voting shall be allowed on the proposed Scheme by the Equity Shareholders and Unsecured Creditors of E18 by voting in person or by proxy.
27. The voting by the authorised representative, in case of a body corporate be permitted, provided that the authorisation duly signed is filed with the respective Applicant Companies in physical mode at their respective registered offices or electronic mode at their respective designated email addresses, at least 48 (Forty Eight) hours before the aforesaid meetings, as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016.
28. The Chairperson(s) appointed for the aforesaid meetings to issue respective notices of the meetings referred above. The Chairperson(s) shall have all powers under the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as may be applicable for meetings of the Equity Shareholders and Unsecured Creditors of the Applicant Companies, in relation to the conduct of the meetings including for deciding procedural questions that may arise at the meetings or at any adjournment thereof or any other

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matter including, any amendment to the Scheme or resolution, if any, proposed at the said meetings.

29. The quorum for the meetings of the Equity Shareholders of the Applicant Companies shall be as prescribed under Section 103(1) of the Companies Act, 2013.
30. The quorum for the meetings of the Unsecured Creditors of E18, TV18 and Network18 will be 5 Unsecured Creditors (in number), 15 Unsecured Creditors (in number) and 5 Unsecured Creditors (in number) respectively, attending the said meetings. If the quorum is not present within 30 minutes of the scheduled meeting time, then the Unsecured Creditors so present shall constitute quorum for the said meetings.
31. The value and number of the equity shares of each Equity Shareholder of the Applicant Companies shall be in accordance with the books/ records maintained by E18, TV18 and Network18 respectively or depository records, and where the entries in the books/ records are disputed, the Chairperson(s) of the meetings shall determine the value and number for the purpose of the aforesaid meetings and his decision in that behalf would be final.
32. The value and number of the Unsecured Creditors of the Applicant Companies shall be in accordance with the books/ records maintained by E18, TV18 and Network18 respectively, and where the entries in the books/ records are disputed, the Chairperson(s) of the meetings shall determine the value and number for the purpose of the aforesaid meetings and his decision in that behalf would be final.
33. The Chairperson(s) shall file an affidavit not less than **7 (Seven) days** before the date fixed for holding the meetings of the Equity Shareholders

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and Unsecured Creditors of the Applicant Companies and report to this Tribunal that the directions regarding the issue of notices and advertisements have been duly complied with, as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

34. The Chairperson(s) shall report to this Tribunal, the result of the aforesaid meetings within **7 (Seven) days** of the conclusion of the said meetings and the said report(s) shall be verified by his undertaking as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
35. Ld. Counsel for the Applicant Companies submits that in view of the observation letters dated April 22, 2024 issued by BSE Limited and April 23, 2024 issued by National Stock Exchange of India Limited, TV18 and Network18 are not required to issue notices to the Securities and Exchange Board of India and National Stock Exchange of India Limited under Section 230(5) of the Companies Act, 2013.
36. The Applicant Companies are directed to serve notices along with a copy of the Scheme under the provisions of Section 230(5) of the Companies Act, 2013 and Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 upon the –
- (i) Central Government through the office of Regional Director (Western region), Mumbai.
 - (ii) Jurisdictional Registrar of Companies, Maharashtra, Mumbai.
 - (iii) The Income Tax Authority having jurisdiction over E18 at Deputy Commissioner of Income Tax, Circle 6(1)(1), Room No. 536B, 5th Floor, Aayakar Bhavan, Maharashi Karve Road, Mumbai – 400 020, the Income Tax Authority having jurisdiction over TV18

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at Assistant Commissioner of Income Tax, Circle 16(1), Room No. 439, 4th Floor, Aayakar Bhavan, Maharashtra Karve Road, Mumbai – 400 020 and the Income Tax Authority having jurisdiction over Network18 at Deputy Commissioner of Income Tax, Central Circle 3(3), Room No. 1923, 19th Floor, Air India Building, Nariman Point, Mumbai – 400 021 and the Nodal Authority in the Income Tax Department having jurisdiction over such authority i.e. Pr.CCIT, Mumbai Address:- 3rd Floor, Aayakar Bhawan, Maharishi Karve Road, Mumbai – 400 020, Phone No. 022-22017654 [Email: Mumbai.pccit@incometax.gov.in];

- (iv) The Goods & Services Tax Authorities of E18 at Office of the Commissioner CGST & Excise, Mumbai South East Division, 4th Floor, GST Bhavan, Mazgaon, Mumbai – 400 010, Goods & Services Tax Authorities of TV18 at Office of the Commissioner CGST & Excise, Mumbai South West Division, 3rd Floor, GST Bhavan, Mazgaon, Mumbai – 400 010 and Goods & Services Tax Authorities of Network18 at Office of the Commissioner CGST & Excise, Mumbai North West Division, 4th Floor, GST Bhavan, Mazgaon, Mumbai – 400 010;
- (v) BSE Limited (only in case of TV18 and Network18); and
- (vi) Any other Sectoral/ Regulatory Authorities relevant to the Applicant Companies or their business.

37. The Amalgamating Companies are also directed to serve the copy of the Scheme upon Official Liquidator, pursuant to Section 230(5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

38. The Notice shall be served through by Registered Post- AD/Speed Post/ Courier and through email along with copy of the Scheme and state that

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“If no response is received by the Tribunal from the concerned Authorities within 30 days of the date of receipt of the notice it will be presumed that the concerned Authorities has no objection to the proposed Scheme.”. It is clarified that notice service through courier shall be taken on record only in cases where it is supported with Proof of Delivery having acknowledgement of the notice.

39. The Applicant Companies will submit –
- a. Details of Corporate Guarantee, Performance Guarantee and Other Contingent Liabilities, if any.
 - b. List of pending IBC cases, if any, along with all other litigation pending against the Applicant Companies having material impact on the proposed Scheme.
 - c. The Applicant Companies shall submit details of all Letters of Credit sanctioned and utilized as well as Margin Money details; if any.
40. The Applicant Companies shall file an affidavit of service within 10 working days after serving to notice to all the regulatory authorities as stated above and do report to this Tribunal that the directions regarding the issue of notices have been duly complied with.

Sd/-
Anu Jagmohan Singh
Member (Technical)

Sd/-
Kishore Vemulapalli
Member (Judicial)