



**MEMORANDUM AND ARTICLES
OF
ASSOCIATION
OF
DISH TV INDIA LIMITED**

(Updated till September 1, 2010)

GOVERNMENT OF INDIA

MINISTRY OF COMPANY AFFAIRS

National Capital Territory of Delhi and
Haryana

B-block Paryavaran Bhawan, CGO Complex, Lodhi Road, , New Delhi - 110003, Delhi, INDIA

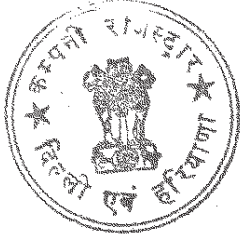
Corporate Identity Number : U51909DL1988PLC101836

Fresh Certificate of Incorporation Consequent upon Change of Name

In the matter of M/s ASC ENTERPRISES LIMITED

I hereby certify that ASC ENTERPRISES LIMITED which was originally incorporated on TENTH day of August NINETEEN EIGHTY EIGHT under the Companies Act, 1956 (No. 1 of 1956) as ASC ENTERPRISES LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN A08942476 dated 07/03/2007 the name of the said company is this day changed to DISH TV INDIA LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Delhi this SEVENTH day of March TWO THOUSAND SEVEN.



(TEJ PRAKASH SHAMI)

Registrar of Companies
National Capital Territory of Delhi and
Haryana

COMPANY NO. 55-101336

(SECTION 10(3) OF COMPANIES ACT, 1956)

M/s. A&C Enterprises Limited

having by special resolution altered the provisions of its Memorandum of Association with respect to place of the Registered Office by changing it from the State of _____

Maharashtra to the NCT of Delhi and

such alteration having been confirmed by an order of CLB

Western Region Bench vide C.P. No. 318/17/CLB/WR/1997

bearing the date 19-8-99.

I hereby certify that a certified copy of the said order has this day been registered:

Given under my hand at NEW DELHI this
Fourth day of October One
thousand nine hundred and Ninety nine



DY.
REGISTRAR, NCT OF DELHI & HARYANA.

T.P. Shami
(T.P. Shami)
REGISTRAR OF COMPANIES,
NCT OF DELHI & HARYANA.

No. 11 : 48445

**CERTIFICATE OF CHANGE OF NAME
UNDER THE COMPANIES ACT, 1956.**

In the matter of ASC ENTERPRISES PRIVATE LIMITED.

I do hereby certify that pursuant to the provisions of section 23 of Companies Act, 1956 and the Special Resolution passed under Sec. 31 / 44 of the Companies Act by the Company at its ~~Annual~~/
Extra-Ordinary General Meeting held on 6TH OCTOBER, 1995.

the name of " ASC ENTERPRISES PRIVATE LIMITED.

has this day been changed to " ASC ENTERPRISES LIMITED.

and that the said company has been duly incorporated as a company under the provisions of the said Act.

Dated this THIRTEENTH day of DECEMBER
one thousand nine hundred and ninety FIVE .



R. Vasudevan
(R. VASUDEVAN.) 212/8
Registrar of Companies
Maharashtra, Bombay.

No. 11- 48445

**FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME**

IN THE OFFICE OF THIS REGISTRAR OF COMPANIES, MAHARASHTRA,
BOMBAY.

In the matter of NAVPAD TEXTURISERS PRIVATE LIMITED.

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India. Department of Company Affairs, Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the Company:
from **NAVPAD TEXTURISERS PRIVATE LIMITED**
to **ASC ENTERPRISES PRIVATE LIMITED**

and I hereby certify that **NAVPAD TEXTURISERS PRIVATE LIMITED**

which was originally incorporated on
TENTH day of **AUGUST, 1988** under the
Companies Act, 1956 and under the name **NAVPAD TEXTURISERS
PRIVATE LIMITED** having
duly passed the necessary resolution in terms of section 21/~~21(1)~~
~~(a)/22(1)(b)~~ of the Companies Act, 1956 the name of the said
Company is this day changed to **ASC ENTERPRISES PRIVATE LIMITED**
and this
certificate is issued pursuant to Section 23(1) of the said Act.

GIVEN UNDER MY HAND AT BOMBAY THIS **TWENTYNINTH**
Day of **SEPTEMBER** One Thousand nine hundred ninety ~~four~~
FIVE.



R. Vasudevan
(R. VASUDEVAN)
REGISTRAR OF COMPANIES
MAHARASHTRA, BOMBAY



साक्ष्य-पत्र-कार्ड
Form I. R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

ता. का सं.
No. 11-48445 of 19 88

मैं यतद्वारा प्रमाणित करता हूँ कि आज

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और यह कम्पनी परिलक्षित है।

I hereby certify that **NAVPAD TEXTURISERS PRIVATE LIMITED**

is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is limited.

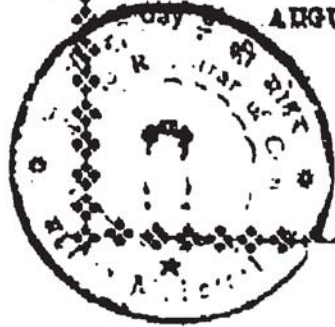
मेरे हस्ताक्षर से आज ता. को किया गया।

Given under my hand at **BOMBAY** this **TENTH**

AUGUST One thousand nine hundred and **EIGHTYSIGHT**

(**V. RADHAKRISHNAN**)
कंपनियों का रजिस्ट्रार

ADDL. Registrar of Companies
Maharashtra





THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
DISH TV INDIA LIMITED

- I. The name of the company is DISH TV INDIA 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:-

A. THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION :

- *1. To plan, establish, develop, provide, operate, maintain and market various services, including cable or satellite based communications and networking services or broadcasting or broadcasting content services, direct-to-home (DTH) services, satellite based transmission services and maintain telecommunication networks, systems, services including telephones, telex, message, relay, data transmission, facsimile, television, telematics, value added network services, paging cellular, mobile, audio and video services, maritime and Aeronautical communication services and other telecommunication services as are in use elsewhere or to be developed in future and to act as satellite based service provider and carry on the business of generation, distribution, redistribution, reception, transmission, re-retransmission of audio, video, data and radio signals.
- *2. To carry on business of manufacture, assemble, put to place, set up, plant, establish, develop, acquire, purchase, launch, relaunch, hire, lease, time share, manage, maintain, operate, run, replace, sale, upgrade, or otherwise commercially exploit, satellite, space craft, ground station assets, transponders, control stations, via uplink or downlink or otherwise for the purpose of transmitting relaying, telecommunicating, broadcasting, narrowcasting, telecasting, any form of radio, audio, video signals both terrestrially and spatially including obtaining rights of distribution and marketing of communication signals and electronic data by means of satellite, wireless, wire or other electronic or mechanical methods of delivery or otherwise and to providing consultancy services relating to telecommunication, satellite, transponder, communication, broadcasting network systems, mobile systems, telephony, information technology and exploiting software associated with provision and management of telecommunication and broadcasting / channel distribution services.
- *3. To receive, buy, sell, procure, develop, produce, commission, decrypt, aggregate, turnaround, encrypt and distribute various kinds of entertainment contents/software (programmes), data for their aggregation, exhibition, distribution and dissemination on TV channels / TV signals / video

*Inserted vide Special Resolution dated February 2, 2007



and audio signals, be it satellite TV channels or terrestrial TV channels or cable channels or through any other mode or through encryption, decryption of signals / channels using existing and/or emerging technologies, including distribution via internet, distribution via internet protocol or webcasting or exhibition in cinema and/or video theater in all forms, be it an analogue signals or digital signals or through sale of physical material like cassettes including audio cassettes, video cassettes, digital video discs, CD ROM's etc. and any emerging technology.

B. THE OBJECT INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS :

4. To construct, erect, establish factory or factories and work-shops with suitable plants, engineers, machineries, tools instruments for the manufacture and processing of materials used in the manufacture and also to carry on business of dealers, importers, exporters, agents of by-products, scrap from the main activities of the Company.
5. To undertake, manufacturing of or otherwise deal in machineries, machine parts, raw materials, chemicals, machine tools, stores, gases, parts, components and their accessories and other metals and engineering products, and also to undertake manufacturing of or otherwise deal in any type of packing materials either of yarn, polythene, paper, jute, metal, Hessian wood, plastic containers, tin boxes, fiberglass as may be required in connection with Company's business.
6. To acquire by purchase, lease, exchange or otherwise land, showrooms, buildings and hereditaments of any tenure of description and any estate or interest therein any rights over or connected with land or either or retain the same for the purpose of the Company's business or turn the same to account as may seem expedient.
7. To take on lease, hire purchase or otherwise acquire any lands, plantations, rights over or connected with and immoveable property or any description and any interests, rights or privileges which may be deemed necessary or convenient for the business which the Company is authorized to carry on.
8. To erect, construct, maintain or alter or assist in the construction buildings, erections of works acquired by the company.
9. To sell, exchange, mortgage, let on lease, royalty or distribute, grant licences, easements, options and other rights over and deal with or dispose of the undertaking property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit and in particular for stocks, shares whether fully or partly paid up or securities of any other Company.
10. To sell, improve, manage, develop, exchange, lease mortgage, dispose of, turn to account, or otherwise deal in all or any part of the property and right of the Company.
11. To advance, deposit with or lend, money, securities and property to or receive loans or grant or deposit from the Government or others.
12. To lend money either with or without security, and generally to such persons and upon such terms and conditions as the Company may think fit.

13. To guarantee the performance of the obligations of and payment of and interest on any stock, shares or securities of any company, corporation, firm or person in any case.
14. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture - stock, contract, mortgages, charges, obligations, instruments and securities of any Company of or any authority, supreme, municipal, local or otherwise or of any persons whomsoever, whether incorporated or not incorporated and generally to guarantee or become surety for the performance of any contracts or obligations.
15. To obtain, any rights, concessions, privileges, permission and the like, periodically or otherwise, which may be considered conducive to the interest or the business of the Company from any Governments, States, Municipalities, Local Boards, Museums, Libraries, or any authorities supreme, or otherwise and to carry out, use, exercise and comply with such rights, privileges, concession, permission and arrangements.
16. To subscribe for, absolutely or conditionally purchase or otherwise acquire and to hold, dispose of and deal in stocks and securities or obligations or any other company whether Indian / foreign.
17. Subject to the provisions of the Act to invest moneys of the company not for the time being required for any of the purpose of the Company in such investments (other than shares or stock of this Company) as may be thought proper and to hold, sell or otherwise deal with such investment.
18. To borrow or raise or secure payment of money or to receive money on deposit at interest for any of the purposes of the Company, and at all such time or times and in such manner as may be thought fit and in particular, by the issue of debentures, or debenture-stocks perpetual or otherwise, including debentures or debenture - stocks convertible into shares of this or any other company or perpetual annuities and as security for any such moneys so borrowed, raised or received, or of any such debentures, or debenture-stock so issued to mortgage, pledge or charge the whole or any part of the property, assets or revenue and profits of the company present or future including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient, and to purchase, redeem or pay off any such securities, provided, the Company shall not carry on banking business as defined by the Banking Regulation Act, 1849 and subject to the provision of Section 58A of the Companies Act, 1956 and directives of the Reserve Bank of India.
19. To open an account or accounts with any individual firm or company or with any Bank or Shroffs and to pay into and to withdraw money from such account or accounts.
20. To draw, make, accept, discount, execute, endorse and issue bills of exchange and other promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities.
21. To apply for, purchase or otherwise acquire and protect, prolong and renew whether in India or elsewhere any patents, patent rights, brevets inventions, trade marks, designs, licences, protections, concession and the like conferring any exclusive or nonexclusive or limited right to use any secret or other information as to any invention, process or privilege, which may seem capable of being used for any of the purposes of the Company.



22. To spend money in experimenting on and testing and in improving or seeking to improve any patents, rights, inventions, discoveries, processes, or information of the Company or which the Company may acquire/propose to acquire.
23. To equip expeditions and commissions and to employ, remunerate experts and other agents in connection therewith, with a view to securing any of the objects of the Company.
24. To establish, provide, maintain and conduct research and other laboratories, training colleges, schools and other institutions, for the training, education and instruments to students and others who may desire to avail themselves of the same and persons connected with the business of the company and to provide for the delivery and holding of lectures, demonstrations, exhibitions, classes, meetings and conferences in connection therewith.
25. To acquire and undertake all or any part of the business, property and liability of any person or Company carrying on any business which this Company is authorized to carry on or possessed of property suitable for the purposes of the company.
26. To take part in the supervision or control of the business or operations of any company or undertaking and for that purpose to appoint and remunerate any Directors, Accountants or other experts or agents.
27. To procure the registration or incorporation or recognition of the Company in or under the laws of any place in India or outside India and regulate agencies for the purpose of company's business.
28. To form, incorporate or promote any Company or Companies whether in India or in any foreign country, having among its or their objects, the acquisition of all or any of the assets or control management or development of the opinion of company could or might directly or indirectly assist the company in the management or its business or the development of its properties or otherwise prove advantageous to the Company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or company in any manner it shall think fit for services rendered or to be rendered in obtaining subscriptions for or for guaranteeing the subscriptions of or the placing of any shares in the capital of the Company or any bonds, debentures, obligations or securities of the company or any stock, shares, bonds, debentures, obligations or securities of any other company may have an interest or in or about the conduct of its business or in or about the promotion or formation of any other company in which the company may have an interest.
29. To amalgamate, enter into partnership or into any arrangement for sharing profits or into any union of interest, joint-venture, reciprocal concession or company or companies carrying on, or engaged in or about to carry on or engaged or being authorized to carry on or engage in, any business or transaction which this company is authorized to carry on or engaged in or any similar business or transaction.
30. To enter into any arrangements and to take all necessary or proper steps with Governments or with other authorities, imperial, supreme, national, local, municipal or otherwise of any place in which the company may have interests and to carry on any negotiations or operations for the

purpose of directly or indirectly carrying out the objects of the company of effecting any modification in the constitution of the company or furthering the interests of its members and to oppose any such steps taken by any other company, firm or person which may be considered likely directly or indirectly to prejudice the interests of the company or its members and to promote or assist the promotion, whether directly or indirectly, any legislation which may seem disadvantageous to the Company and to obtain from any such Government authority or any company or charters, contracts, which the company may think it desirable to obtain and carry out, exercise and comply with any such arrangements, charters, decrees, rights, privileges or concessions.

31. To adopt such means of making known the business of the company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.
32. To undertake and execute any trust, the undertaking of which may seem to the company desirable, either gratuitously or otherwise.
33. To apply the assets of the company in any way in or towards the establishment, maintenance or extension or any association, institution or fund in any way connected with any particular trade or commerce generally including any association institution or fund for the protection of master, owners and employers against loss by bad debts, strikes, combinations, fire accidents or otherwise or for the benefit of any clerk, workman or others at any time employed by the company or any of its predecessors in business of their families or dependent and whether or not in common with other persons or classes of persons and in particular or friendly, cooperative and other societies, reading rooms, libraries, educational and charitable-institutions refactories, dining and recreation rooms, churches, chapels, schools, and hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscription for any purpose whatsoever.
34. To make donations to such persons or institutions either of cash or any other assets as it may be, though directly or indirectly, expedient.
35. To communicate with chambers of commerce and other mercantile public bodies throughout the world and concert and promote measures for the protection to trade, industry and persons engaged therein.
36. To amalgamate with any other company whose objects are or include objects similar to those of this Company.
37. To create any reserve, sinking fund, insurance fund or any other special fund whether for depreciation or repairing, improving, extending or maintaining any property of the company or for any other purpose conducive to interest of the company.
38. To distribute as bonus shares among members or place to reserve or otherwise to apply as the company may from time to time think fit, any money received by way of premium on shares or debentures issued at premium by the company and any money received in respect of forfeited shares and money arising from the sale by the company of forfeited shares subject to the provisions of the Companies Act, 1956.

39. To aid, pecuniarily or otherwise any association, body or movement having for an object the solution, settlement or surrounding of industrial or labour problems or troubles or the promotion of ship industry or trade or other business carried on by the company.
40. To subscribe or guarantee money for national, charitable, benevolent, public, social, general utility objects or for any exhibition.
41. To establish and support or aid in the establishment and support of associations, institutions, funds, trusts and convenience calculated to benefit persons who are or have been Directors of or who are or have served the company or any company which is a subsidiary or associate of the company or its predecessors in business or the dependants or connections of such persons and to grant pensions and allowance and to make payment towards insurance.
42. To carry on business either as principals, agents, lessors, trustees, contractors, or otherwise, and either alone or in conjunction with others, and either by or through, agents, subcontractors, trustees or otherwise.
43. Subject to provision of the Companies Act to distribute all or any of the property of the company amongst the members in specie or kind in the event of winding up of the company.
44. To help, promote, implement, contribute to rural development schemes, association, clubs and institutions connected with rural development.
45. To purchase or otherwise acquire land with or without buildings and machinery or to accept without buildings and machinery or to accept thereof, and on such land to erect buildings also to purchase and erect plant and machinery for the works and purposes of the company.
46. To dig wells and tube-wells in the land, belonging to the company or otherwise taken on lease and to make, build and construct, lay down and maintain any reservoirs, cisterns, culverts, flower-beds, mains and other pipes for purposes of storing and distributing water in the land of the company for distributing water in the land of the company for its proper maintenance, utility and cultivation.
47. To develop the recourses and turn into account the land, buildings for the time being of the company in such manner as may be deemed fit and in particular by clearing, draining, fencing, planting of fruit trees, gardening, dairy and agricultural farming or otherwise as may considered suitable for the beneficial interest of the company.
48. To establish, maintain or otherwise subsidise any research laboratories, refineries or chemical workshops for the purpose of conducting scientific and technical research pertaining to or connected with any of the business or industry which this company is authorized to carry on under the memorandum of association and thereby to improve or otherwise to make use of the inventions, discoveries, processes, technical know-how, patents and rights, resulting from such scientific and research and to enter into Technical or Management collaboration with Indian or Foreign Parties.
49. To remunerate or otherwise assist, any person, firm or company for the services of technical nature rendered in India or elsewhere for conducting any research or experiments.

50. To provide for the welfare of the officers, employees, ex-employees of the company and the wives, widows and families or the dependent or the connections of such persons, buildings or contributing to the building of houses, dwelling, or chawls or any grant of money, pensions, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident or other associations, institutions, funds of trusts, and by providing or subscribing or contributing towards places of instructions recreation, hospitals, and dispensaries, medical and other attendance or other assistance as the company shall think fit and subscribe or contribute to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other institutions and objects which shall have any moral or other claim to support or aid by the company either by reason of location or operation or of public and general utility or otherwise.
- 50(A) To carry on the business of manufacturer, assembler, dealer, distributor, agent, indentor, importers, exporters, leasing, hiring, selling or otherwise exploiting telecommunication hard-ware, accessories, equipment, instruments systems, sets, decoders required for Telecommunication and Broadcasting services, systems or networks.
- 50(B) To plan, establish, develop, provide, operate and maintain subscribers or customers management services including data processing billing for services provided to subscribers of telecommunication, broadcasting, telecasting services and to collect and settle revenue, rental, leased charges or other charges payable to the company by persons, companies, agencies and administrations for the services provided and to utilize the same for furtherance of activities of the company.
- 50(C) To plan, establish, setup, develop, manage, provide, operate and maintain telecommunication systems, networks, leased telecommunication services and control stations, ground station, fixed or mobile uplinking stations, relay stations, gateways, antennas, cable networks, headends, control towers and other equipments for the purpose of communication, broadcasting or telecast.
- 50(D) To enter into bilateral/multilateral ownership agreements with foreign administrations, communications, entities and service agencies for telecommunications, network system and services.
- 50(E) To acquire from any person, firm or body corporate whether in India and/or outside India in the public or private sector, technical information, know-how, process engineering, manufacturing and operating data, plans, layouts and blue prints useful for design, erection, construction, commissioning, operation and maintenance of plant and equipment required for any of the business of the company and to acquire any grant or licence and other rights and benefits in the foregoing matters and things.
- 50(F) To plan, establish, acquire, develop, manage, maintain in India or outside India any plants, equipments and auxiliaries which can be advantageously utilized by the company to attain its objects and carry on operations or business of any nature which the company from time to time may deem fit or expedient to carry on in connection with its business at any time being conducted.
- 50(G) To build, construct, maintain, enlarge, pull down, remove or replace, dispose off, improve or develop and work, manage and control any buildings, offices, godowns, warehouses, shops, machinery and plant and telephone exchanges, telex exchanges, message relay systems, microwave stations,



- repeater stations, telecommunications lines, cables, towers or any other equipment, plant and machinery connected with design, development, construction, maintenance and operation of telecommunications services and conveniences, which may seem calculated directly or indirectly to advance the interests of the company and to subsidise, contribute to or otherwise assist or take part in doing any of these things, and/or to join with any other person, and/or company and/or with governmental authority in doing any of these things.
- 50(H) To engage in research, development study and experiments relating to all the aspects of telecommunications to collect, prepare and distribute information and statistics relating to any of the aspects pertaining to telecommunications working in India or outside India and to promote or propose such methods, studies and measures as may be considered.
- 50(I) To receive or pay remuneration, assist and finance in India and/or outside India any industrial undertaking project or enterprise whether owned or run by Government, Statutory Body, Private Company firm or individual with capital credit or resources for execution of its work and business by or to the Company.
- 50(J) To design, establish, provide, maintain and perform engineering, technical and consultancy services for any administration, person, firm or body corporate for development of satellite transponder or telecommunications projects of all types/descriptions in India and outside India including but not limited to surveys of all types, feasibility reports, detailed project reports, techno-economic investigations, supply of basic engineering and detailed design and making drawings, layouts and blue print for construction of telecommunication facilities, preparation of tender documents, tender evaluation, purchase assistance, construction, supervision, project management, acceptance testing, commissioning, maintenance, training of personnel and such other services.
- 50(K) To receive engineering, technical and management consultancy services for telecommunications but not limited to engineering, commercial and operational management of telecommunications systems, market research and personnel management.
- 50(L) To acquire concession or licences granted by and to enter into contracts with the Government of India or the Government of any State in India or any Municipal or Local Authority, Company or person, for the construction, maintenance and operation of any electric installation for the production, transmission or use of electric power lighting, heating, signalling, telephonic or traction, water pumping and distribution thereof or motive purpose including the application thereof the railways, tramcars, omnibuses, carriages, ships and ports conveyances and objects or any other purpose and to appoint agents to act on behalf of the company for all or any such activities.
- 50(M)* To engage in the process of digitizing, cataloging and enabling the search, retrieval, management, delivery and secure sale of media assets such as audio, video, text, data and/or images, bibliography of films, entertainment programmes, musical videos, clippings, entertainment events, game shows, talk shows, news shows, current affairs programme etc., and heritage, preservation, archives and all related areas; to acquire copyrights, cable rights, satellite rights, cinema and video rights, pay per view right, pay per telecast right, rights of reproduction, dubbing and all other rights in respect thereof; to carry out, undertake, organize and provide all facilities for research and development.

*Inserted vide Special Resolution dated February 2, 2007

- 50(N)* To engage in the business of subscriber management services including billing services, payment handling, credit card gateways, interfaces with authorization system, customer care, price and product handling, subscription handling, conditional access system interfaces, middleware services, managing / running call centers, market research, mass communication services and to provide all these services through access and to configure, construct, install, commission and operate a comprehensive subscriber management system including but not limited to billing system, subscriber's information and request entitlement management messages and subscriber authorization system.
- 50(O)* To engage in the process of digitizing, cataloging and enabling the search, retrieval, management, delivery and secure sale of media assets such as audio, video, text and/or images, bibliography of films, entertainment programmes, musical videos, clippings, entertainment events, game shows, talk shows, news shows, current affair programmes etc., and heritage, preservation, archives and all related areas; to acquire copyrights, cable rights, satellite rights, cinema and video rights, pay per view right, pay per telecast right, rights of reproduction, dubbing and all other rights in respect thereof; to carry out, undertake, organize and provide all facilities for research and development.
- 50(P)* To give, provide, make available, receive, buy, take on hire, rent, hire-purchase, lease or through any other mode, equipments, hardware, capital goods, consumer premises equipments etc.

C. OTHER OBJECTS

51. To carry on business of manufacturing, assembling, buying, selling, reselling, exchanging, altering, importing, exporting, hiring, letting on hire, distributing or dealing in ships, boats, barges, launches, submarine and other under water vessels, aeorplanes, aero-engines, airships, sea planes, flying boats, hydroplanes and aircrafts and aerial conveyances for transport of conveyance of passengers merchandise or goods whether propelled or assisted by means or petrol, spirit, electricity, steam, oil, vapour gas, petroleum, mechanical, animal or any other motive power and all component parts, accessories, equipments, and apparatus for use in connection therewith.
52. To acquire, establish, run and conduct the business of flour, mill, bakery, roling mill, oil mill, dal mill, rice mill, and knitting mill.
53. To undertake and execute any contracts of works involving the supply or use of any of any machinery or other materials or articles and to carry out any ancillary or other works comprised in such contracts.
54. To carry on the business of mechanical, electrical, hydraulic, electronic, precision and general, engineers, machine and engineering tool makes, fitters, boulder-makers, iron founders, brass founders, smiths, woodworkers, pattern makers, mill-wrights, metal workers, iron and steel converters smiths, fitters, metallurgists, plate makers, dredgers, tug-owners, wharfinger, salt refiners and chemical manufacturers, builders of bridges and steel frame building and steel and iron structures of all kinds and to buy, sell, import, export, manufacture, repair, convert, let on hire and deal in machinery rolling-stock, iron, steel metal, implements, tools utensils and conveniences of all kinds to carry on the said builders in all their branches or any business of a character similar of analogous to the foregoing or any-other business or any other works or manufactures.

*Inserted vide Special Resolution dated February 2, 2007

55. To carry on the business or traders of manufactures, importers, exporters, assemblers, repairs, finishers, letters on hire or hire purchaser and dealers of and in machinery and tools and accessories, abrasive equipment and abrasive plant of all kinds, wire drawing equipment, casting patterns, moulds precision surface finishers, special alloy casting, heat treatment, sound reproduction equipment, electron equipment, cinematographic and photographic equipment, fire fighting equipment and components or accessories for the same, engineers tools, gauges and measuring devices, hand tools, machine tools, power tools, household tools hardware goods, machinery tools and equipment of all descriptions for tools makers and for glazing, cutting and working on metal glass tiles, stone, marble and rack substances and in any articles or things used for or in connection with any such business as aforesaid and of and in the raw or other materials for or component parts of or accessories to the same.
56. To purchase, take on lease, or otherwise, acquire any mines, mining rights and metalliferous land and to acquire certificate of approval in the Union of India any and any interest therein, and to prospect, explore, work, exercise, develop and turn to account the same.
57. To crush, win, get, quarry, smelt, calcine, refine, dress beneficiate, amalgamate, manipulate, wash and convert into merchantable, sell, buy, import, export or deal in all types of ore, smelt and mineral substance of all kinds including manganese, barytes, iron ore, metals, cement glasses, oil products, clays, bricks, tiles, pipes, pottery, refractory and ceramic wares of all kinds.
58. To produce, manufacture, refine, prepare, import, export, buy, sell and generally to deal in iron and steel in all forms and/or by-products thereof and to carry on the trade or business of iron makers, steel makers, steel convertors, rolled steel makers, miners, smelters, engineers, tinplate makers and iron founders in all their branches, manufacturers of all sorts of bars, rods and other sections, sheets and plates, wires and wire products of iron and steel and other metals and to search for, get, work, make merchantable sell and deal in iron, steel and other metals ferrous and nonferrous or old or new, coal, minerals and substances.
59. To construct and establish docks, berths, workshops, buildings, machinery and other conveniences and to carry on the business or proprietors of docks, wharfs, jetties, piers, warehouses and stores and of ship, tug lighter and barge owners, shipwrights, dresgets, ship, freight and freight insurance brokers.
60. To carry on the business as manufactures, processors, dealers, importers, exporters agents, distributor's and stockists of industrial and domestic gas cylinders, gas containers, drums, gas regulators, burner plates, petromax, grillers, heaters, flow valves, valves, cooking ranges, gas packing, storage and distribution equipments, gas stoves, gas chulas, burners and containers, boxes, caps, wads, drums, bags, tubes, paper made of tinplate, iron, steel, aluminium, plastic, glass, galvanized sheets, wood, polythene, jute, metal and ferrous and non ferrous metals, made fibre and fibrous substances or combination of one or more of the materials.
61. To manufacture and carry on the business of firm productions, silent as well as talking in all or any of the languages spoken in the world which may be topical, news, educational, dramatic, comic, advertisement, cartoons, coloured, synchronised and film or film of any other kind to be hereinafter devised.

62. To exhibit, distribute, give or take on hire, exchange, purchase or sell and to deal in any manner in films both of own manufacture or other manufacture, Indian or Foreign, in India or elsewhere outside India and to establish branches or agencies in India or elsewhere outside India and also to engage agents or representatives for the above or any other purposes of representatives and servants of the company and to manufacture, produce and exhibit cinematographic films and picture and to engage Directors, Actors Films and Pictures and to engage Directors, Actors, and other Servants, Authors, Playwriters, Dramatists, Dialogue and Scenario Writers, Film Editors, Story Writers, and other persons, Technicians, Engineers, Sound experts, Cameraman, Musicians, Art directors, Artists, Painters, Carpenters and other experts necessary for conducting the business of the company and to pay and remunerate persons so engaged.
63. To construct, purchase or take on lease cinematograph theatres, cinema halls and other buildings and works convenient for the purposes thereof and to manage, maintain and carry on such theatres and other building when so erected on.
64. To carry on and undertake any transaction, operation or business as financiers, guarantors, agents and contractors and to undertake and carry out all such operations and transactions.
65. To carry on the business as general merchants, traders in goods and commodities on ready or forward basis, commission agents, buying and selling agents, brokers, importers and to act as manufacturer's representatives.
66. To manufacture, sell, prepare or otherwise deal in chemicals import entitlements and packing material and boxes, containers, barrels of various types and forms made of wood, metal, corrugated sheets tin-plates, craft and craft paper, rubber plastics and glass.
67. To manufacture, sell and carry on business of industrial gases, i.e. oxygen, acetylene, argon, nitrogen, carbon dioxide, nitrouxide, feron in gas and in liquid form.
68. To carry on business of producers, manufacturers and dealers of oxygen dissolved acetylene, nitrogen, argon, hydrogen, carbon dioxide, nitrouxide, feron carbonic acid and other gases or kindered substances or any compounds thereof by any process, and of selling or supplying such gases, substances and compounds or any of them to such purposes as the company may from time to time think desirable.
69. To carry on the business of gas makers, mechanical engineers, iron founders, brass founders, metalworkers, boiler makers, mill wrights, machinists, iron and steel converters, smiths and manufacturers of agricultural implements.
70. To carry on the trades or businesses or iron Casters, steel makers, steel converters, coillery properties, coke manufacturers, miners, smelters, engineers tin plate makers and iron founders, in all their respective branches.
71. To carry on the business of running motor lorries, motor taxis, motor minibuses and conveyances of all kinds and on such lines and routes as the company may think fit and to transport passengers and goods and generally to do the business of common carriers.

72. To carry on the business of hotel, restaurant, café, tavern, refreshment room and boarding and lodging houses, keepers, beer house keepers, licensed vituallers, wine, beer and spirit merchants, aerated mineral and artificial water and other drinks purveyors, caterers for public amusements, dealers in ivory, novelty and other goods and general merchants, garge proprietors, livestock, importers and brokers of food alive and dead stock and foreign produce of all descriptions, hairdressers, perfumes, chemists, proprietors of clubs, baths dressing rooms, laundries reading, writing and newspaper room libraries, grounds and places of amusements, recreation spots, entertainment and instructions of all kinds, tobacco and cigar merchants, travel agents, bank mukadams for railways, shipping and airways and carriers by land, water and air, barge property and freight contractors, forwarding agents, clearing agents, stevedores, ship chandlers, caterers in railway, airlines and steamship companies, underwriters and insurers of ships, crafts, goods and other property, theatrical opera box office proprietors cinema exhibitions, producers and merchants, refrigerating, storekeepers, and as proprietors conducting safe deposit vaults, general agents, ice merchants, and carry on the business of running night clubs, swimming pools, playing of launches and boats, bakery and confectionery.
73. To carry on business as brokers, bankers and manufacturers of and dealers in bread flour, rava, maida, biscuits, sweets and farinaceous compounds and materials of every description.
74. To carry on business of manufacturers of and dealers in sugar, gur, khandsari, sugar candy, chocolate, toffees and other allied products.
75. To carry on the business of stationers, printers, lithographers, stereotypers, electro-typers, photographic printers, photo lithographers, engravers, dyesinkers, envelope manufactures, bookbinders, account book manufacturers, machine rulers, numerical printers, paper makers, paper bag and account book makers, box makers, cardboard manufacturers type founderies, photographers, manufacturers type founderies, photographers Manufacturers of and dealers in playing, visting, railway festive, complimentary and fancy cards and valentines dealers in parchment, dealers in stamps, agents for the payment of a stamp and other duties, advertising agents, designers, draftsmen, manufacturers, book sellers, publishers, paper in the manufacturers and dealers in the material used in the manufacturer of paper engineers.
76. To carry on the business as manufacturers and dealers in boots, shoes, clogs, all kinds of footwear and leather and plastic goods, lasts, boots, trees, laces, buckles, leggings, accessories and fittings.
77. To carry on business as goldsmiths silversmiths, jewellers, gem merchants, watch and clock repairers, electroplates, dressing bag makers, importers and exporters of bullion and buy sell and deal (wholesale and retail) in bullion, precious stones, jewellery gold or silver plates, cups, shields, electroplated, cutlery, dressing bags brozens, articles of virtue, objects of art and such other articles and goods as the Company may consider capable of being conveniently dealt in relation to its business and to manufacturing goods for the above business.
78. To carry on business as manufacturers and dealers of VCR, Cameras, radios, television sets, teleprinters, telecommunication and electronic equipments, computers, business machines, calculators, and their components including valves, transistors, resistors, condensers and coils.

79. To carry on business of manufacturers or dealers in electronic goods data processors typewriters, calculating machines, computers, cleaners office, equipments, sewing and printing machines, air-conditioning equipment, air-conditions, refrigerator, coolers, ice cream manufacturing machinery and to maintain air-conditioning godowns for storage of goods.
80. To carry on business of a steam and general laundry, and to wash, clean, purity, renovate and prepare for use of all articles of wearing apparel household domestic and other cotton, silk and woolen fabrics, repair, let on hire, alter, improve, treat and deal in all apparatus, machines, materials and articles of all kinds which are capable of being used for any such purposes.
81. To acquire or set up and run hospitals, clinics, nursing homes, maternity and family planning units or pathological laboratories and optician shops.
82. To carry on the business of cold storage of fruits, vegetables, seeds, fish, meat, agricultural products, milk and dairy products and other perishable items and manufacturers and dealers of ice, ice creams, cold drinks, beer, soft drinks.
83. To carry on all or any of the business or builders, developers, and agents of lands, buildings, engineers and contractors, architects, decorators, merchants and dealers and manufacturers of stone, sand, ceramics lime bricks, cement, timber, hardware, and other building materials.
84. To carry on the business of manufacturers or dealers of tractors, automobiles, earth-moving equipments, commercial vehicles, two wheelers and three wheelers, passenger vehicles, internal combustion engines, boilers, locomotives and compressors .
85. To manufacture and or deal in automobile part, spare parts and components of machineries and to act as agents for manufacturers of various parts and components.
86. To cultivate, grow, produce, or deal in any agriculture, vegetable or fruit products and to carry on all or any of the business of farmers, dairymen milk contractors, poultry farms, dairy farmers, and milk products, condensed milk and powdered milk, creak, cheese, butter, poultry, fruits, fruit essences, vegetables, cash crops and provision of all kinds, growers, of and dealers in corn, hay and straw, seedsmen, all types of flowers, products, flowers essence and to buy, sell, manufacture and trade in any goods usually traded in any of the above business or any other business inclusive of staple foods and medical preparations from milk, vegetables, flowers and animal products or any substitute for any of them associated with the farming interests.
87. To cultivate, produce and deal in tea, coffee, cinchona, rubber and other produce and to carry on the business of planters in all its branches to carry on and to do the business of cultivators winners and buyers of every kind of vegetable, mineral or other products of the soil, to prepare manufacture and render marketable any such products and to sell, dispose of and deal in any such produce, either in its prepared, manufactured or raw state, and either by wholesale or retail.
88. To carry on the business as leasing company and to invest the capital and other moneys of the company in the purchase or upon the security of shares, stocks, debenture stock, bonds, mortgages, obligations estate, buildings, land, business, manufacturing concerns and securities

- carrying on business in shares, stocks, debentures, debenture stocks, bonds, mortgages, obligates, obligations and other securities commissioners, trust, municipal or local authority, government corporation companies and to carry on the business of Underwriters, film financing, hire purchase, financing, and to carry on business of financing industrial enterprises, trade and business.
89. To carry on the manufacture and sale of patent medicines and preparations and generally to carry on the business of manufacturers, buyers, sellers of and dealers in all kinds of medicines, medical preparations and drugs whatsoever and obtain patents for them.
 90. To carry on the business of manufactures of or dealers in pulp, and paper of all kinds, and articles made from paper or pulp and materials used in the manufacture or treatment of paper including cardboard, mill boards and wall and ceiling papers and packaging cartons and news-prints and photographic raw films.
 91. To manufacture and deal in all chemical products such as coal and coaltar products, and their intermediates, dyes, drugs, medicines and pharmaceuticals, petroleum and its products and derivatives, paint, pigments and varnishes, explosives and ammunitions, vegetables oils, their products and derivatives, all types of heavy chemicals such as sulphuric and other acids, caustic soda ash, all types of textile chemicals and sizing and finishing materials, lime, refractories, photographic chemicals clay and boards, including straw boards, soap, glycerine and allied products, all industrial and pharmaceutical, organic and inorganic chemicals, fertilizers, pesticides, manures, fungicide, and allied products, fats, wax, and their products, hides, skins and leather.
 92. To carry on the business of purchase and sale of petroleum and petroleum products, to act as dealers and distributors for petroleum companies, to run service station for the repairs and servicing of automobiles and to manufacture or deal in fuel oils, cutting oils, grease.
 93. To carry on the business of manufacturers and dealers in all types of rubber, leather, celluloid, Bakelite, plastic and other chemicals, rubber and plastic goods, particularly industrial rolls, rollers, sheets, beltings and consumer goods such as tyres, tubes and other allied products, chappals, shoes, medical and surgical goods, and all other kinds, of products and carry on the business of tyre retreading.
 94. To carry on the business of iron founders, makers of scientific industrial and surgical instruments mechanical engineers and manufacturers of agricultural implements and other machinery, steel castings and forgoing and malleable iron and steel and castings, tool makers, brass founders, metal workers, bolder makers, mill wrights, machinists, iron and steel converters, smiths, repair, convert, let on hire and deal in machinery implements, rolling stock and hardware of all kinds.
 95. To carry on business of electrical engineers, electricians, contractors, manufacturers, constructors, suppliers of and dealers in electric and other appliances, electric motors, fans, lamps, furnaces, household appliances, batteries, cables, wire lines, drycells accumulators, lamps and works and to generate, accumulate, distribute and supply heat, motive power, and for all other purposes for which electrical energy can be employed.

96. To carry on the trade or business of manufacturing, assembling, buying, selling, reselling, exchanging, altering, importing, exporting, hiring, letting, on hire, or distributing or dealing in railway carriages, wagons, carts, vehicles, rolling stocks and conveyance of all kinds, whether for road, field or other traffic or purposes, and also plant and machinery material and things, applicable for use as accessories thereto and of letting or supplying all or any of the things hereinbefore mentioned coal proprietors, and other companies and other persons and of repairing and maintaining the same respectively whether belonging to this Company or not and of selling, exchanging, and otherwise dealing in the same respectively.
97. To carry on the business of machinists, makers, of machinery, manufacturers of pressed bowls, mechanical engineers, marine engineers, iron founders, brass founders iron and steel converters, metallurgists, smiths and wood workers, iron masters, steel makers, blast furnace proprietors, repairs, boiler makers, smiths, sand blast proprietors, consulting engineers, electrical engineers, asbestose, manufacturers, spanners, annealers, enamellers, electric and chromium platers, polishers painters garge proprietors, blacksmiths, tin smiths, lock smiths, iron mongers, alloy maker, metal platers, wire weavers and to buy, sell manufacture, repair, convert, let on hire and deal in plant machinery, tools, implements, utensils, rolling stock and hardware of all kinds.
98. To manufacture, buy, lease and sell machinery, equipments, stores, engineering products of all kinds and description and to carry on the business of suppliers and dealers in all types of machinery and in all products intended for use in foundry and treatment of metals and to cars/on the business of leasing, hire purchase, finance company.
99. To carry on the business of manufacturers of or dealers in glass products, including sheet and plate glass, optical glass, glass wool and laboratory ware.
100. To carry on the business of manufacturers of or dealers in industrial machinery of all types including bearing engines, motors, speed reduction units, pumps, machine tools and agricultural machinery and earth moving machinery including road rollers, bulldozers, dumpers, loaders, shovels and drag lines and light engineering goods such as cycles and sewing machines and their components.
101. To carry on the business of manufacturers of or dealer of ferrous or nonferrous metals, including iron and steel aluminium, brass, tin, nickel, special steel, and their products and scrap and to produce steel bricks, bails from steel scrap and cast iron scrap.
102. To carry on business as manufacturers, dealers, stockists, importers, and exporters of engineering drawing sets, builders hardware, steel rules measuring tapes, cutting tools, hand tools, precision measuring tools, machine tools, garage tools, hardware tools, instruments, apparatus and other machinery plant, equipment, articles, bolts, nuts, nails rivets, hooks hinges, appliances, their components parts, accessories and allied things.
103. To carry on the business as manufacturers, dealers stockists, importers and exporters of foreign, casting, stamping of all metals, machinery arts, moulds, press tools, jigs, fixtures, injections and compression moulding steel products, automobile parts.

104. To carry on business as manufacturers, stockists, importers, exporters, repairers and dealers in dynamos, motors, armatures, magnets, batteries, conductors, insulators, transformers, converter, switch boards, cooker engines, guns, presses, insulating material, and generally electric plant, appliances and suppliers of every description.
105. To carry on the business as manufacturers, dealers, stockists importers and exporters of buckets, bath tubs, tanks, metal furnitures, safes, chimneys pipes.
106. To carry on business as manufacturers, processors, dealers, stockists, importers and exporters of wearable and unwearable cloth, garments, hosiery fabrics, high density polythene and polypropylene, woven sacks, tarpaulins of various qualities and types.
107. To carry on business as manufacturers, dealers, stockists, importers and exporters of general goods, suppliers, commission agents and to carry on all or any of the business of wholesale and retail in all kinds of merchandise such as textile, yarn steel, spices, dry fruits, chemicals, dyes and grains.
108. To carry on business of timber, timber merchants timber yard and sawmill proprietors, and to buy, sell, prepare for market, import, export and deal in timber and wood of all kinds and to manufacture and deal in articles of all kinds in the manufacture of which timber or wood issued, to carry on the business of logging and lumbering purchasing, acquiring, and leasing, timber berths, and so far as may be deemed expedient.
109. To mortgage or take on mortgage, lease, take on lease ex-change or otherwise deal in land, buildings hereditaments of any tenure or freehold and carry on the business as leasing company.
110. To procure or develop and supply or provide technical know how, machineries, process formulas, for the manufacture or processing of goods, materials or in the installation or erection of machinery or plant for such manufacture or processing, or in the working of miners, oils wells or other sources or minerals deposits, or in search for or discovery or testing of mineral deposits or in carrying out any operations relating to agriculture, animal husbandry, dairy or poultry farming, forestry or fishing or rendering services in connection with the provision of such technical know-how.
111. To carry on the profession of Management Consultants, consultants and advisers on employment, engineering, industrial, turnkey projects and technical matters to industry and business and to act as employment agents. To carry on the profession or business of Managers to the issue, underwriters, registrars to the issue, registrar to the transfers, brokers, financial and investment consultants, issue house loan, syndication, merchant banking and advisors.
112. To undertake or arrange for the writing, printing, and publication of books, newspapers, magazines, journals, or pamphlets on subject relating to trade, commerce, industry, agriculture, insurance, investment, taxation, finance, economics, law and other subject and to each as agents in connection therewith.
113. To acquire or set up and run schools, colleges, training and professional institutions and music and dance centres.

114. To carry on the business of importers, exporters, dealers, stockists, suppliers and manufacturers of commercial, industrial and domestic plastic products of any nature, substance and form, and of any raw material including styrene, polystyrene, vinyl, acetate and copolymers and other allied materials, acrylics and polyesters, polycarbonates and polythers and epoxy resins and compositions silicon resin and compositions, P.F., U.F and other thermoplastic moulding compositions including prefabricated sections and shapes cellulosic plastics and other thermosetting and thermoplastic materials (of synthetic or natural origin), colouring materials, plastic and resinous materials and adhesive compositions.
115. To carry on business as manufacturers of petroleum products, walvers, petrochemicals and its by products and corresponding products.
116. To carry on the business of speculation in shares stocks, debenture stocks, bonds, obligations and securities issued and commodities permitted by any law for the time being in force in the country.
117. To carry on the business of collecting, crushing preserving, processing, manufacturing, producing extracting, refining, blending, hardening, hydrogenating facts splitting, oil fractionalisation, preprocessing making by mechanical and/or chemical processes, and to act as importers, exporters, dealers, distributors traders, agents, purchasers, sellers, representatives, collaborators, merchandisers of oil seeds, oil cakes, deoiled, cakes oils, fatty acids, soaps, detergents, chemical oils, perfumes, vanaspati, edible oils, refined oils, cooking medicums, glycerin, lubricating oils, tallows, shortening compounds, hydrogenated oils, dehydrated oils, synthetic oil varnishes, cattle feeds, proteins, food products and oilous products, rice bran, mohuva seeds, coconut palm kernel, sesame seed, linseed, sal seed, soyabean, kardi seed, rape seeds, mustard seed, neem seed, castor seed, cotton seed, groundnut, water melon seed, karahija seed, sunflowers seed, citronella, menthol and cakes or oils.
118. To carry on the business of dredging, fishing, seafood, merchants, carriers by land, water and air, ship owners, aircraft owners, transport owners, dock owners, hanger owner, airfield owners, sea plane base owners, warehousemen, wharfingers, barge owners, ship cliandlers, stores, suppliers, lightermen, clearing, forwarding and general agents, shipping agents, stevedores, bunkers, painters and hotel owners and bus owners.
119. To carry on business of builders, repairers, breakers and refitters or ships, trawlers, platforms, rigs vessels, tugs, barges, lighters, and aircraft and other transport and conveyances, and manufactures and/or repairers of engines, boilers, tickles, machinery and any parts required for ships, vessels or aircraft and any apparatus for use in connection therewith, and to carry on the business of civil and mechanical engineers, also to acquire, provide and maintain hangers, garages, sheds, aerodromes and accommodation for or in relation to aerial conveniences.
- 120.** To carry on the business of manufacture, assemble, put to place, set up, plant, establish, develop, acquire, purchase, launch, relaunch, hire, lease, time share, manage, maintain, operate, run, replace, sale, upgrade, or otherwise commercially exploit, space craft, ground station assets, transponders, control sections, via uplink or downlink or otherwise for the purpose of transmitting relaying, telecommunicating, broadcasting, narrowcasting, telecasting, any form of radio, video signals both terrestrially and spatially.

**Inserted vide Special Resolution dated November 6, 1995



- 121.** To plan, establish, develop, provide, operate, maintain cable or satellite based communications or broadcasting or maintain telecommunication networks, systems, services including telephones, telex, message, relay, data transmission, facsimile, television, telematics, value added network services, paging cellular, mobile, audio and video services, maritime and aeronautical communication service and other telecommunication services as are in use elsewhere or to be developed in future and to act as satellite based service provider and carry on the business of generation, distribution, redistribution, receiver, transmitter of audio, video and radio signals.
- 122.** To carry on the business of providing consultancy services relating to telecommunication, satellite, transponder, communication broad casting network systems, mobile systems, telephony, information technology and exploiting software associated with provision and management of telecommunication service.
123. To plan, establish, erect, construct, develop, maintain, operate, manage infrastructure facilities including road, highway bridge, airport, port, rail system and recover toll or user charges from the users.
- IV. The liability of the members is limited.
- V. ***“The Authorized Share Capital of the Company is Rs. 135,00,00,000/- (Rupees One Hundred and Thirty Five Crores Only) divided into 135,00,00,000/- (One Hundred and Thirty Five Crores) Equity Shares of Re.1/- (Rupee One) each with a power to increase or decrease, consolidate or sub-divide the shares under the provisions of the Companies Act, 1956”.
- (a) Any shares in the original or increased capital may from time to time be issued with any such right to preference whether in respect of Dividend, or repayment of capital or both, or on the footing that any such shares may be determined and provided by the Articles of Association of the Company and the Companies Act, then in force.
- (b) The right of holders of any class of shares for the time being forming part of the capital of the company may be modified, affected, varied, extended or surrendered either with the consent in writing of the holders of three fourth of the issued shares of that class or with the sanction of a special resolution of the members of that class provided by Articles by Association of the Company and the Companies Act, then in force.
- 124.**** To carry on the business as Internet Service Provider and undertake any and all kinds of internet / web based activities and transactions including but not limited to providing the internet access and data communication services, with or without content, by telecommunication networks, optical fibres or otherwise by any other means whatsoever, and to provide basic and value added internet service; to design, develop, sell, provide, maintain, market, buy, import, export, sell and license computer software, hardware, computer systems and programs products, services and to give our computer machine time and to carry on the business of collecting, collating, devising other systems including software programs and systems.

** Inserted vide Special Resolution dated November 6, 1995

*** Amended vide Resolution dated August 3, 2009

**** Inserted vide Special Resolution dated September 1, 2010

We, the several persons, whose names, addresses, and description and subscribed hereunder are desirous of being formed into a Company in pursuance to 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.

Names, address Description and of Occupation of Subscriber	Number of Equity shares taken by each Subscriber	Signature Of Subscribers	Name, address and description of Witness
MAHENDER H KHANTED S/O Late Hastimal Khanted A/102 Sheetal Chaya 1st Floor S. V. Road Malad (West) Bombay 400 064 BUSINESS	10 (Ten)	Sd/-	Witness for both Sd/-
RAMESHKUMAR H KHANTED A 603 Sheetal Chaya 6TH Floor S. V. Road Malad (West) Bombay 400 064 BUSINESS	10 (Ten)	Sd/-	MOHANLAL BHANDARI S/o Late Ghewarchand Bhandari Sheel Chambers 10, Cawasji Patel Street Bombay 400 001 CHARTERED ACCOUNTANT

Bombay : Dated 20th July, 1988





THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION*
OF
DISH TV INDIA LIMITED

PRELIMINARY

Interpretation

1. Unless the context otherwise requires words or expressions Contained in these Articles shall bear the same meaning as in the Act.
The marginal note effect the construction hereof and in these presents, unless there is something in the subject or context inconsistent therewith.
“The Act” means the Companies Act, 1956.
“The Articles” means these Articles of Association as originally framed or as altered from time to time by Special Resolution.
“The Company” means DISH TV INDIA LIMITED.
“The Directors” mean the Directors of the Company for the time being.
“The Office” means the Registered Office of the Company for the time being.
“The Register” means the Register of Members to be kept pursuant to Section 150 of the Act.
“Seal” means the Common Seal of the Company.
“Share” means equity share as well as preference share.
“Beneficial Owner” shall mean beneficial owner as defined in Clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.
“Depository” shall mean a depository as defined in clause (e) of sub-section (1) of Section 2 of the depositories Act, 1996.
“Member” means the duly registered holder from time to time of the shares of the Company and includes the subscribers to the Memorandum of the Company and the beneficial owner as defined above.
** “Apollo” means Apollo India Private Equity II (Mauritius) Ltd., a Company incorporated and existing under the laws of Mauritius, bearing Company No. 089226 C1/GBL and having its registered office at Floor 4, Les Cascades Building, Edith Cavell Street, Port Louis, Mauritius 999999.

*New set of Articles adopted vide Special Resolution dated February 2, 2007

** Inserted vide Special Resolution dated September 1, 2010



** "Apollo Affiliate" means an affiliate of, or person affiliated with Apollo and, is a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with Apollo.

** "Budget Committee" means a permanent committee of the Board of Directors constituted to unanimously approve Company's annual budget and any amendment(s) thereto and shall include the Apollo Nominee Director.

** "GDRs" means any or all of 117,035 Global Depository Receipts issued by the Company representing 1000 (one thousand) underlying Equity Shares of Re. 1 each for each such GDR.

Words importing the singular number also includes the plural number and vice versa.

Word importing the masculine gender also include the feminine gender.

Words importing persons include corporations.

Table "A" not to apply

2. Save as provided herein, the regulations contained in table "A" in schedule 1 to the Act shall not apply to the Company.

CAPITAL AND SHARES

Allotment of shares

3. (a) The Authorised Share Capital of the Company shall be as given in Memorandum of Association of the company.
- (b) Subject to the provisions of Section 81 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 Directors who may issue, allot or otherwise dispose of 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 (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the company in the 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.

** Inserted vide Special Resolution dated September 1, 2010



Issue of Securities	3A***	The Company may issue Debentures, Debenture Stock or loan, loan stock, Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Share Warrants or any other security convertible in to or exchangeable for the Shares of the Company or conferring the right to allotment or the option of right to call for allotment of shares of the Company, securities linked to Equity Shares, securities with Warrants, including Foreign Currency Convertible Bonds (FCCBs) and Foreign Currency Exchangeable Bonds (FCEBs) subject to, and in accordance with, applicable laws, including provisions of the Companies Act, 1956, the Securities and Exchange Board of India (SEBI) Guidelines, Regulations and instructions and subject to other applicable legal and regulatory provisions to any eligible person, including Qualified Institutional Buyers, Foreign / resident investors, Indian and or Multinational Financial Institutions, Mutual Funds, Banks, Non-Resident Indians, stabilizing agents and any other categories of investors, whether they be holders of shares of the Company or not.
Commission for placing share	4.	The Company may, subject to compliance with provisions of Section 76 of the Act, exercise the power of paying commission.
Brokerage	5	The Company may pay on the Issues of shares or debentures such brokerage as may be lawful.
Shares at a discount	6.	With the previous authority of the Company in General Meeting and complying with Section 79 of the Act, the Directors may issue at a discount, shares of a class already issued.
Redeemable preference share	7.	Subject to the provisions of the Section 80 of the Act, the Company may issue Preference Shares which are, or at the option of the Company are liable to be redeemed or to be redeemed on such terms and in such manner as the Company may determine.
Installments on shares to be duly paid	8.	If, by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments every such installment, shall, when due, be paid to the Company by the person who for the time being shall be the member registered in respect of the share or by his executor or administrator.
Liability of joint holder of share	9.	Members who are registered jointly in respect of a share shall be severally as well as jointly liable for the payments of all installments and calls due in respect of such shares.
Trust not recognized	10.	Save as herein otherwise provided, the Company shall be entitled to treat the member registered in respect of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction or as by statute required, be bound to recognize any equitable or other claim to or interest in such share on the part of any other person.

*** Inserted vide Special Resolution dated August 3, 2009



CERTIFICATES

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| Certificate | 11. | The certificate to title of shares and duplicates thereof when necessary shall be issued under the Seal of the Company in accordance, with the provisions of Section 84 of the Act and the rules prescribed by the Central Government for the said purposes as in force from time to time. |
| Member's right to certificate | 12. | Every member shall be entitled to one Certificate for all the shares registered in his name or, if the Directors so approve to several certificates each for one or more of such shares.

Provided however that no share certificate(s) shall be issued in respect of the shares held in Depository. |
| To which of joint holder certificate to be issued | 13. | The Certificate of shares registered in the name of two or more persons shall be delivered to the person first named on the Register. |
| Issue of new certificate in place of one defected, lost or destroyed | 14. | 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, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate 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 Certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

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.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company. |

CALLS

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| Calls | 15. | The Directors may, from time to time subject to the terms on which any shares may have been issued, and subject to Section 91 of the Act, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Directors. |
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A call may be made payable by installments, and shall be deemed to have been made at the time, when the resolution of the Directors authorizing such call was passed.

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| When interest on a call or installment payable | 16. | If the sum payable in respect of any call or installment are not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made for the installment shall be due, shall pay interest for the same from the day appointed for the payment thereof to the time of the actual payment at such rate as the Directors may determine. The Directors shall be at liberty to waive payment of any such interest wholly or in part. |
| Amount payable at fixed time or by installments payable at calls | 17. | If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times, whether on account of the amount of the share or by way of premium, every such amount or installment shall be payable as it were a call duly made by the Directors and of which due notice had been given and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly. |
| Evidence in action by company against shareholders | 18. | Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any shareholder or his representatives to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the register of the Company as a holder, or one of the holders, of the shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call, nor that a quorum of Directors was present at the meeting, at which any call nor that the meeting at which any call was made duly convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt. |
| Payment of call in advance | 19. | The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys 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, to the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. |

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



The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

Revocation of call 20. A call may be revoked or postponed at the discretion of the Directors.

FORFEITURE, SURRENDER AND LIEN

If call or installment not paid, notice may be given 21. If any member fails to pay the whole or any part of any call or installment or any money due in respect of any shares either by way of principal or interests on or, before the day appointed for the payment of the same or any extension thereof as aforesaid, the Directors may at any time thereafter during such time as the call or installment remains unpaid or decree remains unsatisfied serve a notice on such member, or on the person (if any) entitled to share by transmission, requiring him to pay, such call or installment or such part thereof or other moneys as remains unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have accrued/incurred by the Company by reason of such non-payment.

In default of payment shares may be forfeited 22. If the requisitions of any such notice shall not be complied with, every or any share in respect of which the notice is given, may at any time thereafter, before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include dividend declared in respect of the forfeited shares and not actually paid before the forfeiture.

Notices of forfeiture to member 23. When any share is declared to be forfeited, notice of forfeiture shall be given to the member in whose name it stood immediately prior to forfeiture and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

Forfeited share 24. Every share so forfeited as aforesaid shall thereupon be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board shall think fit.

Power to annul forfeiture 25. The Directors may any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they may think fit.

Member shall be liable to pay money owing at the time of forfeiture and interest 26. Any member whose shares may be forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls and other money owing upon the shares at the time of the forfeiture with interest there on from the time of the forfeiture, until payment, at such rate as Directors may decide, and the Directors may enforce the payment thereof if they think fit and shall not be under any obligation to do so.



- Title of purchases and allottee of forfeited shares 27. The Company may receive the consideration, if any, given for the share on any sale or other disposition thereof and the person to whom such share is sold/ disposed of may be registered as the holder of the share, and he shall not be bound to see the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceeding in reference to the forfeiture, sale or other disposal of the same.
- Directors may accept surrender of shares 28. The Directors may at any time, subject to the provisions of the Act, accept the surrender of any share from or by member desirous of surrendering on such terms as the Directors may think fit.
- Company's lien on share / debentures 29. 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 thereon 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/debenture shall be created except upon the footing and condition that this article will have full effect. Any such lien shall extend to all dividends and bonus from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of 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.

TRANSFER AND TRANSMISSION OF SHARES

- Form of transfer 30. The Instrument of transfer shall be in writing and all the provisions of Section 108 of the Companies 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.
- Foreign register of members and form 31. The Company shall have power to keep foreign Register of Members or debenture holder in any country or state outside India as may be decided by the Board from time to time. If any shares are to be entered in any such register, the instrument of transfer shall be in a form recognized under the law of such country or state or in such form as may be approved by the Board.
- Company to maintain register and index of members 32. The company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Companies Act, 1956 and the Depositories Act, 1996 with details of shares held in material and dematerialized forms in any media as may be permitted by law including in any form of electronic media. The company shall be entitled to keep in any state or country outside India a branch Register of Members Resident in that state or country.



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| Share to be numbered progressively | 33. | The shares in the capital shall be numbered progressively according to their several denominations & except in the manner herein before mentioned, no share shall be sub-divided, provided however, that the provisions relating to progressive numbering shall not apply to the share of the company which are in dematerialized form. |
| To treat the person as holders of shares whose name appears in the register of members | 34. | Save as herein otherwise provided, the company shall be entitled to treat the person whose name appears on the Register of Member as the holder of any share or whose name appears as the beneficial owner of shares in the records of the depository, as the absolute owner thereof & accordingly shall not except as ordered by a court of competent jurisdiction or as by law required, be found to recognize any benami trust or equity or equitable, contingent, future or partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

No notice of any trust express, implied or constructive shall be entered in the Register of Members or of debenture holders. |
| Company to dematerialize its shares, debentures etc. | 35. | The company shall be entitled to dematerialize its existing shares, debentures and other securities & rematerialise its shares, debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereby, if any. |
| Directors may refuse to register transfer | 36. | Subject to the provisions of Section 111 of the Companies Act, 1956 or any statutory modifications of the said provisions for the time being in force, the directors may, at their own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares and in particular may so decline in any case in which the company has lien upon the shares or any of them whilst any money in respect of the shares desired to be transferred or any of them remain unpaid or unless the transfer is approved by the directors and such refusal shall not be affected by the fact that the proposed transferee is already a member. The registration of a transfer shall be conclusive evidence of the approval of the director of the transfer. 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 when the company has a lien on the shares. Transfer of shares / debentures in whatever lot shall not be refused subject to the provisions of the Act and these articles. |
| Notice of refusal to be given to transferor and transferee | 37. | If the Company refuse to register the transfer of any share or transmission of any right therein, company within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, shall send notice of refusal to the transferee and the transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 111 of the Act or any statutory modification of the provisions for the time being in force shall apply. |



- Custody/destruction of the instrument of transfer 38. The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. Such instruments of transfer may be destroyed by the Company at the sole discretion of the Directors.
- Closure of transfer books etc 39. The Directors shall have power, on giving not less than seven days previous notice by advertisement as required under Section 154 of the Act, to close the Register of members and debenture holders of the Company in the manner provided under Section 154 of the Act.
- Registration of person entitle to shares otherwise than by transfer (transmission clause) 40. Subject to the provisions of the Act and these Articles any person becoming entitled to a share in consequence of the death, 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 these clauses, or of his title, as the Board may think sufficient and upon giving such indemnity as the Directors may require either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by execution, to his nominee of instrument of transfer of the shares in accordance with the provision herein contained, and until he does so, he shall not be free from any liability in respect of the share. This clause is herein referred to the "Transmission Clause".
- Register of transfer 41. The company shall keep a book to be called "Register of Transfer" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares held in material form.
- Provisions of Depository Act to apply 42. In case of transfer or transmission of shares or other marketable securities where the company has not issued any certificate and where such shares or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.
- Refusal to register transmission of shares 43. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if the transferee, named in an ordinary transfer presented for registration.
- Board may require evidence of transmission 44. Every transmission of a share shall be verified in such manner as the Directors may require, and the Company may refuse to register any such 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 Board at its discretion shall consider sufficient provided nevertheless that there shall not be any obligation on the Company or the Board to accept any Indemnity.



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| Fee on transfer or transmission | 45. | The Company will not make any charge for:- <ol style="list-style-type: none">i. Registration of transfer/transmission of its shares and debentures;ii. Subdivision and consolidation of shares and debenture certificates and subdivision of letters of Allotment and split, consolidation or Renewal and Pucca Transfer Receipts into denominations corresponding to the market units of trading;iii. Subdivision of renouncable Letters of Rights; andiv. Registration of any power of attorney, probate, succession certificate and letter of administration, certificate of death or marriage or similar other documents. |
| The company not liable for disregard of a notice-registration of a transfer | 46. | The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made, by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable right, title, or interest to or in the same shares notwithstanding that the Company 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 or give 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 books 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. |
| INCREASE, REDUCTION AND ALTERATION IN AUTHORISED, ISSUED AND SUBSCRIBED CAPITAL | | |
| Increase of authorized share capital | 47. | The Company may from time to time in general meeting by ordinary resolution alter the conditions of its memorandum by increase of authorized share capital by creation of new shares of such amount as it thinks expedient. |
| Increased capital same as original capital | 48. | Except so far as may be otherwise provided by the conditions of issue or by these present, 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, here in considered with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise. |



Reduction of capital 49. The Company may (subject to the provisions of Sections 100 to 105 of the Act) from time to time by special resolution reduce its share capital or any Capital Redemption Reserve Account or Shares Premium Account in any way authorized by law and in particular may pay off any paid up share capital upon the footing that it may be called up again, or otherwise, and may, if and as far as is necessary, alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

****Buy Back of Shares 49A Notwithstanding anything contained in these Articles, but subject to provisions of Sections 77A and 77B of the Act, the Company may purchase its own shares or other specified securities (hereinafter referred to "Buy-Back") out of:-

- (a) its Free Reserve; or
- (b) the Securities Premium Account; or
- (c) the proceeds of any Shares or other specified securities, in accordance with the provisions of Sections 77A and 77B and Rules prescribed by the Central Government and/or by Securities and Exchange Board of India in this behalf, provided that nothing herein contained shall be deemed to affect the provisions of Sections 100 to 104 and Section 402 of the Act in so far as and to the extent they are applicable.

Consolidation, division and sub division 50. The Company may in general meeting alter the conditions of Memorandum as follows :

- a) Consolidate and divide all or any of its share capital into share of larger amount than its existing shares.
- b) Sub-divide its shares or any of them into shares of smaller amount than originally fixed by the Memorandum, subject nevertheless to the provision of the Act and of these Articles.
- c) Cancel shares, which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
- d) Convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid up shares of any denomination.

JOINT HOLDERS

Joint holders 51. Where two or more persons are registered as the holder of any shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these Articles :

****Inserted vide Special Resolution dated August 28, 2008



- a) On the death of any such joint holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title or interest in the share but the Directors may require such evidence of death as they deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
- b) Any one of the joint holders may give effectual receipt of any dividends or other moneys payable in respect of such shares.
- c) Only the person whose name stands first in the Register as one of the joint holder of any share, shall be entitled to delivery of the certificate relating to such shares or to receive documents (which expression shall be deemed to include all documents required to be delivered as per the Companies Act, 1956) from the Company and documents served on or sent to such person shall be deemed as good service on all the joint holders.
- d) Any one of two or more joint holders may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy then one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint holders present at any meeting personally shall be entitled to vote in preference to a joint holder present by proxy and stands first or higher (as the case may be) in the register in respect of such shares. Several executors or administrators of deceased member in whose (deceased member's) sole name any share stands shall for the purpose of this sub clause be deemed joint holders.

Power to borrow 52. Subject to the provisions of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Directors shall have the power from time to time at their discretion to accept deposits from members of the company either in advance of calls or otherwise and generally to raise or borrow or secure the payment of any sum of money for the purpose of the Company, provided that the aggregate of the amount borrowed (apart from temporary loans as defined in Section 293 of the Act obtained from the Company's bankers in the ordinary course of business) and remaining outstanding and undischarged at that time, shall not without the consent of the Company in general meeting, exceed the aggregate of the paid up capital of the company and its free reserves, that it to say reserves not set apart for any specific purpose.

Conditions on which money may be borrowed 53. Subject to the provisions of the Act and these Articles, the Board may raise and secure the payment or repayment of such sum or sums in



such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of bonds, perpetual or redeemable debentures, debenture stock or any mortgage or charge or other security on the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

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| Bonds, debentures etc. to be under the control of Directors | 54. | Any bonds, stocks or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefits of the Company. |
| Issue at discount etc. or with special privilege | 55. | Any bonds, debentures, debentures stock, or other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending at general meetings provided that debentures with the right of conversion into shares shall not be issued except in conformity with the provisions of Section 81 (3) of the Act or any modification thereof. |
| Indemnity may be given | 56. | Subject to the provision of the Act and these Articles, if the Directors or any of them or any other person shall incur or about to incur any liability as surety for the payment of any sum primarily due from the Company, the board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability. |
| Mortgage of uncalled capital | 57. | If any uncalled capital of the Company is included or charged by any mortgage or other security, the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed. |

GENERAL MEETING

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| Annual General Meeting | 58. | Subject to the provisions of the Act, the Company shall hold from time to time as provided by the Act, in addition to any other meeting or general meeting as its Annual General Meeting. The provisions of Section 166 of the Act shall apply to such Annual General Meeting. |
| Extraordinary General Meeting | 59. | Subject to the provisions of the Act, the board of Directors may whenever it thinks fit, call an Extraordinary General Meeting of the Company other than an Annual General Meeting. |

PROCEEDINGS AT GENERAL MEETING

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| Quorum of General Meeting | 60. | Five members entitled to vote and present in person shall form quorum for General Meeting. No business shall be transacted at any General Meeting, unless the quorum requisite be present at the commencement of a meeting. |
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- If Quorum not present 61. If within half an hour from the time appointed for holding a meeting of the Company, the quorum is not present, the meeting, if called upon the requisition of members, shall stand dissolved. In any other case, the meeting shall stand adjourned to the same day in the next week (not being a holiday) 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 any adjourned meeting also a quorum is not present within half an hour of the time appointed for holding the meeting, the members present, whatever their number (not being less than two) shall be quorum and shall have power to decide upon all the matters which could properly have been disposed of at the meeting from which the adjournment took place.
- Chairman of the meeting 62. Any one to the directors present shall be elected to be chairman of a general meeting by the members present at the meeting.
- Member as Chairman 63. If at any general meeting, the quorum is present and the chair is not taken by a Director at the expiration of half an hour from the time appointed for holding the meeting or if before the expiration of half an hour from the time appointed for holding the meeting all the directors decline to take the chair, the members present shall on a show of hands choose one of their own member to be the chairman of the meeting.
- Chairman with consent to adjourn meeting 64. The chairman may with the consent of any meeting at which quorum is present and shall if so directed by the meeting, adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at meeting from which the adjournment took place.
- Notice to be given where a meeting is adjourned 65. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of original meeting. Save as aforesaid, it shall not be necessary to give any notice of adjournments or the business to be transacted at adjourned meeting.
- Casting vote of the chairman 66. In case of equality of votes, whether on a show of hands or on a poll, the chairman of the meeting, shall be entitled to a casting vote, in addition to his own vote or votes to which he may be entitled as member.
- Minutes of General meeting and board meeting 67. The board shall cause minutes of all proceedings of every general meeting and of all proceedings of every meeting of its Board of Directors or of every committee of the board to be kept in accordance with section 193 of the Act.
- Inspection of minute book of General meeting 68. The books containing the minutes of all proceedings of general meeting of the company shall be kept at the office of the company and be open to the inspection of any member as prescribed by Section 196 of the Act.
- Votes may be given by proxy 69. Subject to the provisions of the Act and these Articles, votes may be given either personally or by proxy or in the case of a body corporate, also by a representative duly authorized under Section 187 of the Act and Article 71 hereof.



Voting rights	70.	Subject to the provisions of the Act and particularly of Sections 87, 89 and 92(2) thereof and of these Articles : 1) Upon a show of hands every member holding equity shares and entitle to vote and present in person (including as attorney or a representative of a body corporate as mentioned in Article 94) shall have one vote. 2) Upon a poll, the voting right of every member holding equity shares and entitled to vote and present in person (including a body corporate present as aforesaid) or by proxy shall be entitled to vote in proportion to his share in the paid-up equity capital of the company. 3) The voting right of every member holding preference shares, if any, shall upon a show of hands or upon a poll be subjected to the provisions, limitations and restrictions laid down in Section 87 of the Act.
****Variation of Shareholders Rights	70A	(a) If at any time the Share Capital is divided into different classes of shares, rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of Sections 106 and 107 of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall, to the extent consistent, apply. (b) The rights conferred upon the holders of the shares of any class with preferred or other rights shall not, unless otherwise expressly provided by terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.
No voting by proxy on show of hands	71.	No member, not personally present shall be entitled to vote on a show of hands unless such member is body corporate present by attorney or by representative duly authorized under Section 187 of the Act, in which case such attorney or representative may vote on show of hands as if he were member of the company.
Restriction on exercise of voting right	72.	Subject to the provisions of the Act, no member shall be entitled to voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him, have not been paid or in regard to which the company has and has exercised any right or lien.

****Inserted vide Special Resolution dated August 28, 2008



- Votes in respect of shares of deceased, insolvent members 73. Any person entitled under the "Transmission Clause" (article 43 hereof) to transfer any shares, may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least forty-eight 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 shall have previously admitted his right to vote at such meeting in respect thereof.
- Right of members to use his votes differently 74. 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 votes 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.
- Instrument appointing a proxy to be deposited at the office 75. The instruments appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
- Validity of votes given by proxy, notwithstanding death etc., of member 76. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous insanity or lunacy or death of the principal or revocation of the proxy or any power of attorney, as the case may be, 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 insanity, lunacy, death, revocation or transfer shall have been received at the office before the meeting.
- Time for objection to vote 77. Subject to the provisions of the Act and these Articles no objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote, whether given personally or by proxy or by any means hereby authorized and not disallowed at such meeting or poll, shall be deemed valid, for all purposes of meeting or poll whatsoever.

DIRECTORS

- Number of Directors 78. Unless otherwise determined by a general meeting the number of directors shall not be less than three and not more than twelve.
- Directors 79. The following are the directors of the company:
- 1) Shri Subhash Chandra
 - 2) Shri Laxmi Narain Goel
 - 3) Shri Ashok Goel
 - 4) Shri Digvijay Singh
 - 5) Shri C.S. Rajgopalan



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| Directors Remuneration | 85. | If any director, being willing, shall be called upon to perform extra services or to make any special exertions for any of the purposes of the company or in giving special attention to the business of the company or as a member of a committee of the directors, then subject to the provisions of the Act, the board may remunerate the director so doing either by a fixed percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled. |
| When office of director to be vacated | 86. | The office of a director shall become vacant in accordance with the provisions of Section 283 of the Act. |
| Resignation | 87. | Subject to the provisions of the Act, a director may resign his office at any time by notice in writing addressed to company or to the board of directors. |

PROCEEDING OF DIRECTOR'S MEETING

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| Meeting of Directors | 88. | The directors shall meet together at least once in every three months and at least four such meetings shall be held in every year. |
| Quorum | 89. | Quorum shall be one-third of their total number (any fraction in such one-third being rounded off as one) or two directors, which ever is higher, subject to Section 287 of the Act. |
| Adjournment of meeting for want of quorum | 90. | If a meeting of a board cannot be held for want of a quorum, then the meeting shall stand adjourned to such day, time and place as the director or directors present at that time may fix. Notice of the adjournment of the meeting shall be given to all the directors in the manner prescribed. |
| Chairman | 91. | The directors may from time to time elect one of their member to be the chairman of the board of directors and determine the period for which he is to hold office. |
| Who to preside at the meeting of the board | 92. | All meetings of the directors shall be presided over, by the chairman, if present, but if at any meeting of the directors the chairman is not present at the time appointed for holding the same, the board shall choose one of the directors then present to preside at the meeting. |
| Question at Board meeting how decided (casting vote) | 93. | Questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes, the Chairman of the meeting (whether the chairman appointed by virtue of these Articles or the directors, presiding at such meeting) shall have second or casting vote. |
| Directors may Appoint Committee | 94. | Subject to the provisions of Sections 292 and 293 of the Act, the directors may delegate any of their powers to Committees consisting of any such members of their body as they think fit, and may from time to time revoke and discharge any such committee either wholly or in part, and either as to persons or purposes, but every committee so formed shall, in the exercise of powers so delegated, conform to any regulations that may from time to time be imposed on it by the directors. All acts done by any such committee in conformity with such regulations and in fulfillment of the purposes of their appointment but |



not otherwise, shall have the like force and effect as if done by the board. The board may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the board in terms of these articles, and may pay the same.

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| Meeting of the Committee, how to be governed | 95. | The meeting and proceedings of any such committee shall be governed by the provisions herein and/or in the Act contained for regulating the meetings and proceedings of directors so far as the same are applicable thereto, and are not superseded by any regulation made by the directors under the last preceding Article. |
| Resolution by Circulation | 96. | Subject to the provisions of Section 289 of the Act, resolutions passed by circulation without a meeting of the board or of a committee of the board appointed under article 94 shall be as valid and effectual as resolution duly passed at a meeting of the Directors or of a committee duly called and held. |
| Act of director or committee valid not withstanding defect in appointment | 97. | Subject to the provisions of the Act, and these articles all acts done by any meeting of the directors or a committee of directors or by any person acting as a director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such directors or persons acting as aforesaid or that every or any of these were or was disqualified be as valid if every such person has been duly appointed and was qualified to be Director. |

POWERS OF THE BOARD OF DIRECTORS

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| Power to appoint Whole time Directors and Manager | 98. | 1) Subject to the provisions of the Act, the Board shall be entitled to exercise all such powers, and to do all acts in furtherance of its objects, specified in the Memorandum of Association for which the company is established, except such powers as are required by the Act or the Memorandum or Articles of Association of the company to be exercised or done by the Company in the General Meeting. In exercising any such power or doing any such acts or things, the board shall be subject to the provisions contained in that behalf in the Memorandum or Articles of the company or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the company in general meeting.
2) No regulations made by the company in general meeting shall invalidate any prior act of the board which would have been valid if that regulation had not been made. |
| Whole Time Director and Manager | 99. | Subject to the provisions of Section 197A and other applicable provisions of the Act, the company may appoint or re-appoint Whole Time Directors and manager upon such terms and conditions as it thinks fit. |
| Managing Director | 100. | a) Subject to Section 269 of the Act the board may from time to time appoint one or more of their body to be Managing Director or Managing Directors of the company, and may, for time to |



time, remove him from office, and appoint another in his place, but his appointment shall be subject to determination ipso facto, if he ceases from any cause to be a director of the company.

- b) Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Sections 292 and 293 thereof, the Board may, from time to time, entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the Board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such powers either collaterally with, or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.
- c) The remuneration of a Managing Director shall be such as may from time to time fixed by the board subject to the provisions of the Act.
- d) The Managing Director shall not while he continues to hold that office be subjected to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the retirement of director or in fixing the number of directors to retire subject to the provisions of any contract between him and the company. He shall, however, be subjected to the same provisions as to resignation and removal as the other directors of the company and he shall ipso facto and immediately cease to be Managing Director, if he ceases to hold the office of the director for any causes.

RIGHTS OF APOLLO

- **Rights of Apollo** 100A Notwithstanding anything contained in any other Article, so long as Apollo and/or Apollo Affiliates continue to hold at least (i) 5.0% of fully paid up Equity Shares of the Company represented by GDRs issued and allotted by the Company (including those exchanged for the underlying Equity Shares), on a fully diluted and converted basis or (ii) 55% of the total GDRs issued by the Company (including those exchanged for the underlying Equity Shares), Apollo shall be entitled to the following rights:
- (a) To nominate from time to time any person as a Director on the Board of Directors of the Company (such person shall hereinafter be referred to as 'Apollo Nominee Director') and to remove such person so nominated and to nominate any other person in his place, provided that such person(s) shall not be a director on the board of directors of any competitor(s) of the Company or any of the affiliates of the competitor(s);

** Inserted vide Special Resolution dated September 1, 2010



- (b) Subject to Clause (a) and Article 80, to nominate an Alternate Director on the Board of Directors of the Company to act for the Apollo Nominee Director;
- (c) To appoint the Apollo Nominee Director to act as a representative of Apollo and be a member to the Budget Committee of the Company;
- (d) Notwithstanding the provisions of Article 93, in case of a meeting of the Board or any committee of the Board or in case of any resolution proposed by circular resolution, as the case may be, in respect of matters listed below, any decision or resolution shall require an approval or consent of the Apollo Nominee Director or any Alternate Director acting for the Apollo Nominee Director:
 - i. Any transaction by the Company or any of its subsidiary with any related party the aggregate value of which exceeds US\$5 million individually or 10% of the revenues of the Company (calculated in aggregate based on the most recently completed financial year) and any amendment to any existing arrangement or agreement with related party which has the effect of increasing the value of such transaction by 15% per annum.
 - ii. Merger, amalgamation, de-merger, voluntary dissolution, liquidation, winding up, reconstruction, any re-organization or changes in capital structure or re-capitalisation of the Company.
 - iii. Any alteration to the Memorandum and Articles of Association of the Company.
 - iv. Incorporation and / or acquisition of a new subsidiary of the Company.
 - v. Approval and adoption of the Company's annual business plan and any deviation there from or any revisions thereto in excess of 15% from the approved budgeted line items.
- (e) The option and first right of refusal for subscription to, or acquisition of, any fresh issue of equity shares or any other securities convertible into equity shares to Apollo or its nominees on the same terms and conditions as offered to any other person. Apollo or its nominee(s), as the case may be, have the option to subscribe to all of such equity securities or a pro rata portion of such equity securities proposed to be issued or none at all. The manner of such offer and option/first right of refusal shall be in accordance with the terms agreed to between Apollo and the Company.

THE SEAL

The Seal, its custody and use 101.

The board shall provide a common seal for the purpose of the company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the board shall provide for the safe custody of the seal for the time being, and the seal shall never be used except by or under the authority of the board or a committee of directors.



****Deeds, how to be signed 102. Every deed or other instrument to which the seal of the company is required to be affixed, shall unless the same is executed by a duly constituted attorney of the company, be signed by any of the Directors or authorized officers of the Company.

DIVIDENDS

Division of Profit 103. The profits of the company, subject to special right, if any, relating thereto created or authorized to be created by the memorandum or these articles, and subject to the provisions of these articles shall be divisible among the members in proportion to the amount of capital paid upon the shares held by them respectively. Provided always that subject as aforesaid and capital, paid up on a share during the period in respect of which a dividend is declared shall unless the board otherwise determine only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment.

Dividend in proportion to amount paid up 104. The company may pay dividends in proportion to the amount paid up or credited as paid up on each share, where a large amount is paid up or credited as paid up on some shares than on others.

Company in General meeting may declare a dividend 105. The company in general meeting may declare a dividend to be paid to the members according to their right and interest in the profits and subject to the provision of the Act, may fix the time for payment. When a dividend has been so declared the warrant in respect thereof shall be posted within thirty days from the date of declaration to the shareholder entitled to the payment of the same.

Dividend out of Profit 106. Subject to the provisions of the Act and in particular Section 205 thereof, no dividend shall be payable except out of the profit of the year or any other undistributed profits of the company and the declaration of the directors as to the dividend amount of the net profits of the company shall be conclusive.

Interim Dividend 107. Subject to the provisions of the Act, the directors may from time to time pay to the members on account of the next forthcoming year such interim dividends as in their judgment the position of the company justifies.

No member to receive dividend whilst indebted to company and company's right of reimbursement thereof. 108. No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any moneys may be due or owing from him to the company in respect of such shares either along or jointly with any other person or persons and the directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the company.

Unclaimed dividend 109. No unclaimed dividend shall be forfeited by the board unless the claim thereto becomes barred by law and the company shall comply with all the provisions of Section 205A of the Act in respect of unclaimed or unpaid dividend.

****Altered vide Special Resolution dated August 28, 2008



Dividend how
remitted

110. Unless otherwise directed by any member any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint holders to the one of them first named in Register of Members in respect of the joint holding to such person and to such address as the member of joint holder may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, the company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto, by the forged endorsement or for any dividend lost to the member or person entitled thereto, by the forged endorsement of the cheque or warrant or the fraudulent recovery thereof by any other means.

Dividend and call
together

111. Any general meeting declaring a dividend may make a call on the members for such amount as the meeting fixes, but so that the call made earlier on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend, and that the dividend may, if so, arranged between the company and the members, be set off against the calls.

CAPITALIZATION

112. 1) Any general meeting may resolve that any amount standing to the credit of the Share Premium Account or the capital redemption reserve account or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realization and where permitted by law, from the appreciation in value of any capital assets of the company) standing to the credit of the general reserve, or any reserve fund, or any other fund of the company or in the hands of the company and available for dividend may be capitalized. Any such amount (excepting the amount standing to the credit of the share premium account and / or the capital redemption reserve account) may be capitalized :

- (a) by the issue and distribution as fully paid shares, debenture stock, bonds or other obligations of the company, or;
- (b) by crediting the shares of the company which may have been issued and are not fully paid up, with the whole or any part of the sum remaining unpaid thereon.

Provided that share premium account and capital redemption reserve account may be applied in accordance with the provisions of the Act only.

- 2) Subject to the provisions of the Act and these articles, in case, whether some of the shares in the company are fully paid and others are partly paid only, such capitalization may be effected



by distribution of further shares in respect of the fully paid shares, and/or by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares, and the partly paid shares, the sum so applied in payment of such further shares and in the extinguishing or diminution of the liability on the partly paid shares shall be applied pro rata in proportion to the amount already paid or credited as paid on the existing fully paid and partly paid shares respectively.

ACCOUNTS

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| Books of Account to be kept | 113. | The company shall keep proper books of accounts as required by the Act and in particular under Section 209 thereof. |
| Statement of Account to be furnished to General Meeting | 114. | The board of directors shall lay before each annual general meeting a duly authenticated balance sheet and profit and loss account alongwith its report made up in accordance with the provisions of the Act. |
| Authentication of Balance Sheet & Profit and Loss Account | 115. | 1) Save as provided by sub-clause (2) every balance sheet and every profit and loss account of the company shall be signed on behalf of the board of directors by not less than two directors of the company, one of whom shall be the Managing Director, if there is or are any and the secretary, if any.

2) The balance sheet and the profit and loss account shall be approved by the board of directors before they are signed on behalf of the board in accordance with the provisions of this articles and before they are submitted to auditors for their report thereon. |
| Profit and Loss account to be annexed and auditors report to be attached to Balance Sheet | 116. | The profit and loss account shall be annexed to the balance sheet and auditors report (including the auditors separate, special or supplementary report, if any) shall be attached thereto. |
| Accounts when audited and approved to be conclusive | 117. | Every balance sheet and profit and loss account of the company when audited and adopted by a general meeting shall be conclusive. |

AUDIT

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| Accounts to be audited | 118. | Every balance sheet and profit and loss account shall be audited by one or more auditors to be appointed in accordance with the provisions of the Act. |
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DOCUMENTS AND SERVICE OF DOCUMENTS

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| Service of Documents | 119. | A document (which expression for this purpose shall be deemed to include and shall include any summon, notice, requisition, process, order, judgment or any other document in relation to or in the winding up of the company) may be served or send by the company on or to any member in the manner prescribed by Section 53 of the Act. |
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| Members bound by documents sent to previous holders | 120. | Every person, who by operation of law, transfer or by other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such shares which, previously to his name and address being entered on the register shall have been duly served on or send to the person from whom he derives his title to such share. |
| Service of notice by members | 121. | All notice to be given on the part of member shall be left at or sent by registered post or under certificate of posting to the registered office of the company. |
| How notice to be signed | 122. | Any notice to be given by the company shall be signed by such director or secretary or officer as the board may appoint. The signature on any notice to be given by the company may be written or printed or lithographed or be affixed by any other mechanical means. |

AUTHENTICATION OF DOCUMENT

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| | 123. | Save as otherwise expressly provided in the Act or these articles a document or proceeding requiring authentication by the company may be signed by a director, or secretary or an authorized officer of the company and need not be under its seal. |
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WINDING UP

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| Distribution of Assets | 124. | If the company shall be wound up, and the assets available for distribution among the member as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up (other than the amount of calls paid in advance), at the commencement of the winding up, on the shares held by them respectively, and if in a winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up or which ought to have been paid on the share held by them respectively. But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions. |
| Distribution in Specie and kind | 125. | 1) 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 or the company, whether they shall consist of property of the same kind or not. |



- 2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon the property and may determine how such division shall be carried out as between the members or different classes of members.
- 3) The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the contributors as the liquidator, with the like sanction, thinks fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

SECRECY CLAUSE

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| Secrecy Clause | 126. No member shall entitled to visit or inspect the company's work without the permission of the board or manager or secretary or to require discovery of or any information respecting any detail of the company's trading or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the company and which in the opinion of the board, it will be inexpedient in the interest of the members of the company to communicate to the public. |
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INDEMNITY AND RESPONSIBILITY

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| Director's and member's right of indemnity | 127. <ol style="list-style-type: none">a) Subject to the provisions of Section 201 of the Act, every director, manager, secretary and other officer or employee of the company shall be indemnified by the company against and it shall be duty of directors to pay out of funds of the company all costs, losses and expenses (including traveling expenses) which any such directors, manager, secretary or officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such director, manager, secretary or officer or employee entered into or act or deed by him as such director, manager, secretary or officer or employee or in any way in the discharge of the duties.b) Subject as aforesaid every director, manager, secretary or other office or employee of the company shall be indemnified against any liability incurred by them or him in defending any proceeding whether civil or criminal in which judgment is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is given to him by the court. |
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Directors and other officers, not responsible for act of others

128. Subject to the provisions of Section 201 of the Act, no director or other officer of the company shall be liable for the acts, receipts, neglect or default of any other directors or officer or for joining in any receipt or other act for the sake of conformity, or for any loss or expenses happening to the company through insufficiency or deficiency of title to any property acquired by order of the directors for or on behalf of the company or for the insufficiency or deficiency of any security in or upon whom which any of the moneys of any company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, company, body corporate or corporation with whom any money securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment, or oversight on his part, or for any other loss or damage or misfortune whatsoever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happen through willful misconduct or neglect or dishonesty.



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

Names, address Description and of Occupation of Subscriber	Number of equity shares taken by each Subscriber	Signature of Subscribers	Name, Address and description of Witness
MAHENDER H KHANTED S/o Late Hastimal Khanted 1st Floor, S. V. Road Malad (West) Bombay 400 064 BUSINESS	10 (Ten)	Sd/-	Witness for both Sd/-
RAMESH KUMAR H KHANTED A 603 Sheetal Chaya 6th Floor, S. V. Road Malad (West) Bombay 400 064 BUSINESS	10 (Ten)	Sd/-	MOHANLAL BHANDARI S/o Late Ghewarchand Bhandari Sheel Chambers 10, Cawasji Patel Street Bombay 400 001 CHARTERED ACCOUNTANT
Total	20 (Twenty)		

Bombay : Dated 20th July, 1988





IN THE HIGH COURT OF DELHI AT NEW DELHI
ORDINARY CIVIL COMPANY JURISDICTION
COMPANY PETITION NO. 247 OF 2006 CONNECTED WITH
COMPANY APPLICATION (MAIN) NO. 131 OF 2006

New Era Entertainment Network Limited.....Petitioner/ Transferor Company

MEMO OF PARTIES

NEW ERA ENTERTAINMENT NETWORK LIMITED a Company incorporated under the Companies Act, 1956 having its Registered Office at B-10, Essel House, Lawrence Road, Industrial Area, New Delhi - 110 035 ...Petitioner/
Transferor Company

Zee Telefilms Limited, having its registered office at 135, Continental Building, Dr.Annie Besant Road, Worli, Mumbai-400 018. Outside Transferor
Company

Siti Cable Network Limited, having its registered office at 135, Continental Building, Dr.Annie Besant Road, Worli, Mumbai-400 018. Outside Transferor
Company

ASC Enterprises Ltd., A company incorporated under the Companies Act 1956, having its registered office at B-10, Essel House Lawrence Road, Industrial Area New Delhi-110035 Transferee Company

New Delhi
Dated : 6-10-2006

THROUGH
Salva & Association
Advocate for Petitioner
A-56/A, Central Market
Main Road, Lajpat Nagar-II
New Delhi-110 020
Tel. : 29832584, 41722021

+ CP Nos. 247-248/2006
% 18.12.2006

Present : Mr. U.K. Chaudhary, Sr. Adv. with Mr. Jay Savla & Ms. Meenakshi Ogra for the petitioner. Mr. R.D. Kashyap, Dy. ROC for RD.

CP Nos. 247-248/2006

1. The present petitions under Sections 391(2)-394 of Companies Act, 1956 (hereinafter referred to as the Act) have been filed by M/s New Era Entertainment Network Limited (hereinafter referred to as transferor company) and M/s ASC Enterprises Limited (hereinafter referred to as transferee company).



2. The registered offices of the transferor company and the transferee company are located in Delhi, within the jurisdiction of this Court.
3. It is stated in the petitions that no proceedings under Sections 235-251 of the Act are pending against the transferor company and the transferee company.
4. As per the scheme enclosed with the petition, the transferor company along with Siti Cable Network Limited and de-merged business of DCS business undertaking of Zee Telefilms Limited, as defined in the scheme, are to be merged/amalgamated with the transferee company. Zee Telefilms Limited and Siti Cable Network Limited have filed petition before Bombay High Court praying for similar reliefs. This order will be subject to orders passed by the Bombay High Court in the case of Zee Telefilms Limited and Siti Cable Networks Limited.
5. The transferor company and the transferee company had earlier filed CA(M) No.131-132/2006. The said applications were disposed of vide order dated 18th July, 2006, which was subsequently modified vide order dated 21st August, 2006. In view of the consent letters/no objection certificates given by the shareholders of the transferor company and the transferee company, this Court dispensed with the need and requirement to convene and hold meeting of the shareholders of the transferor company and the transferee company. Similarly, requirement to convene and hold meeting of the secured creditors of the transferee company was dispensed with. However, meetings of the creditors of the transferor company and unsecured creditors of the transferee company were directed to be held. The meetings as directed have been held and the Chairpersons appointed by this Court have submitted their reports. As per the reports, the scheme of arrangement has been unanimously approved without any modification.
6. After filing of the present petitions, notices were issued to the Official Liquidator and the Regional Director (Northern Region) service, citations were also directed to be published in the news papers 'The states man' (English) and 'Jansatta' (Hindi) As per Affidavit of Service citations have been duly published.
7. Official Liquidator has filed his report stating that he has not received any complaint/objection against the proposed scheme of arrangement from any person/party interested in the scheme. Official Liquidator has also stated that on the basis of information submitted by the transferor company, he is of the view that the affairs of the transferor company do not appear to have been conducted in a manner prejudicial to the interest of it's members and public interest. He has, however, pointed out that the transferor company has received share application money of Rs.50 crores from Siti Cable Network Limited and upon the scheme of arrangement coming into force, the same shall stand cancelled. It is stated that the share application money of Rs.50 crores received by the transferor company is more than the authorised share capital of the transferor company, which was only Rs.5,00,000/-. This cannot be a ground to reject the proposed scheme. No violation of any statutory provision is pointed out. M/s Siti Cable Network Limited is also one of the companies, which is proposed to be merged with the transferee company. In this view of the matter, the objection raised loses its force. In any case the matter pertaining to M/s Siti Cable Network Limited is pending before Bombav High Court and this aspect will be decided by the said court.
8. The Regional Director (Northern Region) has filed his report. He has pointed out that the employees of the transferor company will become employees of the transferee company without any break or interruption in service upon sanction of the scheme of arrangement. The Regional Director (Northern

Region) has also raised the same objection as raised by the Official Liquidator with regard to share application money of Rs.50 crores paid by M/s Siti Cable Network Limited to the transferor company. As held above, this is not a valid ground to reject the scheme.

9. The Regional Director (Northern Region) has also pointed out that as per the proposed scheme, the paid up share capital of the transferee company is required to be re-organised and this will result in reduction of the paid up share capital. The existing paid up share capital of the transferee company is Rs.71,56,87,650/-. As per the scheme, on re-organisation of the existing share capital, the transferee company will allot 71,56,87,650 equity shares of Rs.1/- each fully paid up to its existing shareholders in place of their existing shareholding. Similar objection was considered by this Court in the case of Karamchand Appliances Pvt. Ltd. In re. CP No. 73/2006 decided on 9th October, 2006 and it was held as under :-

“14. Rule 85 of the Rules stipulates that where the proposed compromise or arrangement involves reduction of capital, the procedure prescribed under the Act and the said Rules relating to reduction of capital and the requirements of the Act and the Rules shall be complied with before compromise or arrangement relating to reduction of capital is sanctioned.

15. In the case of Novopan (supra) the scheme envisaged reduction of share capital to offset existing losses. It was specifically noticed that the proposed reduction of share capital did not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital. The proposal for reduction was under clause (b) of sub-section (1) of Section 100 of the Act. The decision will support the case of the petitioner to the extent the scheme envisages reduction of share capital to offset losses and falls under clause (b) of Section 100 of the Act. However, the said decision is of no assistance to the petitioners insofar as the scheme envisages payment to the preferential shareholder of the paid up share capital. Similarly, in the case of Asian Investments (supra) the scheme provided for extinction of share capital of the transferee company as some shares in the transferee company were held by the transferor company. Pursuant to merger under the scheme, shares held by the transferor company in the transferee company could not have been transferred to the transferee company. The transferee company could not be owner of its own shares. In these circumstances, it was held that Rule 85 of the Rules was not applicable and, therefore, Sections 101 and 102 of the Act were also not applicable. The scheme itself was held to be covered by Section 391 and 392 of the Act and a case of amalgamation simplicitor, where entire assets and liabilities of the transferor company were transferred to the transferee company and there was no release of any asset. The issue before the Calcutta High Court in the case of McLeod Russel (supra) was also substantially different from the controversy before this court. In the said case the scheme provided for cancellation of investment made by the transferor company in the equity share capital of the transferee company. It was held that where a proposed scheme of amalgamation stipulated merger of transferor company with the identity of the transferee company, Rule 85 had no application as the transferor company stands transferred as a whole to the transferee company.

16. The relevant provisions have been considered in depth and detail by Gujarat High Court in the case of Maneckchowk and Ahmedabad Manufacturing Company Ltd. (1970) 40 Company Cases 819. Reference was made to definition of the term “scheme” in Section 390 of the Act and it was held that a scheme could also envisage modification and/or reduction of share capital. With reference to Rule 85 of the Rules it was observed that a scheme could certainly envisage re-organisation of share capital



as a part of the scheme itself but in cases where the scheme envisaged reduction of share capital Rule 85 had to be given full effect to. Therefore, Company Court can sanction "reorganisation" of share capital in a scheme, without following the procedure for reduction of share capital as envisaged under Section 100 to 104 of the Act. However in cases of reduction of share capital, Rule 85 was applicable and accordingly sections 100 to 104 of the Act were applicable. The court also made a distinction between mandatory provisions and directory provisions and it was held that a scheme which envisaged reduction of share capital to set off losses was different and distinct from a 'scheme which involved either diminution of liability in respect of unpaid share capital or payment to any shareholder of the paid up share capital. Reduction envisaged by cancellation of the paid up share capital that was lost or unrepresented by available assets was treated as distinct category under Section 100 of the Act. In such cases it was not mandatory to follow the procedure prescribed in Section 101(2) of Act, unless directed by the court. However, the court held that where proposal involved reduction or diminution in liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital, the procedure under Section 101 of the Act was mandatory.

17. Following the above decisions, in so far as the scheme envisages setting off and reduction of security premium account by writing off debit balance/losses in the profit and loss account of the transferee company amounting to Rs. 1,189,019,000/-, Rule 85 does not come into operation if one follows the reasoning of Andhra Pradesh High Court in Novopan India (supra). Even if one follows the reasoning given in Maneckchowk and Ahmedabad Manufacturing (supra) I do not find any impediment in not sanctioning the scheme to 'this extent as Rs. 1,189,019,000/- is to be written off towards debit balance/losses in the profit and loss account with correspondence reduction in the security premium account. In the case of transferee company, all the shareholders and the creditors have unilaterally approved the said scheme and thus there is substantial compliance with Sections 100 to 104 of the Act.

10. It may be noted here that the re-organisation of the share capital in the present case does not postulate and stipulate repayment of the paid up share capital to the existing shareholders of the transferee company. The re-organisation of the share capital is required to cover up the operational losses suffered by the transferee company.
11. The Regional Director (Northern Region) has pointed out in paragraph 5 of his report that rules and regulations are required to be complied with, in view of the transfer of shareholding by the foreign promoters. The requisite permission and compliance with all legal conditions, rules and regulations will be done by the transferor company and the transferee company. This order will not be construed as an order granting exemption from compliance with the rules, regulations and/or requirement to take permission from any authority.
12. The Regional Director (Northern Region) has further submitted that the assets and liabilities pertaining to DCS division of the transferor company i.e. Zee Telefilms Limited, which is proposed to be merged with the transferee company have not been mentioned in the scheme. It is pointed out by Mr. U.K. Chaudhary, Sr. Advocate that the details of assets and liabilities of DCS division of the transferor company M/s Zee Telefilms Limited were furnished and given to the Regional Director. The details are available. Further the scheme is required to be approved and accepted by the creditors and shareholders of M/s Zee Telefilms Limited and this question and issue will be decided by the Bombay High Court. In view of the above statement, no further orders are required from this Court. It is



however, clarified that it is for the Bombay High Court to examine and consider this objection as the case of M/s Zee Telefilms Limite pending before the said Court.

13. Having regard to the averments made in the petitions and the material placed on record, I am satisfied that the prayer made in the petition deserves to be allowed. I do not find any legal impediment not to sanction the scheme for arrangement. Hence sanction is hereby granted to the scheme of arrangement under Sections 391(2) -394 of the Act, subject to orders being passed by the Bombay High Court in the case of Zee Telefilms Limited and Siti Cable Network Limited.
14. The transferor company and the transferee company will comply with, statutory requirements in accordance with law. Copy of this order be, filed with the Registrar of companies within 5 weeks.
15. It is also clarified that this order will not be construed as an order granting exemption from payment of stamp duty and/or transfer fee etc., payable in accordance with law. The petitions are disposed of.

The Petitions are disposed of

Dasti

-Sd-
SANJIV KHANNA, J

December 18, 2006
VKR



IN THE HIGH COURT OF DELHI AT NEW DELHI

(ORIGINAL JURISDICTION)

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT

BETWEEN

COMPANY PETITION NO. 247/2006

CONNECTED WITH COMPANY APPLICATION (M) NO. 131/2006

IN THE MATTER OF M/s. New Era Entertainment Network Ltd.,
having its Regd. Office at
B-10, Essel House, Lawrence Road,
Industrial Area, New Delhi-110035

Petitioner/Transferor Company No. 1
(Within the jurisdiction of this Court)

IN THE MATTER OF M/s. Zee Telefilms Ltd.,
having its Regd. Office at
135, Continental Building,
Dr. Annie Besant Road, Worli, Mumbai-400018

Transferor Company No. 2
(Outside the jurisdiction of this Court)

IN THE MATTER OF M/s. Siti Cable Network Ltd.,
having its Regd. Office at
135, Continental Building,
Dr. Annie Besant Road, Worli, Mumbai-400018

Transferor Company No. 3
(Outside the jurisdiction of this Court)

AND

COMPANY PETITION NO. 248/2006

CONNECTED WITH

COMPANY APPLICATION (M) NO. 132/2006

IN THE MATTER OF M/s. ASC Enterprises Ltd.,
having its Regd. Office at
B-10, Essel House, Lawrence Road,
Industrial Area, New Delhi-110035

Petitioner/Transferor Company

BEFORE HON'BLE MR. JUSTICE SANJIV KHANNA

DATED THIS THE 18TH DAY OF DECEMBER, 2006



ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above petitions coming up for hearing on 18/12/06 for sanction of scheme of arrangement proposed to be made between M/s. New Era Entertainment Network Ltd. (Within the jurisdiction of this Court), M/s. Zee Telefilms Ltd. & M/s. Siti Cable Network Ltd. (Outside the jurisdiction of this Court) (hereinafter referred to as the Transferor Companies) and M/s. ASC Enterprises Ltd. (hereinafter referred to as the Transferee Company), upon reading the said petitions, the order dt. 18/7/2006 read with modified order dt. 21/8/06 whereby the requirement of convening and holding the meetings of the shareholders of the Transferor Company No. 1 and secured creditors of the Transferee Company was dispensed with and the meetings of secured and unsecured creditors of the Transferor Company No. 1 and unsecured creditors of the Transferee Company was ordered to be convened for the purpose of considering, and if thought fit, approving, with or without modification, the Scheme of arrangement annexed to the affidavit of Sh. Suresh Kumar, authorized signatory of the petitioner companies filed on 14th day of July, 2006 and the publication in the newspapers namely (1) Statesman (English) and (2) Jansatta (Hindi) both dt. 24/8/06 each containing the advertisement of the said notice convening the said meetings directed to be held by the said order dated 18/7/06, the affidavit of Sh. Ashok Gupta, Chairperson filed on 11/9/2006 showing the publication and despatch of the notices convening the said meetings, the reports of the Chairperson of the said meetings as to the result of the said meetings and upon hearing Sh. U.K. Chaudhary, Sr. Advocate with Mr. Jay Savla and Ms. Meenakshi Ogra, Advocates for the petitioner and Mr. R.D. Kashyap, Dy. Registrar of Companies in person and it appearing from the reports that the proposed scheme of arrangement has been approved unanimously without any modification by the said secured and unsecured creditors of the Transferor Company No. 1 and unsecured creditors of the Transferee Company present and voting either in person or by proxy and upon reading the affidavit dated 8/12/06 of Sh. Rakesh Chandra, Regional Director, Northern Region, Ministry of Company Affairs, Noida on behalf of Central Government stating that there is Share Application Money to the tune of Rs. 50,00,00,000/- pending for allotment whereas the Authorized Share Capital of the company was only Rs. 5,00,000/- as on 31/3/2006. The Court has observed that this cannot be a ground to reject the proposed scheme. The objection raised loses its force and it accordingly rejected by the Court. It has been further pointed out that as per the proposed scheme, the paid up share capital of the Transferee Company is required to be reorganized and this will result in reduction of the paid up share capital. The existing paid up share capital of the Transferee Company is Rs. 71,56,87,650. As per the scheme of re-organisation of the existing share capital the transferee Company will allot 71,56,87,650 equity shares of Rs. 1/- each fully paid up to its existing share holders in place of their existing shareholding. The Court observed that the re-organisation the share capital in the present case does not postulate and stipulate repayment of the paid up share capital to the existing shareholders of the Transferee Company. The re-organisation of the share capital is required to cover up the operational losses suffered by the Transferee Company. It has been further pointed out by the Regional Director that rules and regulations are required to be complied with in view of the transfer of shareholding by the foreign promoters. The requisite permission and compliance with all legal conditions, rules and regulations will be done by the Transferor Company and the Transferee Company. It has been further stated by the Regional Director that the assets and liabilities pertaining to DCS division of the Transferor Company i.e. Zee Telefilms Ltd. which is proposed to be merged with the Transferee Company have not been mentioned in the scheme. It is pointed out by the counsel for the petitioner that the details of assets and liabilities of DCS division of the Transferor Company M/s Zee Telefilms Ltd. were furnished and given to the Regional Director. The scheme is required to be approved and accepted by the creditors and shareholders of Zee Telefilms Ltd. and this question and issue has to be decided by the Bombay High Court; and considering the affidavit of Sh. A.K. Chaturvedi, Official Liquidator filed on 11/12/06 stating therein that the affairs of the Transferor Company



have not been conducted in a manner prejudicial to the interest of its shareholders or creditors or to public interest. Official Liquidator, however, has pointed out that the Transferor Company has received share application money of Rs.50 crores from Siti Cable Network Ltd. and upon the scheme of arrangement coming into force, the same shall stand cancelled. It has been further stated that the share application money of Rs.50 crores received by the Transferor Company is more than the authorized share capital of the Transferor Company which was only Rs.5,00,000/- The Court has observed that this cannot be a ground to reject the proposed scheme. No violation of any statutory provision has been pointed out. M/s. Siti Cable Network Ltd. is also one of the companies, which is proposed to be merged with the Transferee Company. In this view of the matter, the objection raised loses its force. The Court ordered that the matter pertaining to M/s. Siti Cable Network Ltd. is pending before Bombay High Court and the aspect will be decided by the said Court; and there being no investigation proceedings pending in relation to the petitioner companies under Section 235 to 251 of the Companies Act, 1956.

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF ARRANGEMENT setforth in Schedule-I annexed hereto subject to the orders passed by the Bombay High Court in the case of Zee Telefilms Ltd. and Siti Cable Network Ltd. and DOTH HEREBY DECLARE the same to be binding on all the shareholders and creditors of the Transferor Company No. 1 and Transferee Company and all concerned and doth approve the said scheme of arrangement with effect from the appointed date i.e.1.4.2006.

AND THIS COURT DOTH FURTHER ORDER :

1. That all the property, rights and powers of the Transferor Company No. 1 specified in the First, Second, Third & Fourth parts of the Schedule-II hereto and all other property, rights and powers of the Transferor Company No. 1 be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company No. 1 therein but subject nevertheless to all charges now affecting the same; and
2. That all the liabilities and duties of the Transferor Company No. 1 be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company; and
3. That all the proceedings now pending by or against the Transferor Company No. 1 be continued by or against the Transferee Company; and
4. That the Transferee Company do without further application allot to such members of the Transferor Company No. 1 as have not given such notice of dissent as is required by Clauses IV to XII given in the scheme of arrangement herein the shares in the Transferee Company to which they are entitled under the said arrangement; and
5. That the Transferor Company No. 1 do within 5 weeks after the date of this order cause a certified copy of this order subject to the orders passed by the Bombay High Court in the case of Zee Telefilms and Siti Cable Network Ltd. to be delivered to the Registrar of Companies for registration and on such



certified copy being so delivered, the Transferor Company No. 1 shall be dissolved without the process of winding up and the Registrar of Companies shall place all documents relating to the Transferor Company No. 1 and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said Transferor and Transferee Companies shall be consolidated accordingly; and

6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

SCHEDULE-I

SCHEME OF ARRANGEMENT

**UNDER SECTIONS 391 TO 394 READ WITH SECTIONS 78, 100 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956**

BETWEEN

ZEE TELEFILMS LIMITED

AND

SITI CABLE NETWORK LIMITED

AND

NEW ERA ENTERTAINMENT NETWORK LIMITED

AND

ASC ENTERPRISES LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

PREAMBLE

A. Description of Companies :

- (a) Zee Telefilms Limited ('ZTL') is the flagship company of the Zee group and is India's first largest vertically integrated media and entertainment company.
- (b) ZTL, Siti Cable Network Limited ('Siti Cable'), (post demerger of their Cable businesses) alongwith Integrated Subscriber Management Services Limited and New Era Entertainment Network Limited are also engaged in the Direct Consumer Services Business ('DCS Business') which is providing services to the Direct to Home platform.
- (c) New Era Entertainment Network Limited ('NEENL') is the wholly owned subsidiary of Siti Cable. NEENL is engaged in the business of content aggregation, integration of the Channels and the marketing and distribution of the Service to various end users and subscribers, through its network of authorized distributors, dealers and direct selling agents.



- (d) ASC Enterprises Limited ('ASC') is a company engaged in the Direct-to-Home ('DTH') broadcasting business comprising of distribution / uplinking of satellite based television / radio signals, constituting Channels, pursuant to a DTH license issued by the Government of India, Ministry of Information & Broadcasting.
- (e) The DCS Business carried on by ZTL directly and/or through its subsidiaries / group companies, has significant potential for growth. The nature of technology, risk and competition involved in DCS Business is distinct from other businesses carried on by ZTL and, in fact, rapidly divergent. The DCS Business is capable of addressing independent business opportunities, deploying different technologies and attracting different sets of investors, strategic partners, lenders and other stakeholders.
- (f) ZTL therefore proposes to re-organize and segregate, its business and undertakings engaged in DCS Business as follows:
 - (i) Demerger of the DCS Business of ZTL into ASC.
 - (ii) Post demerger, merger of Siti Cable and NEENL into ASC.

1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1. "Act" means the Companies Act, 1956 and includes any statutory re-enactment or modification thereof, or amendment thereto, from time to time.
- 1.2. "Appointed Date" means 1st day of April 2006 or such other date as may be approved by the High Courts.
- 1.3. "ASC" means ASC Enterprises Limited having its registered office at B-10, Essel House, Lawrence Road, Industrial Area, New Delhi - 110 035.
- 1.4. "Courts" or "High Courts" means the High Court of Judicature at Bombay and Delhi, and shall include the National Company Law Tribunal, if applicable.
- 1.5. "DCS Undertaking of ZTL" means the Direct Consumer Services Business of ZTL including investments made by ZTL in Siti Cable and include without limitation :
 - (i) All assets wherever situated, whether movable or immovable, tangible or intangible, including plant and machinery, furniture, office equipments, appliances, accessories together with all present and future liabilities (including contingent liabilities) appertaining or relating thereto.
 - (ii) Without prejudice to the provisions of sub-clause 1.5 (i) above, the DCS Undertaking of ZTL shall include all the debts, liabilities, duties and obligations and also including, without limitation, all properties and assets in connection with or pertaining or relating to the DCS Undertaking of ZTL such as licenses, permits, quotas, approvals, registrations,



lease, tenancy rights in relation to office and residential properties, permissions, buildings, vehicles, incentives if any, and all other rights, title, interests, copyrights, patents, trademarks, trade names and other industrial or intellectual property rights of any nature whatsoever, consent, approvals or powers of every kind nature and description whatsoever in connection with or pertaining or relatable to the DCS Undertaking of ZTL and all deposits and or moneys paid or received by ZTL in connection with or pertaining or relatable to the DCS Undertaking of ZTL, all statutory licences, permissions, approvals or consents to carry on the operations of the DCS Undertaking of ZTL.

Explanation: Investments by ZTL in Siti Cable would include investments by way of equity shares, share application money and advances to Siti Cable.

For the purpose of this Scheme, it is clarified that liabilities pertaining to the DCS Undertaking of ZTL include :

- (a) The liabilities, which arise out of the activities or operations of the DCS Undertaking of ZTL.
 - (b) Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the DCS Undertaking of ZTL.
 - (c) Liabilities other than those referred to in Sub-Clauses (a) and (b) above and not directly relatable to the remaining business of ZTL, being the amounts of general or multipurpose borrowings of ZTL shall be allocated to the DCS Undertaking of ZTL in the same proportion in which the value of the assets transferred under this Clause bear to the total value of the assets of ZTL immediately before giving effect to this Scheme.
 - (d) Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the DCS Undertaking of ZTL or whether it arises out of the activities or operations of the DCS Undertaking of ZTL shall be decided by mutual agreement between the Board of Directors of ZTL and ASC.
- 1.6. "The Effective Date" or "Coming into effect of this Scheme" means the later of the dates on which the certified copies of the Orders of the High Court of Judicature at Bombay and / or the High Court of Judicature at Delhi sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra, Mumbai and Registrar of Companies, New Delhi respectively;
 - 1.7. "NEENL" means New Era Entertainment Network Limited, having its registered office situated at B-10, Essel House, Lawrence Road, Industrial Area, New Delhi - 110 035.
 - 1.8. "Record Date" means the date to be fixed by the Board of Directors of ZTL for the purpose of reckoning names of the equity shareholders of ZTL, who shall be entitled to receive shares of ASC upon coming into effect of this Scheme.
 - 1.9. "Siti Cable" means Siti Cable Network Limited having its registered office at 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai - 400 018.
 - 1.10. "Scheme" or "Scheme of Arrangement" means this Composite Scheme of Arrangement in its present form or with any modification(s) made under clause 16 of this Scheme.
 - 1.11. "The Transferor Companies" means Siti Cable and NEENL collectively.
 - 1.12. "The Transferee Company" means ASC.
 - 1.13. "ZTL" means Zee Telefilms Limited having its registered office at 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai - 400 018.



2. SHARE CAPITAL

2.1 The share capital structure of ZTL as on March 31, 2005 is as under:

Authorised	Amount (Rs. in '000)
500,000,000 Equity Shares of Re. 1 each	500,000
2,500,000 Cumulative Redeemable Preference Shares of Re.100 each	250,000
Total	750,000
Issued, Subscribed and Paid-up	
412,505,012 Equity shares of Re. 1 each, fully paid	412,505
Less: Calls in arrears (others)	67
Total	412,438

The equity shares of ZTL are listed on The Bombay Stock Exchange Limited, the National Stock Exchange of India Limited and the Calcutta Stock Exchange Association Limited.

ZTL has issued 10,000 3.5% (YTM) Foreign Currency Convertible Bonds of US\$ 10,000 each aggregating to US\$ 100 million.

Subsequent to March 29, 2006 ZTL issued and allotted 444,949 equity shares of Re.1 each to Foreign Currency Convertible Bond Holders, who opted the conversion right pursuant to the terms of the issue. Pursuant to such issue of further shares, the Issued & Subscribed equity share capital of ZTL is Rs.412,949,961 divided into 412,949,961 equity shares of Re.1 each.

2.2 The share capital structure of Siti Cable as on March 31, 2005 is as under:

Authorised	Amount (Rs. in '000)
105,000,000 Equity Shares of Rs. 10 each	1,050,000
43,000,000 14% Non-Cumulative Redeemable Preference Shares of Rs.10 each	430,000
Total	1,480,000
Issued, Subscribed and Paid-up	
1,936,388 Equity Shares of Rs. 10 each, fully paid up	19,364
21,500,000 14% Non-Cumulative Redeemable Preference Shares of Rs.10 each fully paid up	215,000
Total	234,364

Siti Cable is a wholly owned subsidiary of ZTL.



2.3 The share capital structure of NEENL as on March 31, 2005 is as under:

Authorised	Amount (Rs. In '000)
50,000 Equity Shares of Rs. 10 each	500
Total	500
Issued, Subscribed and Paid-up	
50,000 Equity Shares of Rs. 10 each	500
Total	500

NEENL is a wholly owned subsidiary of Siti Cable.

2.4 The share capital structure of ASC as on March 31, 2005 is as under:

Authorised	Amount (Rs. In '000)
73,000,000 Equity Shares of Rs. 10 each	730,000
Total	730,000
Issued, Subscribed and Paid-up	
71,568,765 Equity Shares of Rs. 10 each, fully paid up	715,688
Total	715,688

ASC is a closely held company.

3. DATE WHEN THE SCHEME COMES INTO OPERATION

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

4. VESTING OF DCS UNDERTAKING

Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the entire DCS Undertaking shall, pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed, be transferred to and vest in or be deemed to be transferred to and vested in ASC, as a going concern, so as to vest in ASC all the rights, title and interest of ZTL therein, subject to subsisting charges and pledges, if any.



This provisions of this Scheme as they relate to the demerger of the 'DCS Undertaking', have been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

5. TRANSFER AND VESTING OF THE TRANSFEROR COMPANIES

5.1 Upon the coming into effect of the Scheme and vesting of the DCS Undertaking of ZTL into ASC as per Clause 4 above and with effect from the Appointed Date and subject to the provisions of the Scheme, the entire business and whole of the undertakings of the Transferor Companies as going concerns including all the debts, liabilities, duties and obligations and also including, without limitation, all properties and assets (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and / or in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies) such as intellectual rights, licenses, permits, quotas, approvals, registrations, lease, tenancy rights in relation to office and residential properties, permissions, investments, buildings, plant and machinery, office equipments, vehicles, incentives if any, and all other rights, title, interests, copyrights, patents, trademarks, trade names, contracts, agreements, consent, approvals or powers of every kind nature and description whatsoever and all deposits and or moneys paid or received by the Transferor Companies in connection with or relating to the undertakings in connection with or relating to the undertakings shall under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the High Courts sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in ASC so as to become the properties and assets of ASC.

However, if the directors of the Transferor Companies and ASC, so desire, all the movable assets comprised in the Transferor Companies shall not vest in ASC by virtue of the Orders of the High Court of Judicature at Delhi or such other competent authority, as may be applicable, which shall not operate as a conveyance but shall be transferred in the manner laid down in Clause 5.2 hereunder.

5.2 At the option of the Boards of Directors of the Transferor Companies and ASC, the transfer referred in para 5.1 above shall be carried out as follows:

- i) All the movable assets of the Transferor Companies, including furniture and fixtures, vehicles, computers and printers, office equipments, cash on hand, etc. shall be physically handed over by manual delivery (together with duly executed transfer forms or other documents as may be required) to ASC along with such other documents as may be necessary to the end and intent that the property therein passes to ASC on such delivery.
- ii) In respect of movable assets, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans, recoverable in cash or in kind or value to be received, bank balances and deposits the following modus operandi shall be followed:

The Transferor Companies shall give notice in such form as they may deem fit and proper to each party, debtors or depositors as the case may be, that pursuant to the High Court of Judicature at Delhi or such other competent authority, as may be applicable, having sanctioned the Scheme, the said debt, loan, advances, etc. be paid or made good or held on account of ASC as the persons entitled thereto, to the end and intent that the right of the Transferor Companies to recover or realise the same stands extinguished. ASC may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the High Court of Judicature at Delhi or such other competent authority, as may be applicable, having sanctioned the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of ASC to recover or realise the same is in substitution of the right of the Transferor Companies.

- 5.3 All statutory licences, permissions, approvals or consents to carry on the operations of the Transferor Companies shall stand vested in or transferred to ASC without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of ASC upon the vesting and transfer of the undertakings of the Transferor Companies pursuant to this Scheme. The benefit of all statutory and regulatory permissions or other licences and consents shall vest in and become available to ASC pursuant to this Scheme. In so far as the various incentives, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Companies, as the case may be, are concerned, the same shall vest with and be available to ASC on the same terms and conditions.

Provided that notwithstanding anything contained in any document, papers or writings executed by the Transferor Companies, this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Companies which shall vest in ASC by virtue of the Scheme and ASC shall not be obliged to create any further, or additional security therefore as a condition for approval of the Scheme, after the Scheme has become effective or otherwise.

- 5.4 All debts, liabilities, duties and obligations of the Transferor Companies shall, without any further act or deed be and stand transferred to ASC.
- 5.5 ASC may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the creditors of the Transferor Companies or in favour of any other party, to any contract or arrangement to which the Transferor Companies are parties or any writings, as may be necessary, in order to give formal effect to the above provisions. ASC shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Companies and to implement or carry out all such formalities or compliances referred to above on the part of the Transferor Companies.
- 5.6 The provisions of this Scheme as they relate to the merger of the Transferor Companies, has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from



an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

6. CAPITAL REORGANISATION OF ASC AND DISCHARGE OF CONSIDERATION BY ASC

6.1 On demerger of the DCS Business

(i) Split of Equity Share Capital of ASC

- a. The current paid-up share capital of ASC is Rs. 715,687,650 divided into 71,568,765 Equity Shares of Rs.10 each.
- b. Upon or before the Scheme becoming operative, the paid-up capital of ASC shall be reorganized to Rs. 715,687,650 divided into 715,687,650 Equity Shares of Re. 1 each fully paid-up.

(ii) Entitlement of shares in ASC

- a. Upon coming into effect of the Scheme, and in consideration for the transfer of the DCS Undertaking in ASC, the members of ZTL holding fully paid-up equity shares in ZTL and whose names appear in the register of members of ZTL, on the Record Date would be entitled to equity shares in ASC as follows :

“23 (Twenty Three) fully paid up equity shares of Re.1 each of ASC shall be issued and allotted for every 10 (Ten) equity shares of Re. 1 each held in ZTL.”

(iii) Capital Reduction in ASC

- a. Upon the Scheme becoming effective, the fully paid-up equity share capital of ASC after giving effect to the entitlement of shares as per clause 6(ii), shall be reduced as follows: “The reduction shall be effected by canceling 3 (Three) equity shares of Re 1 each fully paid-up for every 4 (Four) equity shares of Re 1 each fully paid-up held in ASC.”
- b. Such reduction of equity share capital of ASC as provided in this Clause shall be effected as a part of the Scheme, as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital, and the Order of the Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act confirming such reduction of equity share capital of ASC.

(iv) Issuance of Equity Shares

ASC shall without any application or deed, issue and allot equity shares, credited as fully paid-up to the members of ZTL holding fully paid-up equity shares in ZTL and whose names appear in the register of members of ZTL on the Record Date or such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of ZTL, as per the entitlement in clause 6(ii) and as reduced by the capital reduction detailed in clause 6(iii), which shall be as under:



“5.75 fully paid up equity shares of Re.1 each of ASC for every 10 equity shares of Re 1 each held in ZTL.”

- (v) No coupons shall be issued in respect of fractional entitlements, if any, by ASC, to the members of ZTL at the time of issue and allotment of Equity Shares as above. The Board of Directors of ASC shall consolidate all fractional entitlements, if any, arising due to the demerger of the DCS Business Undertaking and allot Equity Shares in lieu thereof to a director or such other authorized representative(s) as the board of directors of ASC shall appoint in this behalf, who shall hold the Equity Shares issued in ASC, in trust on behalf of the members entitled to fractional entitlements with the express understanding that such director(s) or other authorized representative(s) shall sell the same in the market at such time or times and at such price or prices and to such person or persons, as it/he/they may deem fit, and pay to ASC, the net sale proceeds thereof, whereupon ASC shall distribute such net sale proceeds, subject to taxes, if any, to the members in proportion to their respective fractional entitlements. The Board of Directors of ASC, if it deems necessary, in the interests of allottees, approve such other method in this behalf as it may, in its absolute discretion, deem fit.
- (vi) The Equity Shares to be issued to the members of ASC as above shall be subject to the Memorandum and Articles of Association of ASC and shall rank pari passu with the existing equity shares of ASC in all respects including dividends.
- (vii) The Equity Shares shall be issued in dematerialized form to those shareholders who hold shares of ZTL in dematerialized form, in to the account in which ZTL shares are held or such other account as is intimated by the shareholders to ZTL and / or its Registrar before the Record Date. All those shareholders who hold shares of ZTL in physical form shall also have the option to receive the Equity Shares in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to ZTL and / or the Registrar before the Record Date. Otherwise, they would be issued Equity Shares in physical form.
- (viii) ASC shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of Equity Shares to the members of ZTL under the Scheme.
- (ix) The Equity Shares of ASC shall be listed on all the stock exchanges on which the shares of ZTL are listed as on the Effective Date.
- (x) In the event of their being any pending share transfer, whether lodged or outstanding, of any shareholder of ZTL, the Board of Directors or any committee thereof of ZTL shall be empowered even subsequent to the Effective Date, to effectuate such transfer as if such changes in the registered holder were operative from the Effective Date, in order to remove any difficulties arising to the transfer of shares after the Scheme becomes effective.
- (xi) The issue and allotment of Equity Shares to the members of ZTL, as provided in this Scheme, shall be deemed to be made in compliance with the procedure laid down under Section 81(1A) and any other provisions of the Act.
- (xii) As a part of this Composite Scheme and to comply with the regulatory requirements, Foreign Promoters of ZTL / ASC will transfer their appropriate holdings in ASC to the Indian Promoters.



Subject to obtaining the requisite approvals, the above transfer will be effected after the Record Date but before the listing of the equity shares issued by ASC pursuant to the Scheme.

6.2 On merger of the Transferor Companies

- (i) Pursuant to operation of Clause 4 i.e. demerger of the DCS undertaking, Siti Cable and NEENL would become wholly owned subsidiaries of ASC and hence upon the merger of the Transferor Companies into ASC, the entire equity capital of the Transferor Companies shall stand automatically cancelled and there will not be any issue and allotment of shares of ASC.

7. ACCOUNTING TREATMENT

7.1 IN THE BOOKS OF ASC

7.1.1 On account of vesting of the DCS Undertaking

- 7.1.1.1 ASC shall, upon the operation of Clause 4 of this Scheme, record the assets and liabilities of the DCS Undertaking, vested in it pursuant to this Scheme, at their respective book values.
- 7.1.1.2 The inter-corporate deposits / loans and advances outstanding between ASC and DCS Undertaking of ZTL will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 7.1.1.3 The face value of the equity shares issued by ASC to the shareholders of ZTL shall be credited to the Equity Share Capital account of ASC.
- 7.1.1.4 The value of net assets of DCS Undertaking of ZTL as reduced by the face value of equity shares issued under clause 6.1 above shall be debited / credited to the Restructuring Account of ASC, as the case may be.

7.1.2 On account of vesting of the Transferor Companies

- 7.1.2.1 ASC shall record the values of all the tangible and intangible assets and liabilities of the Transferor Companies at their respective fair values.
- 7.1.2.2 The inter-corporate deposits / loans and advances / share application money outstanding between ASC and the Transferor Companies will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 7.1.2.3 The investment in the Transferor Companies appearing in the books of account of ASC shall stand cancelled.
- 7.1.2.4 The value of net assets of the Transferor Companies as reduced by the cancellation in the value of investments in the Transferor Companies shall be debited / credited to the Restructuring Account of ASC, as the case may be.

7.1.3 Miscellaneous

- 7.1.3.1 The debit balance in the Profit & Loss account as on April 1, 2006 shall be transferred to the Restructuring Account of ASC.



7.1.3.2 The balance in Securities Premium Account and the credit arising pursuant to reduction of share capital as per clause 6.1 (iii) above shall be transferred to the Restructuring Account of ASC, to be utilised to adjust the debit balance in the profit & loss account.

7.1.3.3 The surplus in the Restructuring Account after carrying out the above adjustments shall be credited to the General Reserve Account of ASC and deficit, if any, arising upon such adjustments, would be debited to the Goodwill Account.

The application and the reduction of the Securities Premium Account, as per clause 7.1.3.2 above, shall be effected as an integral part of the Scheme, as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital, and the Order of the Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act confirming the reduction.

7.1.3.4 Further, in case of any differences in accounting policy between ASC and the Transferor Companies, the accounting policies followed by ASC will prevail and the difference till the Appointed Date, as the case may be, will be quantified and adjusted in the Profit & Loss Account to ensure that the financial statements of ASC reflect the financial position on the basis of consistent accounting policy.

7.2 IN THE BOOKS OF ZTL

7.2.1 The deficit arising on account of transfer of net assets of DCS Undertaking to ASC and after adjusting the appreciation and / or diminution, if and to the extent considered necessary by the Board of Directors of ZTL, in the value of certain of its assets whether fixed or current or investments, as on the Appointed Date in the books of ZTL, shall be adjusted against the Securities Premium Account of ZTL

7.2.2 The application and reduction of the Securities Premium Account, as per clause 7.2.1 above, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.

8. DIVIDEND AND PROFITS

8.1 The Transferor Companies shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the financial year/accounting period prior to the Appointed Date. The Transferor Companies shall obtain the consent of the Board of Directors of Transferee Company before declaration of any dividend. Transferor Companies shall not transfer any amount from the reserves or amount lying in credit to the Profit & Loss account on the Appointed Date for the purpose of payment of dividend without consent of the Transferee Company.



8.2 Subject to the provisions of the Scheme, the profits of the Transferor Companies for the period beginning from the Appointed Date shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit including declaration of dividend by the Transferee Company in respect of its financial year ending on 31st March, 2006 or any year thereafter.

8.3 It is clarified, however, that the aforesaid provisions in respect of declaration of dividend are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Companies or the Transferee Company to demand or claim any dividend which shall be entirely at the discretion of the Board of Directors and subject to the provisions of the said Act.

9. TRANSACTIONS BETWEEN THE APPOINTED DATE AND EFFECTIVE DATE

9.1 During the period between the Appointed Date and the Effective Date :

- i) ZTL and the Transferor Companies shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets and liabilities of DCS Undertaking and the entire business and undertakings of the Transferor Companies respectively for and on account of and in trust for ASC;
- ii) All the profits or income accruing or arising to ZTL on account of the DCS Undertaking, and the Transferor Companies, including dividends, or expenditure or losses arising or incurred by the ZTL on account of the DCS undertaking and by the Transferor Companies, shall for all purposes be treated and deemed to accrue as the profits or income or expenditure or losses, as the case may be of ASC; and
- iii) The Transferor Companies shall carry on its business and activities with reasonable diligence and business prudence and shall not venture into/expand any new businesses, invest in shares, etc, alienate, charge, mortgage, encumber or otherwise deal with the significant assets or any part thereof except in the ordinary course of business without the prior written consent of ASC;
- iv) ZTL as relatable to the DCS Undertaking and the Transferor Companies shall not utilize the profits or income, if any, for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of ASC;
- v) Transferor Companies shall not without the prior written consent of ASC, issue or allot any further securities, either by way of rights or bonus shares;

- vi) ASC shall be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, Union Territories and all other concerned agencies, departments and authorities (statutory or otherwise) as are necessary under any law for such consents, approvals and sanctions, which ASC may require to carry on the business of DCS Undertaking of ZTL and the Transferor Companies.

9.2 As and from the date of acceptance of this Scheme by the Board of Directors of ZTL, the Transferor Companies and ASC and till the Effective Date, ZTL and Transferor Companies shall not alienate, charge, mortgage, encumber or otherwise deal with the assets of DCS Undertaking and undertakings of the Transferor Companies or any part thereof without the prior written concurrence of the Board of Directors of ASC.

10. STAFF, WORKMEN & EMPLOYEES

10.1 On the Scheme becoming operative, all staff, workmen and employees of the DCS undertaking of ZTL and the Transferor Companies shall become the employees of ASC, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with ASC shall not be less favourable than those applicable to them with reference to the DCS undertaking of ZTL and the Transferor Companies immediately preceding the transfer.

10.2 As far as the Provident Fund, Gratuity Fund, Superannuation Fund or any other special fund created or existing for the benefit of such permanent employees of the DCS Undertaking of ZTL and the Transferor Companies and are concerned, on and from the Effective Date, ASC shall stand substituted for the ZTL and the Transferor Companies, as the case may be, for all the purposes whatsoever related to administration or operation of such Funds in accordance with provisions of such Funds according to the terms provided in the respective trust deeds or other documents. It is the aim and intent that all the rights, duties, powers and obligations of ZTL as relating to the DCS Undertaking and the Transferor Companies and in relation to such Funds shall become those of ASC. It is clarified that the services of such permanent employees of the DCS undertaking of ZTL and the Transferor Companies and will be treated as having been continuous and not interrupted for the purposes of such Funds.

11. LEGAL PROCEEDINGS

11.1 All legal proceedings of whatsoever nature by or against ZTL on account of the DCS Undertaking or the Transferor Companies pending and/or arising at the Appointed Date, as and from the Effective Date, shall be continued and enforced by or against ASC in the manner and to the same extent as would or might have been continued and enforced by or against ZTL or the Transferor Companies, as the case may be.

11.2 After the Appointed Date, if any proceedings are taken against ZTL or the Transferor Companies in respect of the matters referred to in the sub-clause 11.1 above, ZTL or the Transferor Companies shall defend the same at the cost of ASC and ASC shall reimburse and indemnify ZTL or the Transferor Companies against all liabilities and obligations incurred by ZTL or the Transferor Companies in respect thereof.



11.3 ASC undertakes to have all legal or other proceedings initiated by or against ZTL or the Transferor Companies referred to in sub-clause 11.1 above, transferred into its name and to have the same continued, prosecuted and enforced by or against ASC to the exclusion of ZTL or the Transferor Companies.

12. CONTRACTS, DEEDS, ETC.

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and to which ZTL on account of the DCS Undertaking or any of the Transferor Companies is a party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of ASC, as the case may be, and may be enforced by or against ASC as fully and effectually as if, instead of ZTL or the Transferor Companies, ASC had been a party thereto from inception. ASC shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations, in order to give formal effect to the provisions of this Scheme. ASC shall be deemed to be authorised to execute any deeds, writings or confirmations on behalf of ZTL or the Transferor Companies and to implement or carry out all formalities required on the part of ZTL or the Transferor Companies to give effect to the provisions of this Scheme.

13. SAVING OF CONCLUDED TRANSACTIONS & PROCEEDINGS

13.1 The transfer of and vesting of DCS Undertaking under Clause 4 and the transfer of undertakings of the Transferor Companies under Clause 5 above and the continuance of proceedings by or against ASC under Clause 11 above shall not affect any transaction or proceedings already concluded by ZTL, in respect of DCS Undertaking, or the Transferor Companies on or after the Appointed Date till the Effective Date, to the end and intent that ASC accepts and adopts all acts, deeds and things done and executed by ZTL and the Transferor Companies, as the case may be, in respect thereto as done and executed on behalf of itself.

14. DISSOLUTION OF THE TRANSFEROR COMPANIES

On the Scheme becoming effective, the Transferor Companies shall stand dissolved without any further act or deed or without being wound-up.

15. APPLICATION TO HIGH COURTS OR SUCH OTHER COMPETENT AUTHORITY

ZTL, Siti Cable, NEENL and ASC shall make applications / petitions under Sections 391 to 394 and other applicable provisions of the Act to the High Court of Judicature at Bombay and Delhi, as the case may be, or such other appropriate authority for sanction of this Scheme and for dissolution of the Transferor Companies.

16. ENHANCEMENT OF BORROWING LIMITS

Upon the coming into effect of this Scheme, the borrowings limits of ASC, as the case may be, in terms of Section 293(1)(d) of the Act, shall without further act or deed stand enhanced by an amount equivalent to the authorised borrowing limits of ZTL, in respect of DCS Undertaking,



and the Transferor Companies, as the case may be, such limits being incremental to the existing limits of ASC. These limits as enhanced may be increased from time to time by ASC by obtaining the sanction of its shareholders in accordance with the provisions of the said Act.

17. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 17.1 On behalf of ZTL, Siti Cable, NEENL and ASC, the Board of Directors of respective companies, may consent, on behalf of all persons concerned, to any modifications or amendments of the Scheme and without prejudice to the generality of the foregoing, any modification to the Scheme involving withdrawal of any of the parties to the Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the High Court(s) or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors) and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.
- 17.2 For the purpose of giving effect to this Scheme or to any modification thereof the Board of Directors of ZTL may give and are authorised to give such directions including directions for settling any question of doubt or difficulty that may arise.

18. SCHEME CONDITIONAL ON APPROVAL / SANCTIONS

The Scheme is conditional upon and subject to the following:

- (i) The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- (ii) The approval by the requisite majority of the members / creditors of ZTL, Siti Cable, NEENL and ASC as may be directed by the High Court of Judicature at Bombay and Delhi or any other appropriate authority.
- (iii) The approval / no objection to the Scheme by Stock Exchanges where the equity shares of ZTL are presently listed; and
- (iv) The certified copies of the Orders of the High Courts under Section 391 and 394 of the Companies Act sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra Mumbai and the Registrar of Companies, New Delhi.

19. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding Clause 18 not being obtained and / or the Scheme not being sanctioned by the High Courts or such other competent authority and / or the Order or Orders not being passed as aforesaid before March 31, 2007 or such other date as the Board of Directors of ZTL may determine, the Scheme shall become null and void, and ZTL shall bear the entire cost, charges and expenses in connection with the Scheme unless otherwise mutually agreed.

20. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of ZTL, Siti Cable, NEENL and ASC arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto, shall be respectively borne by each company incurring the cost.



SCHEDULE - II

IN THE HIGH COURT OF DELHI AT NEW DELHI
ORDINARY CIVIL COMPANY JURISDICTION
COMPANY PETITION NO.248 OF 2006
IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SECTIONS 391 TO 394
OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF
M/S ASC ENTERPRISES LIMITED.
AND

**IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN ZEE TELEFILMS LIMITED,
SITI CABLE NETWORK LIMITED, NEW ERA ENTERTAINMENT NETWORK LIMITED,
AND ASC ENTERPRISES LIMITED AND THEIR RESPECTIVE MEMBERS AND
CREDITORS**

ASC ENTERPRISES LIMITED, A COMPANY INCORPORATED
UNDER THE COMPANIES ACT, 1956
AND HAVING ITS REGISTERED OFFICE AT
B -10, ESSEL HOUSE,
LAWRENCE ROAD, INDUSTRIAL AREA,
NEW DELHI -110 035

... PETITIONER/ TRANSFEREE COMPANY



**SCHEDULE OF ASSETS/PROPERTIES OF NEW ERA ENTERTAINMENT NETWORK LIMITED,
TRANSFEROR COMPANY**

PART I

LIST AND DETAILS OF FREE HOLD PROPERTY OF NEW ERA ENTERTAINMENT NETWORK LIMITED,
TRANSFEROR COMPANY

S.NO.	PARTICULARS	VALUE AS ON 1.4.2006 (Rs.)
	NIL	NIL
	TOTAL :	NIL

PART II

LIST AND DETAILS OF LEASE HOLD PROPERTY OF NEW ERA ENTERTAINMENT NETWORK
LIMITED, TRANSFEROR COMPANY

S.NO.	PARTICULARS	VALUE AS ON 1.4.2006 (Rs.)
	NIL	NIL
	TOTAL :	NIL

PART III

LIST AND DETAILS OF STOCKS, SHARES, DEBENTURES, OTHER ASSETS (MOVEABLE
PROPERTIES, CURRENT ASSETS) AND OTHER CHARGES IN ACTION OF NEW ERA
ENTERTAINMENT NETWORK LIMITED, TRANSFEROR COMPANY

S.NO.	PARTICULARS	VALUE AS ON 1.4.2006 (Rs.)
1.	COMPUTERS	64,22,673
2.	OFFICE EQUIPMENTS	21,24,887
3.	FURNITURE & FIXTURE	30,88,496
4.	VEHICLES	1,53,11,384
5.	INVENTORIES	2,00,00,963
6.	SUNDRY DEBTORS	20,01,13,724
7.	CASH AND BANK BALANCES	17,64,560
8.	LOANS AND ADVANCES	6,68,62,911
9.	ADVANCES GIVEN FOR SHARE APPLICATION MONEY TO ASC ENTERPRISES LIMITED	69,00,00,000
10.	INCOME TAX REFUND DUE	27,08,372
11.	MISCELLANEOUS EXPENDITURE TOTHE EXTENT NOT WRITTEN OFF OR ADJUSTED	11,020
	TOTAL :	100,84,08,990



PART IV

LIST AND DETAILS OF SHARE CAPITAL, RESERVES, AND SURPLUS, SECURED AND UNSECURED LOANS, CURRENT LIABILITIES AND PROVISIONS OF NEW ERA ENTERTAINMENT NETWORK LIMITED, TRANSFEROR COMPANY

S. NO.	PARTICULARS	VALUE AS ON 1.4.2006 (Rs.)
1.	SECURED LOANS FROM HDFC BANK	22,71,519
2.	SECURED LOANS FROM ICICI BANK LTD.	48,28,595
3.	UNSECURED LOANS FROM SITI CABLE NETWORK LIMITED	3,30,93,000
4.	SHARE APPLICATION MONEY RECEIVED FROM SITI CABLE NETWORK LIMITED	50,00,00,000
5.	SUNDRY CREDITORS	40,38,84,210
6.	TRADE ADVANCES & DEPOSITS RECD.	5,37,98,580
7.	FRINGE BENEFIT TAX PAYABLE	2,72,148
8.	RESERVE & SURPLUS	75,48,130
9.	DEFERRED TAX LIABILITY	22,12,809
	TOTAL :	100,79,08,991

IN THE HIGH COURT OF DELHI AT NEW DELHI
ORDINARY CIVIL COMPANY JURISDICTION
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M/S ASC ENTERPRISES LIMITED.
AND

**IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN ZEE TELEFILMS LIMITED,
SITI CABLE NETWORK LIMITED, NEW ERA ENTERTAINMENT NETWORK LIMITED, AND
ASC ENTERPRISES LIMITED AND THEIR RESPECTIVE MEMBERS AND CREDITORS**



ASC ENTERPRISES LIMITED, A COMPANY INCORPORATED UNDER THE COMPANIES ACT, 1956 AND HAVING ITS REGISTERED OFFICE AT B -10, ESSEL HOUSE, LAWRENCE ROAD, INDUSTRIAL AREA, NEW DELHI -110 035

...PETITIONER/ TRANSFEREE COMPANY

SCHEDULE OF ASSETS/PROPERTIES OF DCS UNDERTAKING OF ZEE TELEFILMS LIMITED, TRANSFEROR/DE-MERGED COMPANY

PART I

LIST AND DETAILS OF FREE HOLD PROPERTY OF DCS UNDERTAKING OF ZEE TELEFILMS LIMITED, TRANSFEROR/DE-MERGED COMPANY

S.NO.	PARTICULARS	VALUE AS ON 1.4.2006 (Rs.)
	NIL	NIL
	TOTAL :	NIL

PART II

LIST AND DETAILS OF LEASE HOLD PROPERTY OF DCS UNDERTAKING OF ZEE TELEFILMS LIMITED, TRANSFEROR/DE-MERGED COMPANY

S.NO.	PARTICULARS	VALUE AS ON 1.4.2006 (Rs.)
	NIL	NIL
	TOTAL :	NIL

PART III

LIST AND DETAILS OF STOCKS, SHARES, DEBENTURES, OTHER ASSETS (MOVEABLE PROPERTIES, CURRENT ASSETS) AND OTHER CHARGES IN ACTION OF DCS UNDERTAKING OF ZEE TELEFILMS LIMITED, TRANSFEROR/DE-MERGED COMPANY

S.NO.	PARTICULARS	VALUE AS ON 1.4.2006 (Rs.)
1.	PLANT & MACHINERY	27,28,74,683
2.	INVESTMENT IN EQUITY SHARES OF SITI CABLE NETWORK LIMITED	1,93,63,880
3.	SHARE APPLICATION MONEY GIVEN TO SITI CABLE NETWORK LIMITED	141,97,13,819
	TOTAL :	171,19,52,382



PART IV

LIST AND DETAILS OF SHARE CAPITAL, RESERVES, AND SURPLUS, SECURED AND UNSECURED LOANS, CURRENT LIABILITIES AND PROVISIONS OF DCS UNDERTAKING OF ZEE TELEFILMS LIMITED, TRANSFEROR/DE-MERGED COMPANY

S.NO.	PARTICULARS	VALUE AS ON 1.4.2006 (Rs.)
1.	SECURED LOANS FROM JAMMU & KASHMIR BANK	21,76,95,877
2.	SECURED LOANS FROM IDBI BANK	10,86,28,727
3.	PROVISION FOR GRATUITY	13,910
4.	PROVISION FOR LEAVE ENCASHMENT	6,011
	TOTAL :	32,63 44,525

IN THE HIGH COURT OF DELHI AT NEW DELHI

ORDINARY CIVIL COMPANY JURISDICTION

COMPANY PETITION NO.248 OF 2006

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF

M/S ASC ENTERPRISES LIMITED.

AND

IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN ZEE TELEFILMS LIMITED, SITI CABLE NETWORK LIMITED, NEW ERA ENTERTAINMENT NETWORK LIMITED, AND ASC ENTERPRISES LIMITED AND THEIR RESPECTIVE MEMBERS AND CREDITORS

ASC ENTERPRISES LIMITED, A COMPANY INCORPORATED UNDER THE COMPANIES ACT, 1956 AND HAVING ITS REGISTERED OFFICE AT B -10, ESSEL HOUSE, LAWRENCE ROAD, INDUSTRIAL AREA, NEW DELHI-110 035

...PETITIONER/ TRANSFEREE COMPANY



SCHEDULE OF ASSETS/PROPERTIES OF SITI CABLE NETWORK LIMITED. TRANSFEROR COMPANY

PART I

LIST AND DETAILS OF FREE HOLD PROPERTY OF SITI CABLE NETWORK LIMITED, TRANSFEROR COMPANY

S.NO.	PARTICULARS	VALUE AS ON 1.4.2006 (Rs.)
	NIL	NIL
	TOTAL :	NIL

PART II

LIST AND DETAILS OF LEASE HOLD PROPERTY OF SITI CABLE NETWORK LIMITED, TRANSFEROR COMPANY

S.NO.	PARTICULARS	VALUE AS ON 1.4.2006 (Rs.)
	NIL	NIL
	TOTAL :	NIL

PART III

LIST AND DETAILS OF STOCKS, SHARES, DEBENTURES, OTHER ASSETS (MOVEABLE PROPERTIES, CURRENT ASSETS) AND OTHER CHARGES IN ACTION OF SITI CABLE NETWORK LIMITED, TRANSFEROR COMPANY

S.NO.	PARTICULARS	VALUE AS ON 1.4.2006 (Rs.)
1.	PLANT & MACHINERY	41793203
2.	VEHICLES	1796627
3.	COMPUTERS SOFTWARE	36925866
4.	CAPITAL WORK-IN-PROGRESS	329347821
5.	INVESTMENTS IN EQUITY SHARES OF NEW ERA ENTERTAINMENT NETWORK LIMITED	500000
6.	INVESTMENTS IN EQUITY SHARES OF INTEGRATED SUBSCRIBER MANAGEMENT SERVICES LIMITED	500000
7.	INVENTORIES	2116106
8.	SUNDRY DEBTORS	11214321
9.	CASH AND BANK BALANCES	11497217
10.	LOANS AND ADVANCES	82085728
11.	ADVANCES GIVEN FOR SHARE APPLICATION MONEY TO NEW ERA ENTERTAINMENT NETWORK LIMITED	500000000
12.	PROFIT & LOSS ACCOUNT	438018533
	TOTAL :	1455795422



PART IV

LIST AND DETAILS OF SHARE CAPITAL, RESERVES, AND SURPLUS, SECURED AND UNSECURED LOANS, CURRENT LIABILITIES AND PROVISIONS OF SITI CABLE NETWORK LIMITED, TRANSFEROR COMPANY

S.NO.	PARTICULARS	VALUE AS ON 1.4.2006 (Rs.)
1.	SECURED LOANS FROM ICICI BANK LTD.	656683
2.	SECURED LOANS FROM KOTAK MAHINDRA PRIMUS LTD.	413253
3.	SHARE APPLICATION MONEY RECEIVED FROM ZEE TELEFILMS LIMITED	1419713819
4.	SUNDRY CREDITORS	13437669
5.	TRADE ADVANCES AND DEPOSITS RECEIVED	2210117
	TOTAL :	1436431541

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HIGH COURT BOMBAY

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 547 OF 2006

WITH

COMPANY APPLICATION NO. 662 OF 2006

In the matter of the Companies Act, 1956;

and

In the matter of Section 391 to 394 and 78, 100 to 103 of the Companies Act, 1956;

and

In the matter of Scheme of Arrangement between Zee Telefilms Ltd. Siti Cable Network Ltd., New Era Entertainment Network Ltd., ASC Enterprises Ltd. and their respective shareholders.

WITH

COMPANY PETITION NO. 548 OF 2006

WITH

COMPANY APPLICATION NO. 663 OF 2006



In the matter of the Companies Act, 1956;

and

In the matter of Section 391 to 394 and 78, 100 to 103 of the Companies Act, 1956;

and

In the matter of Scheme of Arrangement between Zee Telefilms Ltd. Siti Cable Network Ltd., New Era Entertainment Network Ltd., ASC Enterprises Ltd. and their respective shareholders.

Siti Cable Network Ltd.Petitioner

Mr. J.J Bhatt, Senior Advocate with Ms. Anjali Chandorkar & Mustafa Motiwala i/b. PDS Legal for Petitioner

Mr. Parag Vyas i/b Pankaj Kapoor for R.D

Mr. K. V Gautam, Actg. O.L present

CORAM : S.C DHARMADHIKARI, J

DATE : 12th January 2007.

P.C.

1. Mr. Bhatt, learned Senior Counsel appearing for petitioners states that the petitioners have complied with the provisions of the Companies Act and set out necessary details including declarations in the petition. There is thus due compliance with the provisions of law while instituting the petition.
2. He states that prayer clause (c) of this petition is not pressed because relief in terms thereof has already been granted by Delhi High Court.
3. He also states that insofar as proceedings which are initiated against the company by the ROC, save and except the one pending under Section 58A of the Companies Act, the other have been compounded and needless to state that this order would not affect due prosecution and defence of the same.
4. The Regional Director so also the O.L have filed their affidavits and reports. The apprehension of the R.D that the order passed on this petition would adversely affect the tax liability, is not well founded because the same is determined in accordance with the provisions of Tax Laws and merely because the order is couched in a particular form can never affect the same. Save and except this, the R.D has, after referring to all details as directed by this Court in its revised order dated 29th September 2006, stated that the Scheme is not prejudicial to the interest of creditors, shareholders and general public.
5. Since the Compliance with the necessary provisions has been made and due declarations also set out, learned counsel seeks sanction to the scheme of amalgamation.
6. The O.L has also filed his affidavit based on the report of C.A. It has been stated on the basis of the report of C.A who has scrutinized the books of accounts and related papers that the scheme is not contrary to the interest of shareholders, creditors and public at large.
7. I am satisfied from a perusal of the petition and the annexures so also the aforesaid affidavits that no prejudice will be caused if the scheme as proposed by the petitioners is sanctioned.



Accordingly, the Company petition No.547 of 2006 is made absolute interms of prayer clauses (a), (b) and (d) to (j) and Company Petition No. 548 of 2006 is made absolute in terms of prayer clauses (a), (b), and (d) to (j). Cost of ROC and O.L quantified at Rs.2,500/- each. Drawn up order dispensed with. All concerned to act on authenticated copy of this order.

(S.C. Dharmadhikari J)

HIGH COURT

**ORIGINAL ORDINARY CIVIL JURISDICTION COMPANY PETITION NO. 547 OF 2006
CONNECTED WITH**

COMPANY APPLICATION NO. 662 OF 2006

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

AND

**In the matter of Sections 391 to 394 read with Section 78, 100 to 103 and other applicable
provisions of the Companies Act, 1956:**

AND

**In the matter of Scheme of Arrangement between Zee Telefilms Ltd. Siti Cable Network Ltd., New
Era Entertainment Network Ltd., ASC Enterprises Ltd. and their respective shareholders.**

Zee Telefilms Ltd.

..... Petitioner

ORDER SANCTIONING SCHEME OF ARRANGEMENT

DATED THIS 12th DAY OF JANUARY 2007

M/s, PDS Legal,
Advocate for Petitioners
31, Maker Chamber VI,
Nariman Point,
Mumbai 400 021