

SSPA & CO.*Chartered Accountants*

1st Floor, "Arjun", Plot No. 6 A,

V. P. Road, Andheri (W),

Mumbai - 400 058. INDIA.

Tel. : 91 (22) 2670 4376 / 77

91 (22) 2670 3682

Fax : 91 (22) 2670 3916

Website : www.sspa.in

STRICTLY PRIVATE & CONFIDENTIAL

August 28, 2014

**The Board of Directors,
Sri Adhikari Brothers Television Network
Limited**
6th Floor, Adhikari Chambers, Oberoi
Complex, New Link Road, Andheri (W),
Mumbai - 400053.

**The Board of Directors,
Sri Adhikari Brothers Asset Holding Private
Limited**
Adhikari Chambers, Oberoi Complex, New
Link Road, Andheri (W), Mumbai - 400053.

**The Board of Directors,
MPCR Broadcasting Services Private
Limited**
Adhikari Chambers, Oberoi Complex, New
Link Road, Andheri (W), Mumbai - 400053.

**The Board of Directors,
HHP Broadcasting Private Limited**
Adhikari Chambers, Oberoi Complex, New
Link Road, Andheri (W), Mumbai - 400053.

**The Board of Directors,
Maiboli Broadcasting Private Limited**
Adhikari Chambers, Oberoi Complex, New
Link Road, Andheri (W), Mumbai - 400053.

**The Board of Directors,
TV Vision Limited**
4th Floor, Adhikari Chambers, Oberoi
Complex, New Link Road, Andheri (W),
Mumbai - 400053.

**The Board of Directors,
UBJ Broadcasting Private Limited**
Adhikari Chambers, Oberoi Complex, New
Link Road, Andheri (W), Mumbai - 400053.

**The Board of Directors,
Marvick Entertainment Private Limited**
3-4 Sukh Shanti, 8th Road, JVPD Scheme,
Vile Parle (West), Mumbai - 400049

Dear Sirs,

Re: Recommendation of Fair Share Entitlement ratio for the

- (a) Proposed Demerger of "Publication and Event Business" of Sri Adhikari Brothers Assets Holding Private Limited into Sri Adhikari Brothers Television Network Limited;
- (b) Proposed Demerger of "Broadcasting Business" of Sri Adhikari Brothers Television Network Limited into TV Vision Limited
- (c) Proposed Demerger of "Publication and Event Business" of Sri Adhikari Brothers Television Network Limited into Marvick Entertainment Private Limited

As requested by Sri Adhikari Brothers Television Network Limited (hereinafter referred to as "SABTNL") we have undertaken the valuation exercise of "Publication and Event Business"



(hereinafter referred to as "Publication Business") of Sri Adhikari Brothers Assets Holding Private Limited (hereinafter referred to as "SAB Assets") to recommend fair share entitlement ratio for the proposed demerger of "Publication Business" of SAB Assets into SABTNL. We have been informed that SABTNL would issue preference shares to the shareholders of SAB Assets for the proposed demerger.

We have also been requested to recommend fair share entitlement ratio for the proposed demerger of "Broadcasting Business" (hereinafter referred to as "Broadcasting Business") of SABTNL into TV Vision Limited (hereinafter referred to as "TVL") along with investment in TV Vision Limited.

Further, we have been informed that SABTNL proposes to demerge "Publication and Event Business" (hereinafter referred to as "Publication Business") of SABTNL into Marvick Entertainment Private Limited (hereinafter referred to as "MEPL") and for this purpose, we have been requested to recommend a fair share entitlement ratio for the proposed demerger.

1 PROPOSED SCHEME OF AMALGAMATION AND ARRANGEMENT

1.1 Under the scheme of amalgamation and arrangement it is proposed to:

1.1.1 Amalgamate Maiboli Broadcasting Private Limited (hereinafter referred to as "MBPL") into SABTNL (Part II of the Scheme). No shares would be issued on amalgamation since MBPL is a 100% subsidiary of SABTNL as at April 1, 2014. The appointed date for the amalgamation is April 1, 2014.

1.1.2 Demerger of "Publication Business" of SAB Assets into SABTNL with an appointed date of April 1, 2014 (Part III of the Scheme). SABTNL would issue redeemable preference shares to the shareholders of SAB Assets on demerger.

1.1.3 Demerger of "Broadcasting Business" of SABTNL (post amalgamation of MBPL into SABTNL and demerger of "Publication Business" of SAB Assets into SABTNL) into TVL with effective date as appointed date. TVL would issue shares to the shareholders of SABTNL on demerger. As part of the same Scheme the "Broadcasting Business" of wholly owned subsidiaries of TVL namely; UBJ Broadcasting Private Limited (hereinafter referred to as "UBJ"), MPCR Broadcasting Service Private Limited (hereinafter referred to as "MPCR") and HHP Broadcasting Services Private Limited (hereinafter referred to as "HHP") will be demerged into TVL. No shares will be issued



on demerger from UBJ, MPCR and HHP since they are 100% subsidiaries of TVL (Part IV of the Scheme).

- 1.1.4 Demerger of “Publication Business” of SABTNL (post merger of MBPL and Demerger of “Publication Business” of SAB Assets into SABTNL) into MEPL with effective date as an appointed date (Part V of the Scheme). MEPL would issue shares to the shareholders of SABTNL on demerger.
- 1.2 The above scheme of amalgamation and arrangement is proposed under Sections 391 to 394 read with Section 78 and Sections 100 to 103 and and section 52 and other applicable provisions of the Companies Act, 1956 and provisions of the Companies Act, 2013, to the extent applicable (hereinafter referred to as the “Scheme”).
- 1.3 SABTNL, SAB Assets, TVL, UBJ, MPCR, HHP and MEPL hereinafter will be collectively referred to as the “Companies”.
- 1.4 In this regard, SSPA & Co. (‘SSPA’) has been appointed to carry out the valuation of “Publication Business” of SAB Assets and recommend the fair share entitlement ratio for Part III. SSPA has also been requested to recommend the fair share entitlement ratio for Part IV and Part V.
- 1.5 The report sets out our recommendation of the share entitlement ratio and discusses the methodologies and approach considered in the computation of share entitlement ratio.

2 BRIEF BACKGROUND OF THE COMPANIES

2.1 SRI ADHIKARI BROTHERS TELEVISION NETWORKS LIMITED

SABTNL is an India-based company engaged in content production and syndication. The Company operates in two segments Content Production & syndication and Broadcasting through its subsidiaries. SABTNL was promoted by brothers Mr. Gautam Adhikari & Mr. Markand Adhikari in 1985 as a small family owned business, which went on to become the first publicly-listed media company in India when it was listed on the BSE in 1995. SABTNL has been producing multi-lingual, multi-genre content. It has an established regional presence in various Indian languages including Marathi, Gujrati, Tamil, Telugu and Kannada amongst others. SABTNL has created general entertainment channel, ‘SAB TV’ that went on to become the market leader in the genre of light comedy.



The equity shares of SABTNL are listed on BSE Limited and the National Stock Exchange of India Limited.

2.2 MAIBOLI BROADCASTING PRIVATE LIMITED

MBPL is a 100% subsidiary of SABTNL as on April 1, 2014. MBPL was incorporated in 2011. MBPL is operating channel 'Maiboli' as a Marathi language regional entertainment channel. The channel is currently in its very initial stage and gaining popularity due to its good programming. MBPL being wholly owned subsidiary of SABTNL, no shares would be issued on merger of MBPL into SABTNL.

2.3 SRI ADHIKARI BROTHERS ASSETS HOLDING PRIVATE LIMITED

SAB Assets is a private venture of the promoters of SABTNL and is engaged in publication and event business. SAB Assets has launched a bi-monthly magazine called 'GovernanceNow' in year 2010. The magazine was launched in English language. The magazine has very niche content and is very popular due to its editorial material. SAB Assets has expanded its footprint by launching the magazine in Hindi and Marathi in year 2013 and is also engaged in sponsorship based event management business vertical wherein it organizes various events in a year as well as also creates its owned brands.

2.4 TV VISION LIMITED

TVL is a wholly owned subsidiary of SABTNL and was incorporated in 2009. TVL has launched national level music & comedy channel 'Mastiii' in September 2010. 'Mastiii' is the first channel to provide a unique combination of Comedy snippets from the best talent in the Country along with the best songs of every era of Hindi Music. The unique blending of comedy gags and well researched selection of songs have set 'Mastiii' apart from the rest of the channels in the space. Music on 'Mastiii' ranges from the latest chartbusters to evergreen favourites. Within eight weeks of its launch, 'Mastiii' has achieved ground breaking performance and emerged as a market leader. The channel has shown steady performance by maintaining continuous top three position in its category. The existing shares of TVL would be cancelled on demerger of "Broadcasting Business" of SABTNL.

2.5 UBJ BROADCASTING PRIVATE LIMITED

UBJ operates regional channel 'Dhamaal' which was launched in May, 2011. 'Dhamaal'



is a Hindi General Entertainment Channel with a region specific target audience of Rajasthan, Madhya Pradesh and Chhattisgarh. The channel telecasts a mix of Hindi language oriented entertainment programs alongwith regional language specific programs to attract the viewership of target audience. UBJ is a 100% subsidiary of TVL.

2.6 MPCR BROADCASTING SERVICE PRIVATE LIMITED

MPCR is a wholly owned subsidiary of TV Vision Ltd. and was incorporated in 2009. MPCR along with HHP and UBJ is engaged in regional broadcasting business.

2.7 HHP BROADCASTING SERVICES PRIVATE LIMITED

HHP is involved in broadcasting business and has launched regional channel 'Dabangg' in May, 2011. The channel aims to target the highly populated and largely Hindi speaking regions that are slightly differentiated on the basis of different dialects & cultures. 'Dabangg' was launched for the territory of UP, Bihar, Jharkhand. 'Dabangg' is continually leading the chart of its genre for last more than two years. HHP is a 100% subsidiary of TVL.

2.8 MARVICK ENTERTAINMENT PRIVATE LIMITED

MEPL is incorporated in March 2014 to cater into media business. MEPL is currently held privately by Mr. Gautam Adhikari and Mr. Markand Adhikari. Company is yet to start its business operations. The existing shares of MEPL would be cancelled on demerger of "Publication Business" of SABTNL.

3 EXCLUSIONS AND LIMITATIONS

3.1 Our report is subject to the scope limitations detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

3.2 No investigation of the Companies' claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

3.3 Our work does not constitute certification of the historical financial statements including the working results of the Companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any



financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in the report is as per agreed terms of our engagement. It may not be valid or used for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

- 3.4 A valuation of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particular. This report is issued on the understanding that the Companies have drawn our attention to all material information, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the value of "Publication Business" for the purpose of the proposed demerger, including any significant changes that have taken place or are likely to take place in the financial position of the Companies, subsequent to the report date. We have no responsibility to update this report for events and circumstances occurring after the date of this report.
- 3.5 In the course of this exercise, we were provided with both written and verbal information. We have however, evaluated the information provided to us by the Companies through broad inquiry, analysis and review for the purpose of this engagement. We assume no responsibility for any errors in the above information furnished by the Companies and consequential impact on the present exercise.
- 3.6 Our report is not, nor should it be construed as our opining or certifying the compliance of the proposed demerger with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such proposed and demerger.
- 3.7 This report is prepared only in connection with the proposed merger and demerger exclusively for the use of the Companies and for submission to any regulatory/statutory authority as may be required under any law.
- 3.8 SSPA nor its partners, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All such



parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.

- 3.9 The information contained herein and our report is confidential. Any person/party intending to provide finance/invest in the shares/businesses of any of the Companies, shall do so, after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed demerger as aforesaid, can be done only with our prior permission in writing.

4 SOURCES OF INFORMATION

- 4.1 For the purpose of the valuation exercise, we have relied upon the following sources of information provided by the management.
- (a) Audited financial statements of SABTNL, MBPL, SAB Assets, TVL, UBJ, MPCR and HHP for the year ended March 31, 2014.
 - (b) Draft Composite Scheme of Amalgamation and Arrangement u/s 391 to 394 read with Section 78 and Sections 100 to 103 and section 52 and other applicable provisions of the Companies Act, 1956 and provisions of the Companies Act, 2013, to the extent applicable.
 - (c) Management certified statement of assets and liabilities of "Publication Business" of SAB Assets as on March 31, 2014.
 - (d) Management certified statement of assets and liabilities of "Broadcasting Business" of UBJ, MPCR and HHP as on March 31, 2014.
 - (e) Management certified statement of assets and liabilities of "Broadcasting Business" of SABTNL as at April 1, 2014.
 - (f) Other relevant details regarding the Companies such as their history, past and present activities, future plans and prospects, existing shareholding pattern and other relevant information and data, including information in the public domain.
 - (g) Such other information and explanations as we required and which have been provided by the Management including Management Representations.



5 PROPOSED MERGER OF MBPL WITH SABTNL

5.1 As per Audited Financials of MBPL, its Net Asset Value as on March 31, 2014 is INR 6.81 crores. The working for the same is given below:

Particulars	(INR Crores)	(INR Crores)
NON-CURRENT ASSETS		
Gross Block (Tangible + Intangible)	21.95	
Less: Depreciation	(4.18)	
Net Block		17.76
Deferred tax Asset (Net)		0.74
Long-term loans & advances		5.00
Current Assets		
Trade Receivables	9.81	
Cash and Cash Equivalents	1.04	
Short-term loans & advances	13.03	
Other current assets	0.27	
	24.15	
Current Liabilities		
Trade Payables	0.61	
Other-Current Liabilities	1.26	
Provisions	0.74	
	(2.62)	
Net Current Assets		21.54
Long Term Borrowings	18.60	
Short Term Borrowings	4.64	
Current Maturities of Long Term Debt	15.00	(38.24)
Net Assets		6.81

5.2 As mentioned earlier, no shares are proposed to be issued by SABTNL in consideration of merger of MBPL with itself as MBPL is wholly owned subsidiary of SABTNL. In our opinion, the above is fair since shareholders of SABTNL are ultimate beneficial owners of MBPL and shall continue to remain beneficial owners pursuant to the Scheme.



6 SHARE ENTITLEMENT RATIO FOR PROPOSED DEMERGER OF “PUBLICATION BUSINESS” OF SAB ASSETS INTO SABTNL

As mentioned above in para 1.12 the Management is considering demerger of “Publication Business” of SAB Assets into SABTNL with appointed date of April 1, 2014. As informed by the Management, they propose to issue 0.01% Redeemable Preference Shares of SABTNL of INR 10 each fully paid up to the equity shareholders of SAB Assets in consideration of Publication Business. Accordingly we have carried out a valuation of “Publication Business” of SAB Assets based on the below mentioned valuation approach:

6.1 VALUATION APPROACH

6.1.1 Generally for the purpose of amalgamation/demerger, following valuation approaches can be considered, viz,

- (a) the ‘underlying asset’ approach;
- (b) the ‘income’ approach and
- (c) the ‘market’ approach

6.1.2 Since the “Publication Business” of SAB Assets is in initial phase and yet to get fully matured, we have thought fit to consider its book value (as on March 31, 2014) as the value for the purpose of arriving at ratio for issue of preference shares to the shareholders of SAB Assets.

6.1.3 This being valuation of a business, market approach is not applicable.

6.1.4 Further, since the shareholders of SAB Assets are issued Redeemable Preference Shares of SABTNL in consideration for the demerger of “Publication Business”, it was not required to value equity shares of SABTNL.

6.2 UNDERLYING ASSET APPROACH

6.2.1 As per the Management certified financials of Publication and Event Business of SAB Assets, the Net Assets as on March 31, 2014 is given below:



Particulars	(INR Lacs)
LIABILITIES	
Non-Current liabilities	
Deferred Tax liabilities (net)	3.98
Sub Total -Non Current liabilities	3.98
Current liabilities	
Trade Payable	92.02
Other Current liabilities	10.17
Short-term provisions	6.07
Sub Total -Current liabilities	108.26
TOTAL LIABILITIES	112.24
ASSETS	
Non-Current Assets	
Fixed Assets	25.32
Long-term loans & advances	11.88
Sub Total -Non Current assets	37.20
Current Assets	
Trade Receivables	238.99
Cash and cash equivalents	46.84
Short Terms loans and advances	0.70
Other Current assets	26.65
Sub Total -Current assets	313.18
TOTAL-ASSETS	350.37
NET WORTH OF THE BUSINESS	238.13

6.2.2 In case of the 'Underlying Asset' approach, the value is determined by dividing the net assets of a company/division by the number of shares. Since the shares are valued on a 'going concern' basis and an actual realization of the operating assets is not contemplated, we have considered it appropriate not to determine the realizable or replacement value of the assets. The operating assets have therefore been considered at their book values.

6.2.3 The underlying net assets value as arrived above is divided by the adjusted number of equity shares to arrive at the value per share.

6.3 RECOMMENDATION OF FAIR SHARE ENTITLEMENT RATIO

6.3.1 In the light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove earlier in this report, in our opinion, a fair share entitlement ratio in the event of demerger of the "Publication Business" of SAB Assets into SABTNL would be:

23,81,068 number of 0.01% Redeemable Preference Shares of SABTNL of INR 10 each fully paid up as consideration for demerger of Publication Business of SAB Assets.



7 SHARE ENTITLEMENT RATIO FOR PROPOSED DEMERGER OF "BROADCASTING BUSINESS" INTO TVL AND "PUBLICATION AND EVENT BUSINESS" OF SABTNL INTO MEPL

7.1 As per the Management certified financials of Broadcasting Business of UBJ, MPCR, HHP and SABTNL (subsequent to merger of MBPL with SABTNL), the Net Assets as on March 31, 2014 is given below:

(INR Lacs)

Particulars	HHP	UBJ	MPCR	SABTNL	Total
	Broadcasting Business				
LIABILITIES					
Non-Current liabilities					
Long Term borrowings	1,970.00	970.00	1,470.00	1,860.00	6,270.00
Sub Total -Non Current liabilities	1,970.00	970.00	1,470.00	1,860.00	6,270.00
Current liabilities					
ShortTerm borrowings	542.61	755.07	891.39	-	2,189.08
Trade Payable	348.73	285.71	111.62	61.48	807.54
Other Current liabilities	1,057.97	596.77	677.68	1,625.66	3,958.07
Short-term provisions	108.86	0.65	0.65	74.47	184.63
Sub Total -Current liabilities	2,058.17	1,638.20	1,681.34	1,761.61	7,139.32
TOTAL LIABILITIES	4,028.17	2,608.20	3,151.34	3,621.61	13,409.32
ASSETS					
Non-Current Assets					
Fixed Assets	1,995.04	1,325.34	1,556.81	1,776.18	6,653.37
Non-Current Investment	-	-	-	6,470.00	6,470.00
Deferred tax assets(net)	308.21	199.15	335.34	74.48	917.19
Long-term loans & advances	1,122.15	912.15	900.00	500.00	3,434.30
Sub Total -Non Current assets	3,425.40	2,436.64	2,792.16	8,820.66	17,474.86
Current Assets					
Trade Receivables	950.54	536.71	425.91	981.15	2,894.31
Cash and cash equivalents	21.07	2.12	0.01	104.07	127.27
Short Terms loans and advances	4.50	16.00	-	6,479.90	6,500.40
Other Current assets	278.01	13.51	27.64	27.35	346.51
Sub Total -Current assets	1,254.13	568.34	453.56	7,592.47	9,868.49
TOTAL-ASSETS	4,679.53	3,004.98	3,245.71	16,413.13	27,343.35
NET WORTH OF THE BUSINESS	651.35	396.79	94.38	12,791.52	13,934.03

7.2 As per the Management certified financials of Publication Business of SABTNL (subsequent to demerger of "Publication Business" of SAB Assets into SABTNL), the Net Assets as on March 31, 2014 is given below:



Particulars	(INR Lacs)
LIABILITIES	
Non-Current liabilities	
Deferred Tax liabilities (net)	3.98
Sub Total -Non Current liabilities	3.98
Current liabilities	
Trade Payable	93.58
Other Current liabilities	10.17
Short-term provisions	6.07
Sub Total -Current liabilities	109.82
TOTAL LIABILITIES	113.80
ASSETS	
Non-Current Assets	
Fixed Assets	25.32
Long-term loans & advances	11.88
Sub Total -Non Current assets	37.20
Current Assets	
Trade Receivables	238.99
Cash and cash equivalents	48.40
Short Terms loans and advances	0.70
Other Current assets	26.65
Sub Total -Current assets	314.74
TOTAL-ASSETS	351.93
NET WORTH OF THE BUSINESS	238.13

7.3 The management of SABTNL has suggested following ratio:

7.3.1 **1 (one) equity share of INR 10 each fully paid up of TVL for every 1 (one) existing equity shares of SABTNL of INR 10 each fully paid up to equity shareholders of SABTNL and 10,000 (Ten Thousand) 0.01% Redeemable Preference Shares of INR 10 each of TVL to the preference shareholders of SABTNL**

7.3.2 **3 (Three) equity share of INR 10 each fully paid up of MEPL for every 10 (Ten) existing equity shares of SABTNL of INR 10 each fully paid up to equity shareholders of SABTNL and 10,000 (Ten Thousand) 0.01% Redeemable Preference Shares of INR 10 each of MEPL to the preference shareholders of SABTNL**

7.3.3 Upon issue of preference shares issued pursuant to para 7.3.1 and 7.3.2, equal number of preference shares issued pursuant to para 6.3.1 shall stand cancelled in SABTNL.



7.4 We believe that the above ratio is fair considering that all the shareholders of SABTNL are and will, upon demerger, be the ultimate beneficial owners of TVL and MEPL and in the same ratio (inter se) as they hold shares in SABTNL.

Thank you,
Yours faithfully,



SSPA & CO.
Chartered Accountants
Firm Registration No: 128851W

Place: Mumbai

Annexure I

“Publication Business Undertaking” shall mean the First Demerged Company’s entire undertaking, business, activities and operations pertaining to the publication business carried anywhere in India or outside India and shall include in particular the following:

- a) All assets and properties (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent, tangible or intangible), including all rights, title and interest in connection with the land and buildings thereon, leasehold or otherwise, plant and machinery, fixed or movable, and whether leased or otherwise, capital work in progress, other fixed assets, trademarks, brands, investments in shares (specifically relating to publication business), copyrights, literatures, advances paid to any parties, loans, advances, inventory and work in progress relating to the publication business of the First Demerged Company;
- b) All the debts, borrowings and liabilities, cash credit facilities, including contingent liabilities, present or future, whether secured or unsecured, raised or incurred, provision, duties and obligations of every kind, nature and description whatsoever and howsoever arising or accruing in relation to the business activities and/or operations relating solely to the publication business. For the purpose of this Scheme, it is clarified that liabilities pertaining to the publication business include:
 - i. The liabilities, which arise out of the activities or operations of the publication business;
 - ii. Specific loans and / or borrowings raised, incurred and / or utilized solely for the activities or operation of the publication business;
 - iii. Liabilities other than those referred to in Sub-Clauses (i) and (ii) above and not directly relatable to the publication business, being the amounts of any general or multipurpose borrowings of the First Demerged Company shall be allocated to the Publication Business in the same proportion which the value of the assets transferred under this Clause bears to the total value of the assets of the First Demerged Company immediately before giving effect to the demerger of the Publication Business Undertaking under this Scheme.
- c) All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, copyrights, tenancies, offices, depots, quotas, rights, entitlements,



privileges, benefits of all contracts / agreements (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), relating to the publication business of the First Demerged Company;

- d) All employees engaged in the publication business of the First Demerged Company as on the Effective Date;*
- e) All earnest monies and/or security deposits in connection with or relating to the publication business of the First Demerged Company;*
- f) All records, files, papers, engineering and process information, computer programs, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit information, customers pricing information and other records, whether in physical form or electronic form in connection with or relating to publication business of the First Demerged Company; and*
- g) All pending litigations or proceedings filed by or against the First Demerged Company pertaining to the Publication Business Undertaking;*
- h) Whether any particular asset, liability or reserve should be included as asset, liability or reserve of the Publication Business Undertaking or otherwise shall be decided mutually by the Directors or any committee thereof of the First Demerged Company and the First Resulting Company;*



Annexure II

“Broadcasting Business Undertaking of the Demerged Companies” shall mean the entire undertaking, business, activities and operations pertaining to the broadcasting business of each of the Demerged Companies, including the broadcasting business of the Transferor Company as transferred to and vested in the Transferee Company under this Scheme, as a going concern carried anywhere in India or outside India and shall include in particular the following:

- a) All assets and properties (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent, tangible or intangible), including all rights, title and interest in connection with the land and buildings thereon, leasehold or otherwise, plant and machinery, fixed or movable, and whether leased or otherwise, capital work in progress, other fixed assets, trademarks, brands, copyrights, literatures, investments, including investment in the equity capital of the First Resulting Company held by the Second Demerged Company, advances paid to any parties, loans, advances, inventory and work in progress relating to the broadcasting business of the Demerged Companies;*
- b) All the debts, borrowings and liabilities, cash credit facilities, including contingent liabilities, present or future, whether secured or unsecured, raised or incurred, provision, duties and obligations of every kind, nature and description whatsoever and howsoever arising or accruing in relation to the business activities and/or operations relating solely to the broadcasting business. For the purpose of this Scheme, it is clarified that liabilities pertaining to the broadcasting business include:
 - i. The liabilities, which arise out of the activities or operations of the broadcasting business;*
 - ii. Specific loans and / or borrowings raised, incurred and / or utilized solely for the activities or operation of the broadcasting business;*
 - iii. Liabilities other than those referred to in Sub-Clauses (i) and (ii) above and not directly relatable to the broadcasting business, being the amounts of any general or multipurpose borrowings of the Demerged Companies shall be allocated to the broadcasting business in the same proportion which the value of the assets transferred under this Clause bears to the total value of the assets of each of the**



Demerged Companies immediately before giving effect to the demerger of the Broadcasting Business Undertaking under this Scheme.

- c) All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, copyrights, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including, but not limited to, contracts / agreements with vendors, customers, government etc.), all other rights (including, but not limited to, right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), relating to the broadcasting business of the Demerged Companies;*
- d) All employees engaged in the broadcasting business of the Demerged Companies as on the Effective Date;*
- e) All earnest monies and/or security deposits in connection with or relating to the broadcasting business of the Demerged Companies;*
- f) All records, files, papers, engineering and process information, computer programs, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit information, customers pricing information and other records, whether in physical form or electronic form in connection with or relating to broadcasting business of the Demerged Companies; and*
- g) All pending litigations or proceedings filed by or against the Demerged Companies pertaining to the Broadcasting Business Undertaking.*
- h) Whether any particular asset, liability or reserve should be included as asset, liability or reserve of the Broadcasting Business Undertaking or otherwise shall be decided mutually by the Directors or any committee thereof of the Demerged Companies and the First Resulting Company.*

