

UTV SOFTWARE COMMUNICATIONS LIMITED

CIN: U72200MH1990PLC056987

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NOTICE OF EXTRA ORDINARY GENERAL MEETING OF THE EQUITY SHAREHOLDERS

NOTICE is hereby given, pursuant to the provisions of Section 101 and other applicable provisions, if any, of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force, that the first extra ordinary general meeting for financial year 2018-19 of the members of UTV Software Communications Limited will be held on Tuesday, the 29th day of May, 2018 at 11.30 a.m. at Emerald Hall, Kohinoor Continental, Andheri - Kurla Rd, J B Nagar, Andheri East, Mumbai, Maharashtra 400 059, India to transact the special business stated below.

Special Business

1. To approve the reduction of equity share capital of the Company and consequential reduction of securities premium account.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a “**Special Resolution**”.

“**RESOLVED THAT** pursuant to the provisions of Section 66 and Section 52 and all other applicable provisions of the Companies Act, 2013 (“**Act**”) read with the National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and clause 78 of the Articles of Association of the Company and subject to the confirmation of the Hon’ble National Company Law Tribunal, Mumbai Bench (“**Tribunal**”) and such other approvals, consents, permissions and sanctions as may be necessary, to be obtained from any government or statutory authority and conditions as may be imposed on granting such approvals which may be agreed by the Board of Directors (hereinafter referred to the “**Board**” which expression shall be deemed to include committee of directors constituted by the Board), the issued, subscribed and paid-up equity capital be and is hereby reduced from Rs. 8,91,86,55,740 (Rupees Eight Ninety-One Crore Eighty-Six Lakh Fifty-Five Thousand Seven Hundred Forty Only) divided into 89,18,65,574 equity shares of Rs.10/-each to Rs.8,91,70,85,790 (Rupees Eight Ninety-One Crores Seventy Lakh Eighty-Five Thousand Seven Hundred and Ninety Only) divided into 89,17,08,579 equity shares of Rs. 10/- each and that such reduction be effected by cancelling and extinguishing the non-promoter holding of 1,56,995 fully paid equity shares of Rs.10/- each (all held by public shareholders except for 5 equity shares each held by any 5 employee-shareholders) (“**Non-promoter holding**”) for consideration (“**Capital Reduction**”) and the securities premium account be and is hereby reduced by a sum not exceeding Rs. 7,69,27,550 from the existing Rs. 14,83,26,91,995.

RESOLVED FURTHER THAT the consideration payable for the Capital Reduction as proposed by the Board be Rs. 500 per equity share aggregating to Rs. 7,84,97,500 (which is over and above the price certified by the Chartered Accountants M/s. Deloitte Haskins & Sells by their valuation report dated March 09, 2018 certifying a price of Rs 26.30 per equity share and endorsed by the fairness opinion dated March 09, 2018 issued by Keynote Corporate Services Ltd.) and in the case of non-resident Non-promoter holding the said consideration be subject to applicable deduction of income tax at source and approval of the Reserve Bank of India as may be required under applicable law and as directed by the Tribunal.

RESOLVED FURTHER THAT upon the Capital Reduction becoming effective under the Act, Non-promoter shareholders on the record date (to be announced separately and as determined by the Board upon the confirmation by the Tribunal) be paid the said consideration proportionately and in the case of non-resident Non-promoter shareholding be paid the said consideration subject to applicable deduction of income tax at source and approval of the Reserve Bank of India as may be required under applicable law and as directed by the Tribunal.

RESOLVED FURTHER THAT upon the Capital Reduction becoming effective under the Act, (1) the Company debit the equity share capital account to the extent of the face value of the shares cancelled under the Capital Reduction and (2) the difference between the face value per cancelled share and the amount of consideration paid per cancelled share to the Non-promoter shareholder be debited to the securities premium account under the head “Other Equity”.

RESOLVED FURTHER THAT upon the Capital Reduction becoming effective under the Act, without any further act or deed by the equity shareholders (including but not limited to surrendering of share certificates with transfer forms), 1,56,995 equity shares of Rs. 10/- each of the Company held by the Non-promoter shareholders stand cancelled, extinguished and rendered invalid.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all necessary steps and do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, expedient, usual or proper, in the best interest of the Company and its members in connection with and relating to the Capital Reduction, including any act for settling any question or doubt or difficulty whatsoever that may arise for the purpose of giving effect to the Capital Reduction, for modification of the terms thereof as the Board may in its absolute discretion deem fit and proper without being required to seek any further consent or approval of the members and for the following acts:

- (i) To verify, sign, execute, file, any undertaking, application, representation, petition, to seek requisite approvals for the Capital Reduction from the appropriate authorities including but not limited to Tribunal;
- (ii) To make payment of the consideration by cheque, pay order, demand draft, NEFT/RTGS/IMPS after payment of taxes and as directed by the Tribunal and in accordance with applicable law;
- (iii) To delegate any of its powers to such officer of the Company as the Board may think fit.

2. Approval and ratification of transaction(s) with Related Parties under Section 188 of the Companies Act, 2013 and applicable Rules there under, as amended from time to time, for FY2017-18.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a “**Special Resolution**”.

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 read with rules made thereunder, the Members hereby approve and ratify the following contract / arrangement entered into by the Company during the financial year 2017-18 which was at arm’s length basis details of which are more particularly set out under item no.2 of the Explanatory Statement annexed to this Notice.

Name of Related Party	Relationship	Nature, Duration, Particulars of Contract/Arrangement	Transaction value in INR Millions
PT. Walt Disney Indonesia	Common Control Entity	Central Support on an ongoing basis including but not limited to sharing of common services & Facilities, Salary recharge etc.	8.80
The Walt Disney Company (Malaysia) Sdn. Bhd.			5.96
The Walt Disney Company (Philippines), Inc.			13.79
The Walt Disney (Thailand) Co Ltd			6.94
Wedco International Holdings, Inc.			8.21
Disney FTC services (singapore) Pte Ltd.			0.59
Walt Disney Pictures & Television, USA			1.25

RESOLVED FURTHER THAT the Board be and is hereby authorized to take from time to time all decisions and steps necessary or expedient or proper in respect of the inputs and services as it may, in its absolute discretion, deem appropriate for the purpose of giving effect to this Resolution.”

3. Approval and ratification of transaction(s) with Related Parties under Section 188 of the Companies Act, 2013 and applicable Rules thereunder, as amended from time to time, w.e.f. April 01, 2018 with such annual limits as stated in the resolution.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **“Special Resolution”**.

“RESOLVED THAT in continuation to the earlier resolution passed by the members on June 29, 2016 and December 18, 2017 and pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and all other applicable rules, regulations, guidelines (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all applicable approvals, permissions and such conditions as may be prescribed by any of the concerned authorities while granting such approvals, which may be agreed to by the Board of Directors of the Company, ratification/approval of the members of the Company be and is hereby accorded for entering into contracts or arrangements with related party(ies) as defined under the Act and the Rules made thereunder from April 01, 2018 with such annual limits per details and on the terms and conditions as set out under item no.3 of the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee which the Board may constitute to exercise its powers) be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit and the Board is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise with regard to such transaction/payment and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take from time to time all decisions and steps necessary or expedient or proper in respect of the inputs and services as it may, in its absolute discretion, deem appropriate for the purpose of giving effect to this Resolution.”

**By Order of the Board of Directors
For UTV Software Communications Limited**

Sd/-

**Puneet Juneja
Company Secretary
Membership No.:A17151**

Registered Office:
1st Floor, Building No.14, Solitaire Corporate Park,
Guru Hargovindji Marg,
Chakala, Andheri (E),
Mumbai 400093 IN
Date: April 06, 2018
Place: Mumbai
CIN: U72200MH1990PLC056987
E-mail: utvinvestors@disney.in
Website: www.utvgroup.com

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE EXTRA ORDINARY GENERAL MEETING (EOGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY / PROXIES, IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTYEIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ENCLOSED WITH THIS NOTICE.
2. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other Member.
3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Only bonafide Members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict Non-Members from attending the meeting.
5. Members are requested to bring their folio number/demat account number/DP ID-Client ID to enable us to give a duly filled attendance slip for signature and participation at the meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members who hold shares in the dematerialized form and want to change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Similarly, Members who are holding the shares in the physical mode and want to change/correct the bank account details should send the same immediately to M/s Karvy Computershare Private Limited. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of the proposed reduction, the Registrar is obliged to use only the data provided by the Depositories, in case of such demat shares. If the details as required as above are not provided any consideration payable will be sent to the first/sole Shareholder at the address based on details obtained from the Shareholders' records maintained by the Company or its share transfer agent.
8. As per RBI notification, with effect from October 1, 2009, the remittance of money through ECS is replaced by National Electronic Clearing Services (NECS) and banks have been instructed to move to the NECS platform. This is in addition to the existing facility of ECS in other locations. NECS essentially operates on the new and unique bank account number, allotted by banks pursuant to implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transaction. In this regard, shareholders holding shares in electronic form are requested to furnish the new 10-digit Bank Account Number allotted to them by your bank, (after implementation of CBS), along with photocopy of a cheque pertaining to the concerned account, to your Depository Participant (DP). Please send these details to the Company/Registrars, if the shares are held in physical form, immediately.
9. Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company or Company's Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the Members after making requisite changes, thereon. Members are requested to use the new share transfer form SH-4.
10. Shareholders are requested to inform about the following to the Company or its Share Transfer Agent or the concerned Depository Participant, as the case may be, immediately of:
 - Any change in the residential status of the shareholders as per extant Indian Foreign Exchange Management Act, 1999 and Regulations framed thereunder for the Financial Year 2018-2019.
 - The particulars of the account of shareholder with any NRO Bank in India, if not furnished earlier. You are requested to furnish details like, Name of the Bank, Branch Address, Account Number, Type of Account, MICR Code, IFSC code. The Shareholders should also enclose copy of a cancelled cheque to ensure the correct bank details.If the above details are not provided, any consideration payable will be sent to the first/sole Shareholder at the address based on details obtained from the Shareholders' records maintained by the Company or its share transfer agent.
11. The statutory register along with other documents required to be open for inspection under the Companies Act, 2013 (Register under Section 189 of the Companies Act, 2013) are available for inspection at the Registered Office of the Company during business hours between 11.30 am to 1.00 pm on all working days (except Saturdays, Sundays and Holidays) up to the date of extra ordinary general meeting and will also be made available at the venue of the meeting.
12. The Company will provide e-voting facility to Members in terms of section 108 of the Companies Act, 2013 read with rule 20 of Companies (Management and Administration) Rules, 2014 to exercise their right to vote by electronic means. The e-voting period will commence from Saturday, May 26, 2018 at 9.00 am (IST) and will end at 5.00 pm (IST) on Monday, May 28, 2018. The e-voting module will be disabled on Monday, May 28, 2018 at 5.00 p.m. (IST). A separate e-voting instructions slip has been sent explaining the process of e-voting with necessary user id and password along with procedure for such e-voting. Such e-voting facility is in addition to voting that may take place at the meeting venue on May 29, 2018. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
13. The Company has appointed Mr. Sanjay Parab, Practising Company Secretary, Proprietor, M/s. Sanjay Parab & Co., Practising Company Secretaries (Membership No. 6613, Certificate of Practice No. 7093), to act as a Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
14. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 and secretarial standards II, relating to the Special Business to be transacted at the Meeting is annexed hereto.
15. Pursuant to Section 101 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve extra ordinary general meeting notice and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are

requested to submit their request with their valid e-mail address to M/s Karvy Computershare Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.

16. Please note that the Members can opt for only one mode of voting i.e., either by voting at the Meeting or e-voting. If Members opt for e-voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the meeting may also attend the meeting and participate in the meeting, but shall not be entitled to cast their vote again.
17. Voting rights (for both manual and e-voting) shall be reckoned on the paid-up value of the shares registered in the name(s) of the Members on the record date, i.e. May 25, 2018. ("cut-off date"). A person who is not a Member as on May 25, 2018 should treat this Notice as for information purposes only.
18. The particulars as required by Rule 20 of the Companies (Management and Administration) Rules, 2014, including the date of completion of dispatch of notices of the meeting along with the Explanatory Statement etc. shall be published through an advertisement in the following newspapers: (i) Free Press Journal in English, (ii) Navshakti in Marathi in their Mumbai edition.
19. For Members attending the meeting and not casting vote by e-voting, a ballot process will be carried out by distributing ballot/poll slips at the meeting. Any Member, who has already exercised his votes through e-voting, may attend the meeting but is prohibited to vote at the meeting and his vote, if any, cast at the meeting shall be treated as invalid. A Proxy can vote in the ballot process.
20. The instructions for Members for e-voting are as under:
 - (a) In case of Members receiving e-mail from Karvy:
 - i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN number followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - iii. After entering these details appropriately, click on "LOGIN".
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVENT" i.e., UTV Software Communications Limited.
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Record Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR / AGAINST" taken together not exceeding your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii. Members holding multiple folios / Demat accounts shall choose the voting process separately for each folio / Demat accounts.
 - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - xii. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.,) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email: sanjay.parabcs@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "UTV Software Communications Limited".
 - (b) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company / Depository Participants (s)]
 - i. E-Voting **Event Number** (EVEN), User ID and Password is provided in the Attendance Slip.
 - ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.
 - (c) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

In case of any query or grievance pertaining to e-voting, please visit the website <https://evoting.karvy.com> or contact Karvy Computershare Pvt. Ltd. on 44655000 or 1800-3454-001 (toll free) or contact:

Mr. Rajendra Prasad V
Manager – Corporate Registry
Karvy Computershare Pvt. Ltd.
Karvy Selenium Tower B, Plot No. 31 & 32,
Gachibowli Financial District, Nanakramguda, Serilingampally,
Hyderabad – 500 032 Email: rajendra.v@karvy.com Phone: +91 040 6716 1510 / 1512

21. COMPLIANCE WITH TAX REQUIREMENTS

21.1 Shareholders shall confirm (duly certified by chartered accountant) their residential status i.e. Resident or Non-resident in India under the provisions of the Income-tax Act, 1961 ("ITA") for the Indian financial year 2018-19. Where such confirmation is not provided or such information is not available with the Registrar of the Company, it will be assumed that shareholder is a non-resident in India in the said financial year.

Tax to be deducted in case of Resident shareholders

21.2 In absence of any specific provision under the ITA, Company will not deduct tax on the amount payable to Resident Shareholders on such capital reduction.

Tax to be deducted in case of Non-resident shareholders

21.3 As per the provisions of Section 195 of the ITA, any income by way of capital gains payable to non-residents or foreign companies, shall be liable to the provisions of withholding tax (at applicable tax rates plus surcharge and cess) and subject to the provisions of the relevant tax treaty. Accordingly, income tax may have to be deducted at source in the case of a non-residents at the rate under the ITA or under the applicable tax treaty, whichever is beneficial to the shareholder.

Non-resident shareholders - other than FPI

21.4 Non-resident shareholders may obtain a certificate from the Income-tax authorities either under Section 195(3) of the ITA or under Section 197 of the ITA, and submit the same to the Company, indicating the rate at which tax or amount of tax to be deducted by the Company, before remitting the consideration. The Company will deduct tax at source in accordance with such certificate submitted by the Shareholder.

21.5 In case the certificate referred to in Para 21.4 above is not submitted, non-resident Shareholders shall arrange to submit the following documents to the Company, before remitting the consideration:

- a) Category to which the non-resident shareholder belongs i.e.; (a) Non Resident Individual; or (b) Overseas Corporate Body (OCB), or (c) Non-domestic company, or (d) any other non-resident in accordance with section 2(31) of the ITA.
- b) (i) the date of acquisition along with supporting evidence (such as date on which he is recorded as holder on share certificate or broker contract note), (ii) number of equity shares acquired and (iii) period of holding of the shares of the Company along with documentary evidence with respect to the same;
- c) self-declaration that it does not have a business connection / fixed base / permanent establishment in India;
- d) Self-certified copy of Tax Residency Certificate ("TRC") containing the specified particulars provided to him / it by the Government of that foreign country / specified territory of which it claims to be a tax resident under section 94(4) / 90A(4) of the ITA;
- e) Duly signed Form 10F under section 94(5) of the ITA r.w. Rule 21AB(1) & (2A) of the IT Rules; and
- f) Self-certified copy of Permanent Account Number (PAN) obtained in India. Section 206AA of the ITA prescribes requirement to furnish PAN. In case a copy of PAN is not submitted or is invalid or does not belong to the shareholder, the tax shall be deducted at the rate of 20% (as provided under Section 206AA of the ITA) or the rate, as may be applicable to the category of the Shareholder under the ITA, whichever is higher.

Notes:

- (i) Shareholders are requested to furnish details mentioned in para 21.5(a) to 21.5(b) above duly certified by Chartered Accountant.
- (ii) The provisions of section 206AA of the ITA shall not apply on capital gains arising on transfer of capital asset if non-resident shareholder furnishes the prescribed details (duly signed) in Rule 37BC of the IT Rules as below:
 - i. name, e-mail id, contact number
 - ii. address in the country of which shareholder is a resident
 - iii. a certificate of shareholder being resident in any country from the Government of that country if the law of that country provides for issuance of such certificate;
 - iv. Tax Identification Number of shareholder in the country of residence. In case no such number is available, then a unique number on the basis of which shareholder is identified by the Government of that country of residence.

21.6 Based on above information in 21.5 submitted to the Company, Company will deduct tax at the rates applicable on the gross consideration payable to such shareholder.

21.7 In case of the documents / information as requested as per Para 21.4 and 21.5 are not submitted to the Company or the Company considers the documents/information submitted to be ambiguous / incomplete / conflicting or not to the satisfaction of the Company, then the Company reserves the right to withhold tax on the gross consideration at the maximum marginal rate (MMR) as applicable to the category of the Shareholder and by relying on the existing information available with the Company / Karvy as regards that shareholder. The decision of the Company on this aspect shall be final.

Non-resident shareholders – FPI

21.8 Section 196D(2) of the ITA r.w. Section 2(14) of the ITA provide that no deduction of tax at source is required to be made from any income arising to FPIs by way of capital gains arising from the transfer of securities referred to in Section 115AD of the ITA as defined in Section 115AD of the ITA. The benefits under Section 196D(2) of the ITA are applicable in case the Equity Shares are held on Capital Account. Accordingly, FPIs shall arrange to submit a self-attested copy of its SEBI registration certificate and also a copy of notification issued u/s. 115AD of the ITA showing name of the FPIs.

21.9 In cases not covered under 12 above and in case FPI wants the Company not to deduct tax or to deduct tax at a lower rate, FPI may obtain a certificate from the income tax authorities either under Section 195(3) or under Section 197 of the ITA, and submit the same to the Company, indicating the rate at which tax or amount of tax to be deducted by the Company, before remitting the consideration. The Company will deduct tax at source in accordance with such certificate submitted by the Shareholder.

- 21.10 In case the documents referred to in Para 21.8 and 21.9 above are not submitted, FPI shall arrange to submit documents as mentioned in Para 21.5 above.
- 21.11 Based on above information in Para 21.10 submitted to the Company, Company will deduct tax at the rates applicable on the gross consideration payable to such FPI.
- 21.12 In case of the documents/information as requested as per Para 21.8 to 21.10 are not submitted to the Company or the Company considers the documents/information submitted to be ambiguous / incomplete / conflicting or not to the satisfaction of the Company, then the Company reserves the right to withhold tax on the gross consideration at the maximum marginal rate (MMR) as applicable to the category of the shareholder and by relying on the existing information available with the Company/ Karvy as regards that FPI shareholder. The decision of the Company on this aspect shall be final.
- 21.13 No request shall be accepted from any Shareholder, under any circumstances, for non-deduction of tax at source or deduction of tax at lower rate, on the basis of any self-computation / computation by any tax consultant of gains and the tax payable thereon.
- 21.14 Securities transaction tax will not be applicable to the capital reduction.
- 21.15 The Company will not be liable to the shareholders to provide / grant refund of any part of tax which was deducted to the satisfaction of the Company on the basis of supporting received, if such tax was deducted in excess of the final tax payable by the shareholder. The shareholders may claim such refund from the government of India through appropriate filing process.
- 21.16 The responsibility of the Company is only with respect to deduction of tax on the basis of submission of documents to the Company. It is the ultimate responsibility of the shareholders to compute tax and necessary filings required to be done as per extant applicable laws prevailing in India. All the shareholders are advised to consult their tax advisors for the treatment that may be required to be given in their tax filings and the appropriate course of action that they should take. The tax rates and other provisions may undergo changes and the tax will be deducted at source as per the applicable provisions of the ITA prevailing at the date of payment/credit of the consideration, whichever is earlier.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

For Item No. 1

1. Existing Share Capital Structure

1.1. As on the date of this notice the share capital of the Company is as under:

<i>Particulars of Share Capital</i>	<i>(Amount in Rupees)</i>
Authorised Share Capital:-	
1,66,02,41,500 equity shares of Rs. 10/- each	16,60,24,15,000
16,66,000 compulsorily convertible preference shares of Rs. 1,500/- each	2,49,90,00,000
Total	19,10,14,15,000
Issued, Subscribed and Paid Up Share Capital:	
89,18,65,574 equity shares of Rs. 10/- each	8,91,86,55,740
Total	8,91,86,55,740

1.2. The Company as per the statement of beneficiaries dated March 31, 2018 received from NSDL has 4,286 Members, out of which 4,284 Members collectively hold only 0.02% of the equity share capital while The Walt Disney Company (Southeast Asia) Pte. Ltd. (“**TWDC**”) and Disney Enterprises Inc., USA, the promoters of the Company, hold 99.98%, of the equity share capital of the Company.

1.3. The existing shareholding pattern as on March 31, 2018 was as under:

<i>Category of shareholding</i>	<i>No. of equity shareholders</i>	<i>No of equity shares held</i>	<i>Equity shareholding as % of holding</i>
Promoters	2	89,17,08,574	99.98
Public shareholders*	4,284	1,57,000	0.02
<i>Total</i>	4,286	89,18,65,574	100.00

**includes employee-shareholders*

1.4. You are aware that the Company was delisted in the year 2012. TWDC after providing a fair exit price to the public shareholders on March 05, 2012 further extended the exit opportunity for a period of four months up to July, 2013. The public shareholders who remain shareholders of the Company are those who were not able to or did not tender their shares under the aforementioned delisting offer (including subsequent exit offers) made by TWDC under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (“**Delisting Regulations**”). The public shareholders though large in number have negligible equity shareholding in the Company.

2. Capital Reduction

- 2.1. At the time of delisting of the Company, TWDC, the promoter of the Company had expressed the objective to obtain full ownership of the Company to provide enhanced operational flexibility while providing a fair price to the public shareholders to exit fully. The cost involved in handling and servicing the large number of Members is very high, more particularly when their holding in the Company is very nominal.
- 2.2. The equity shares of the Company being unlisted securities are not tradable and do not have any readily available market for their trading. Thus, the said shares are totally illiquid with no significant returns or appreciation thereon. Many shareholders have also approached the Company to provide another exit opportunity for the unlisted shares held by them at a fair price.
- 2.3. To attain the objective of reducing aforesaid cost on a long term basis, attain complete ownership by the promoters and offer yet another opportunity of exit to the public shareholders, it is felt prudent in the interest of both, the Company and the Members, to consider a reorganization of the share capital of the Company by way of cancellation of the entire public shareholding except for 5 equity shares each held by any 5 employee-shareholders, so as to comply with the statutory requirement to have a minimum 7 equity shareholders for a public limited company after the proposed reduction. Accordingly, the Company has proposed the cancellation of 1,56,995 fully paid-up equity shares of Rs. 10/- each held by the public shareholders (hereinafter referred to as “**Non-promoter**” / “**Non-promoter holding**” as the context may require) for a fair consideration against their shares held. This would offer an exit route to the minority public shareholders considering that such a small shareholding may not be marketable at all. It is proposed that the aforesaid 5 (Five) employee-shareholders will hold the shares as nominee of any one of the promoters after the capital reduction (defined below) becoming effective.
- 2.4. Clause 78 of the Articles of Association of the Company provides that the Company may from time to time by special resolution reduce its capital and pay off any paid-up capital in accordance with the applicable law.
- 2.5. Accordingly, the Company has proposed reduction of capital of the entire Non-promoter shareholding under the provisions of Section 66 of the Companies Act, 2013 (“**Act**”) read with the National Company Law Tribunal Procedure for reduction of share capital of Company Rules 2016 (“**Reduction Rules**”) for a fair consideration against their shares held. It is clarified that the pay-off of the paid-up share capital to the Non-promoters is in excess of the wants of the Company as contemplated under the provisions of Section 66 of the Act.

3. Consideration

- 3.1. The Board and the audit committee has on April 06, 2018 duly approved the proposed reduction of issued and paid up equity share capital from Rs. 891,86,55,740 to Rs.891,70,85,790 by cancelling 1,56,995 of equity shares held by the Non-promoters for consideration (“**Capital Reduction**”). The valuation report issued by M/s. Deloitte Haskins & Sells, Independent Chartered Accountants dated March 09, 2018 has certified the fair price as Rs. 26.30 per equity share. The fairness report dated March 12, 2018 issued by M/s. Keynote Corporate Services Ltd certifies the valuation price of M/s. Deloitte Haskins & Sells as fair and equitable to the shareholders of the Company.
- 3.2. The Board after consideration of the valuation report of Deloitte Haskins & Sells, Independent Chartered Accountants and the fairness opinion of Keynote Corporate Services Ltd and detailed deliberations, in the interest of the public shareholders approved the Capital Reduction at a price of Rs. 500 (Rupees Five Hundred only) per equity share which is over and above of the fair valuation price certified by M/s. Deloitte Haskins &

Sells, Chartered Accountants. In so far as non-resident shareholders who hold such shares on a repatriation basis are concerned, the payment of consideration of Rs. 500 per share (subject to withholding taxes as applicable) is subject to receipt of approval of the Reserve Bank of India. In the event that such approval is not received such non-resident shareholders shall be paid such consideration as may be permissible under applicable law.

- 3.3. All Non-promoters holding shares on the Record Date (defined below), shall receive consideration in proportion of shares held by them. The physical share certificates and dematerialised shares representing the reduced capital shall cease to have effect and as on the Record Date (defined below) shall stand cancelled and the required procedure reflecting the change in the shareholding of the members of the Company in the depository accounts shall be taken by the Company or as directed by the Tribunal.

4. **Effective Date of Capital Reduction**

After the shareholders have passed the requisite resolution in the Extra Ordinary General Meeting, the Company will file the requisite application with the National Company Law Tribunal, Mumbai Bench (“**Tribunal**”) in accordance with the provisions of Section 66 and 52 other applicable provisions of the Act and the Reduction Rules, seeking confirmation of the Capital Reduction. Pursuant to Section 66(5) of the Act, this resolution will be effective on the date when the Registrar of Companies, Mumbai registers the order of the Tribunal approving the Capital Reduction and issues a certificate to that effect.

5. **Payment to Non-promoters**

- 5.1 The Company shall, upon the receipt of confirmation by the Tribunal to the Capital Reduction and upon the Capital Reduction becoming effective, deposit the entire consideration payable pursuant to the Capital Reduction in a special bank account. The consideration (net of tax) to be paid to the Non-promoters in lieu of the Capital Reduction shall be discharged in cash by issue of cheque/draft/pay order/NEFT/RTGS/IMPS to the shareholders whose name appears as a member as on the record date as determined by the Board (“**Record Date**”), within such number of days and subject to such approvals, if any, as may be permissible under applicable law or as may be directed by the Tribunal on the Capital Reduction becoming effective.
- 5.2 In case of transfer requests pending as on the Record Date, the Company shall immediately after the Record Date dispatch to such transferor Non-promoter holders and the transferee from whom the Company has received any communication with respect to pending transfer of shares, a form to be duly filled in by the transferor and the transferee. Upon receipt of duly filled-in form, the Company shall discharge the consideration to the transferee or to the transferor as the case may be. Pending receipt of duly filled-in form the consideration towards such shares shall be dealt in a manner provided for in the below paragraph.
- 5.3 Where the monies to be paid-out have not been claimed by or paid to the Non-promoters, on account of cheques returned and / or undelivered, cheques not deposited, consideration in respect of shares pending transfer as on the Record Date, or for any other reason, the Company shall retain and deal with such monies in the special bank account as may be permissible under applicable law including the Investor Education and Protection Fund Authority (Accounting Audit Transfer & Refund) Rules, 2016 or as directed by the Tribunal.

6. **Accounting treatment**

The Company shall debit the equity share capital account to the extent of the face value of the shares cancelled under the capital reduction and the difference between face value per cancelled share and the amount of consideration paid per cancelled share shall be debited to the “Securities Premium Account” under the head “Other Equity”

7. **Consequential reduction of securities premium account**

As stated in clause 6 hereinabove, the difference between the aggregate consideration payable pursuant to the Capital Reduction and the aggregate face value of the shares so reduced is proposed to be adjusted against the existing securities premium account. The above mentioned accounting treatment, subject to approval of the Tribunal, is in consonance with the generally accepted accounting principles. As per Section 52(1) of the Act for any utilization of the securities premium account for purposes other than those specified in Section 52(2), the provisions relating to reduction of share capital i.e. Section 66 of the Act and Reduction Rules shall apply as if the securities premium account were the paid-up share capital of the Company. The reduction of the securities premium account of the Company, by a sum not exceeding Rs. 7,69,27,550 from the existing Rs. 14,83,26,91,995 would be deemed to be a capital reduction and accordingly approval of the shareholders of the Company by way of a special resolution is also being sought pursuant to Section 52 read with Section 66 of the Act. It is clarified that the reduction of securities premium account consequential to the Capital Reduction does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital otherwise than as stated in the resolution. The final sum to be reduced from the securities premium account will be fixed upon the outcome of the Reserve Bank of India approval referred to in clause 3.2 above.

8. **General**

- 8.1. The Capital Reduction will not involve diminution of liability in respect of unpaid share capital. No prejudice will be caused to the creditors by the aforesaid reduction. The Capital Reduction would not in any way adversely affect the ordinary operations of the Company to honor its commitments or pay its debts in the ordinary course of business. The requisite consent / notice as per the requirements of Section 66(2) of the Act will be sent to the creditors. The Company has not accepted deposits from any person.
- 8.2. As on date, there is no pending inspection, inquiry or investigation against the Company under the Companies Act, 2013.
- 8.3. The form of the minute proposed to be registered under Section 66 (5) of the Companies Act, 2013 is as follows:
- “The paid up share capital of UTV Software Communications Limited, is henceforth Rs. 891,70,85,790 [Rupees Eight Ninety-One Crores Seventy Lakh Eighty-Five Thousand Seven Hundred and Ninety Only] divided into 89,17,08,579 equity shares of Rs. 10/- each fully paid up, reduced from Rs. 8,91,86,55,740 divided into 89,18,65,574 shares of Rs. 10 each fully paid up. At the date of registration of the minute 89,17,08,579 shares of Rs. 10 each have been issued and are deemed to be fully paid-up. Further the securities premium account of the Company be and is hereby reduced by a sum not exceeding Rs. 7,69,27,550 from the existing Rs. 14,83,26,91,995.”*
- 8.4 Copies of the valuation report, fairness report, Memorandum of Association and Articles of Association of the Company and Statutory Auditors certificate are available for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm on all working days (except Saturdays, Sundays and Holidays) up to the date of extra ordinary general meeting and will also be made available at the venue of the meeting.
- 8.5 None of the directors and key managerial personnel of the Company or their relatives are concerned or interested financially or otherwise, in the Special Resolution set out in the notice except in the capacity of shareholders.
- 8.6 The Board recommends the Special Resolution set out in the Notice for approval by the members of the Company.

For Item No. 2 and 3

The provisions of Section 188 of the Companies Act, 2013 (“Act”) read with Rule 15 of the Companies (Meetings of the Board and its Powers) Rules, 2014 (“the Rules”) governs the Related Party Transactions, requiring a Company to obtain prior approval of the Board and in certain cases, the prior approval of Members by way of a resolution if such transactions are not in the ordinary course of business and/or not on arm’s length basis.

Further, Section 188(3) of the Act provides that where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a resolution in the general meeting under sub-section (1) the same shall be ratified by the Board or, as the case may be, by the Members at a meeting within a period of three months from the date on which such contract or arrangement was entered into, failing which such contract or arrangement shall be voidable at the option of the Board.

Members are informed that your Company had entered into following transaction(s) with a related party during FY 2017-18 which was not in the ordinary course of business and the same is proposed for ratification by shareholders:

Name of Related Party	Relationship	Nature, Duration, Particulars of Contract/Arrangement	Transaction value in INR Millions
PT. Walt Disney Indonesia	Common Control Entity	Central Support on an ongoing basis including but not limited to sharing of common services & Facilities, Salary recharge etc.	8.80
The Walt Disney Company (Malaysia) Sdn. Bhd.			5.96
The Walt Disney Company (Philippines), Inc.			13.79
The Walt Disney (Thailand) Co Ltd			6.94
Wedco International Holdings, Inc.			8.21
Disney FTC services (singapore) Pte Ltd.			0.59
Walt Disney Pictures & Television, USA			1.25

Members are informed that your Company proposes to enter into following transaction(s) with related party(ies) with such annual limits as specified below with effect from April 01, 2018 for which the Company would require shareholders’ approval since they are not in the ordinary course of business and exceed the threshold limit laid down in Rule 15 of the Companies (Meetings of the Board and its Powers) Rules, 2014.

Name of Related Party	Relationship	Nature, Duration, Particulars of Contract/Arrangement	Transaction value in INR Millions
The Walt Disney Company (Southeast Asia) Pte Limited	Holding Company	Central Support on an ongoing basis including but not limited to sharing of common services & Facilities, Salary recharge etc.	160.00
PT. Walt Disney Indonesia	Common Control Entity		45.00
The Walt Disney Company (Malaysia) Sdn. Bhd.			29.80
The Walt Disney Company (Philippines), Inc.			68.97
The Walt Disney (Thailand) Co Ltd			34.70
Wedco International Holdings, Inc.			24.64
The Walt Disney Company (Japan) Ltd.			25.00
ESPN Digital Media India Pvt Ltd.			25.00
Disney FTC services (singapore) Pte Ltd.			6.00
Walt Disney Pictures & Television, USA			8.00

Details as required by Explanation 3 to the Rules in respect of the proposed transaction(s) with related party (ies) mentioned in Item No.2 and transaction(s) with related party during FY 2017-18 mentioned in Item No.3 are furnished below:

(a) Name of the related party: As provided in the table above.

(b) Name of the director or key managerial personnel who is related, if any: N.A.

(c) Nature of relationship: As stated above

(d) Nature, material terms, monetary value and particulars of the contract or arrangement: Company and Related Party amongst themselves provide and receive central support on an on-going basis for carrying its business operations including but not limited to the use and sharing of office premises and services to be provided at the premises such as electricity, cafeteria facilities, communication facilities, housekeeping services, salary recharge, water facilities, security personnel, administration and information technology support services amongst others. Further, your Company in its normal course of

business also incurs expenses on behalf of Related Party and also reimburse various expenses paid by Related Party on behalf of your Company. The nature and monetary value are as provided in table above.

(e) Any other information relevant or important for the Members to take a decision on the proposed resolution: NIL

Members are also informed that in terms of the second proviso to Section 188(1), no Member of the Company shall vote on such resolution to approve any contract or arrangement which may be entered into, by the Company, if such Member is a related party.

Considering the nature of the support being provided/received and the value obtained as a result of such support, the Board of Directors have evaluated the said arrangement and found it to be reasonable.

The Board recommends the resolution as set out in the accompanying notice for the approval and ratification by Members of the Company as Special Resolution.

None of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested financially or otherwise in the said resolution as set out in Resolution No. 2 & 3 above except to the extent of their shareholding, if any.

Your Directors recommend the resolutions at item nos. 2 & 3 for your approval.

**By Order of the Board of Directors
For UTV Software Communications Limited**

Sd/-

**Puneet Juneja
Company Secretary
Membership No.:A17151**

Registered Office:

1st Floor, Building No.14, Solitaire Corporate Park,

Guru Hargovindji Marg,

Chakala, Andheri (E),

Mumbai 400093 IN

Date: April 06, 2018

Place: Mumbai

UTV SOFTWARE COMMUNICATIONS LIMITED

CIN: U72200MH1990PLC056987

Registered Office: 1stFloor, Building No. 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai 400 093.
Phone: +91 (022) 61091000, Fax: +91 (022) 67421930 Email: utvinvestors@disney.in; Website: www.utvgroup.com

PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No./ DP ID-Client ID No.	

I/ We, being the Member(s) of _____ shares of the above named Company, hereby appoint:

- (1) Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him;
- (2) Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him;
- (3) Name: _____ Address: _____
E-mail Id: _____ Signature: _____

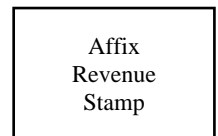
as my/ our Proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Extra Ordinary General Meeting of the Company, to be held on Tuesday, May 29, 2018 at Emerald Hall, Kohinoor Continental, Andheri - Kurla Rd, J B Nagar, Andheri East, Mumbai, Maharashtra 400 059 and at any adjournment thereof in respect of the following resolutions:

Resolution No.	Resolution
Special Business	
1.	To approve the reduction of equity share capital and the consequential reduction of the securities premium account of the Company.
2.	Approval and ratification of transaction(s) with Related Parties under Section 188 of the Companies Act, 2013 and applicable Rules thereunder, as amended from time to time, for FY2017-18.
3.	Approval and ratification of transaction(s) with Related Parties under Section 188 of the Companies Act, 2013 and applicable Rules thereunder, as amended from time to time, w.e.f. April 01, 2018 with such annual limits as stated in the resolution read with explanatory statement annexed to it.

Signed this _____ day of _____ 2018

Signature of Shareholder: _____

Signature of Proxy holder: _____



Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Applicant not less than 48 hours before the commencement of the Meeting.
- (2) Revenue Stamp of Re.1/- is to be affixed on this form. The form should be signed across the stamp as per specimen signature registered with the Company/Depository participant
- (3) A proxy need not be a member of the company.
- (4) All alterations made in the form of proxy should be initialled.
- (5) A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Applicant carrying voting rights, then such proxy shall not act as a proxy for any other person or member.

ROUTE MAP OF VENUE

