

**UTV SOFTWARE COMMUNICATIONS LIMITED**

CIN: U72200MH1990PLC056987

**Registered Office:** 1<sup>st</sup> Floor, Building No. 14, Solitaire Corporate Park,  
Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai 400 093.

Phone: +91 (022) 61091000, Fax: +91 (022) 67421930

**E-mail:** utvinvestors@disney.in **Website:** www.utvgroup.com

Court Convened Meeting of the Equity Shareholders of UTV Software Communications Limited, scheduled to be held on Thursday, 29<sup>th</sup> day of September, 2016 at 11:00 A.M. at The Hall of Culture, Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018.

<b>Contents</b>	<b>Page No.</b>
1. Notice of Court Convened Meeting of the Equity Shareholders of UTV Software Communications Limited	2
2. Explanatory Statement under Section 393 (1) (a) of the Companies Act, 1956 read with Section 102 of the Companies Act 2013	6
3. Composite Scheme of Amalgamation and Arrangement under Section 391 to 394 read with Section 100 to 103 of the Companies Act, 1956 and Section 52 of Companies Act, 2013	13
4. Form of Proxy	23

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SUMMONS FOR DIRECTION NO. 531 OF 2016**

In the matter of Sections 391 to 394 read with Section 100 to 103 of the Companies Act, 1956 and Section 52 of Companies Act, 2013;

And

In the matter of the Composite Scheme of Amalgamation and Arrangement between The Walt Disney Company (India) Pvt. Ltd. ("Transferor Company1"); Indiagames Ltd. (Transferor Company2); and UTV Software Communications Ltd. ("Transferee Company")

<b>UTV Software Communications Ltd.</b>	)	
a company incorporated under the Companies Act 1956	)	
having its registered office at 1 <sup>st</sup> Floor, Bldg No. 14,	)	
Solitaire Corporate Park, Guru Hargovindji Marg,	)	
Chakala, Andheri (E), Mumbai 400 093, Maharashtra	)	<b>...Applicant</b>

**NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF THE APPLICANT**

To,

The equity shareholders of UTV Software Communications Limited (the "**Applicant**");

**TAKE NOTICE** that by an Order made on July 01, 2016 read with the order dated August, 12, 2016 modifying the order dated July 01, 2016, in the above Company Summons for Directions No. 531 of 2016 (hereinafter referred to as "Order"), the Hon'ble High Court of Judicature at Bombay has directed that a meeting of the Equity Shareholders of the Applicant be convened and held at The Hall of Culture, Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018 on Thursday, 29<sup>th</sup> day of September, 2016 at 11:00 A.M. to transact the following business:

- (1) To consider and if thought fit, to approve with or without modification(s), the following resolution under Sections 391 to 394 of the Companies Act 1956 for approval of the proposed Composite Scheme of Amalgamation and Arrangement between The Walt Disney Company (India) Pvt. Ltd. ("Transferor Company1"); Indiagames Ltd. (Transferor Company2); and UTV Software Communications Ltd. ("Transferee Company"):

**"RESOLVED THAT** pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Hon'ble High Court of Judicature at Bombay and subject to such other approvals, permissions and sanctions imposed by the Hon'ble High Court of Judicature at Bombay or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this resolution), the proposed arrangement embodied in the Composite Scheme of Amalgamation and Arrangement between The Walt Disney Company (India) Pvt. Ltd. ("Transferor Company1"); Indiagames Ltd. (Transferor Company2); and UTV Software Communications Ltd. ("Transferee Company/the Company")("Scheme") placed before this meeting and initialled by the Chairman of the meeting for the purpose of identification, be and is hereby approved;

**RESOLVED FURTHER THAT** any of the Directors viz. Mr. Nimish Shah, Whole-time Director or Mr.Sujit Vaidya or Ms. Parul Tevatia, Directors of the Company or Mr.Puneet Juneja, Company Secretary of the Company be and are hereby *severally* authorized to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangements and/or imposed by the Hon'ble High Court of Judicature at Bombay while sanctioning the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme and to accept such modifications, amendments, if any, as the Board may deem fit and proper."

**TAKE FURTHER NOTICE** that in pursuance of the said Order and as directed therein, a meeting of the equity shareholders of the Applicant will be held at The Hall of Culture, Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018 on Thursday, 29<sup>th</sup> day of September, 2016 at 11:00 A.M. at which time and place you are requested to attend.

**TAKE FURTHER NOTICE** that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your authorized representative, is deposited at the registered office of the Applicant at 1<sup>st</sup> Floor, Building No. 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai 400 093 not later than 48 hours before the time of the aforesaid meeting.

The Hon'ble High Court of Bombay has appointed Mr. Nimish Shah, Whole Time Director (DIN: 05250183), failing him Mr.Sujit Vaidya, Director (DIN: 03287161), failing him Mr.Narendra Ambwani, Independent Director (DIN: 00236658), to be the Chairman of the said meeting.

A copy of the statement under Section 393(1)(a) of the Companies Act, 1956 and Section 102 of Companies Act 2013, the Scheme, a Form of Proxy and attendance slip are enclosed.

**By order of the Board of Directors**

**Sd/-**

**Nimish Shah**  
**Chairman appointed for the meeting**  
**DIN: 05250183**

Place: Mumbai

Date: August 29, 2016

**Registered Office:**

1<sup>st</sup> Floor, Building No. 14,  
Solitaire Corporate Park, Guru Hargovindji Marg,  
Chakala, Andheri (E), Mumbai 400 093.

**Notes:**

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A proxy, in order to be valid, should be deposited at the registered office not less than 48 hours before the commencement of the meeting(s). The proxy need not be a member of the Applicant.
- (2) 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. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. All alterations made in the form of proxy should be initialed. Members attending the meeting are requested to bring duly filled attendance slips.
- (3) Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Court Convened Meeting is annexed hereto.
- (4) The Notice is being sent to all the Members whose names appear in the Register of Members/list of beneficial owners maintained by the Company's Registrars and share transfer agents i.e. M/s. Karvy Computershare Private Limited and the Depositories i.e. National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") as on Friday, August 26, 2016. Notice of the Meetings is being sent by email to those Members who have registered their e-mail addresses with the Company or with the Depository Participant ("DP") unless any Member has requested for a physical copy of the same. The Notice along with requisite annexure(s) are being sent in physical form by permitted mode to all other Members. This Notice convening the Meetings of the Applicant is also displayed/posted on the website of the Applicant ([www.utvgroup.com](http://www.utvgroup.com)).
- (5) Members are requested to notify any change of their address to the Company's Registrars and share transfer agents, M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032.
- (6) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, Companies can serve Annual Reports 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.
- (7) All relevant documents referred to in the above Notice and other documents required to be open for inspection are open for inspection by Members of the Company at the Registered Office of the Company at 1<sup>st</sup> Floor, Building No. 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai 400 093, which is also the head office of the Company, during working hours on all working days except on holidays, up to and including the date of the Meeting and shall also be available at the Meeting.

## UTV SOFTWARE COMMUNICATIONS LIMITED

- (8) Only registered members of the Applicant may attend and vote (either in person or by proxy or by authorized representative under Section 112 and 113 of the Companies Act 2013) at the Meeting. The authorized representative of a body corporate which is a registered equity shareholder of the Applicant may attend and vote at the Meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend and vote in the Meeting is deposited at the registered office of the Applicant not later than 48 hours before the Meeting.
- (9) Registered shareholders who hold shares in dematerialised form are requested to bring their Client ID and DP ID details and members who hold shares in physical form are requested to bring their folio numbers for easy identification of the attendance at the Meeting.
- (10) Members are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the register of members of the Applicant in respect of such joint holding will be entitled to vote.
- (11) The Company is pleased to provide the facility of remote e-voting for voting on all items of business at the Meeting to all members as per the applicable Regulations relating to e-voting and as permitted by the Order and such business may be transacted through such voting. Separate e-voting instructions slip has been annexed explaining the process of remote e-voting with necessary user ids and password(s) along with procedure for such e-voting. Such remote e-voting facility is in addition to physical voting that may take place at the meeting venue on September 29, 2016.
- (12) The Board of Directors on August 29, 2016 has appointed Mr. Sanjay Parab, Proprietor, M/s. Sanjay Parab & Co., Practicing Company Secretaries (Membership No. 6613, Certificate of Practice No. 7093), as Scrutinizer for conducting the remote e-voting for the Meeting in a fair and transparent manner.
- (13) The facility for voting through polling paper shall also be made available at the meeting. 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.
- (14) 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. Friday, September 23, 2016 ("cut-off date"). A person who is not a Member as on Friday, September 23, 2016 should treat this Notice as for information purposes only.
- (15) The e-voting period will commence on Monday, September 26, 2016 (9:00 a.m. IST) and end on Wednesday, September 28, 2016 (5:00 p.m. IST) (both days inclusive). During this period, Members of the Company holding shares either in physical form or in dematerialized form may cast their vote electronically. The e-voting module will be disabled for voting on Wednesday, September 28, 2016 at 5:00 p.m. IST.
- (16) 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 Meetings alongwith 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.
- (17) 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.
- (18) The results of the e-voting and physical voting shall be declared at the end of the Annual General Meeting of the Company to be held immediately after the Court Convened Meeting.
- (19) 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 for each of the Meetings 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

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SUMMONS FOR DIRECTION NO. 531 OF 2016**

In the matter of Sections 391 to 394 read with the other applicable provisions of the Companies Act, 1956 and Companies Act 2013;

And

In the matter of the Composite Scheme of Amalgamation and Arrangement between The Walt Disney Company (India) Pvt. Ltd. ("Transferor Company1"); Indiagames Ltd. (Transferor Company2); and UTV Software Communications Ltd. ("Transferee Company")

**UTV Software Communications Ltd.,** )  
a company incorporated under the Companies Act 1956 )  
having its registered office at 1<sup>st</sup> Floor, Bldg No. 14, )  
Solitaire Corporate Park, Guru Hargovindji Marg, )  
Chakala, Andheri (E), Mumbai 400 093, Maharashtra ) **...Applicant**

**EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956 AND UNDER SECTION 102 OF THE COMPANIES ACT 2013**

1. Pursuant to the Order dated July 01, 2016 read with the order dated August, 12, 2016 modifying the order dated July 01, 2016, passed by the Hon'ble High Court of Judicature at Bombay, in the Company Summons for Direction referred to above a meeting of the shareholders is being convened and held at The Hall of Culture, Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018 on Thursday, 29<sup>th</sup> day of September, 2016 at 11:00 A.M., for the purpose of considering, and, if thought fit, approving with or without modification(s), the proposed arrangement embodied in the Composite Scheme of Amalgamation and Arrangement between The Walt Disney Company (India) Pvt. Ltd. ("**Transferor Company1**"; Indiagames Ltd. ("**Transferor Company2**"; and UTV Software Communications Ltd. ("Applicant" or "**Transferee Company**") ("**Scheme**") under the provisions of Section 391-394 of the Companies Act, 1956 ("**Act**"). The other definitions contained in the Scheme shall also apply to this Explanatory Statement.

**2. Background of the Companies**

**3.1 UTV Software Communications Ltd./ Transferee Company/ Applicant**

- (a) The Applicant was incorporated on 22<sup>nd</sup> June, 1990 under the Act in the name of United Software Communications Pvt. Ltd. Pursuant to a fresh certificate of incorporation consequent upon change of name dated 19<sup>th</sup> March 1998, the name of the Applicant was changed to UTV Software Communications Limited. The Applicant is in the business of production and distribution of content on various media including interactive and digital platforms. The shares of the Applicant are not listed on any stock exchanges in India.
- (b) The registered office of the Applicant is situated at 1<sup>st</sup> Floor, Building No. 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai - 400 093, Maharashtra.
- (c) The share capital of the Applicant as on December 22, 2015 was as under:

<b>Authorized Share Capital</b>	<b>Amount in Rupees</b>
13,91,47,900 Equity Shares of ₹ 10/- each	139,14,79,000
73,33,500 compulsorily convertible preference shares of ₹ 1,500/- each	1100,02,50,000
<b>Total</b>	<b>1239,17,29,000</b>
<b>Issued, Subscribed and Paid Up:</b>	
5,16,63,659 Equity Shares of ₹ 10/- each	51,66,36,590
1,666,000 Compulsorily Convertible Preference Shares of ₹ 1,500/- each	2,49,90,00,000
<b>Total</b>	<b>301,56,36,590</b>

The issued and paid up equity share capital of the Applicant as on date is ₹ 52,83,74,730 comprising of 5,28,37,473 equity shares of ₹ 10/- each by virtue of preferential allotment made on March 14, 2016. As stated in Clause 5.7 below the Board of Directors of the applicant has approved for the issue of upto 1,346,153,846 equity shares to The Walt Disney Company (Southeast Asia) Pte. Limited on preferential basis subject to shareholders approval.

- (d) The main objects of the Applicant as per its Memorandum of Association are as under:
  - (1) To produce, buy, sell, import, export, screen or otherwise dealing television programmes, television films, cinematographic films, radio programs, video software, animation (cartoon films) in all gauges and Audio and/or Video Cassettes, Disc and Video Films and/or any other contrivance, Tapes of all gauges, form and Contrivances.

- (2) To carry on the business as software consultants, advisers, experts and/or developers in the fields of computer and computer graphics audio and video graphics, communication media, computer networking, internet and other computer related fields to deal in computer Software all over India and elsewhere in the world and to establish links via satellites downlink and uplink through various Reception systems.
- (3) To carry on the business of exhibiting and distributing television films, television programmes, video films, cinematographic films, and acquiring or selling rights therein and to establish, purchase, take on lease or hire television and/or radio centres/Channels, studios, cinemas, picture palaces, halls, theaters for production of serials and export thereof, exhibition, production, processing and printing of films including resorting to any new method or process that may be developed technically and/or technologically in future relating to all the aforesaid activity.
- (4) To create, develop, license, acquire, buy, procure, host, maintain, update, import, export digital content including without limitation interactive products, games, applications, videos, audio, music, audio-visuals, graphics, images, ebooks, experiences, animations, digital platforms, marketplace, websites, software, multi-media presentations, computer based training and all associated intellectual property rights; and to license, transfer, deliver, distribute, license, publish, sell, exploit, monetize, market, promote, advertise such digital content or elements thereof across the world, through all media currently in existence and to be developed in the future including without limitation the internet, broadband, mobile technology, wap, sms, wifi, data services, blue tooth, television, satellite, cable, direct-to-home, internet protocol television, embedding for viewing and consumption on electronic devices including without limitation set top boxes, computers, handheld device, mobiles, tablets, gadgets, headsets, wearables, consoles, pods, CD-ROM, touch screen kiosks; and to develop, license, rent, lease, distribute, sell, market, advertise, promote, import, export of electronic and other equipment for the purpose of exploitation of digital content.
- (5) To develop, procure, operate, update, maintain, host, perform, deliver, and provide information technology enabled services including without limitation that of digital publishing, platform services, advertising, promotion, marketing, deck management, analytics, technical solutions, DRM, other content and data security and hosting, packaging, Internet portals, internet destinations, web publishing and designing, wap portals, e-commerce, networking, telecommunications, software implementation, enterprise resource planning, manpower deployment across the world.

### 3.2 The Walt Disney Company (India) Pvt Ltd./Transferor Company1

- (a) The Transferor Company1 was incorporated on 1<sup>st</sup> August 2003, under the Act in New Delhi. Pursuant to certificate of registration of the order of the Company Law Board confirming transfer of the registered office from Delhi to State of Maharashtra dated 7<sup>th</sup> December 2004, the registered office was shifted to Maharashtra. The existing business of the Transferor Company1 includes licensing and exploitation of original artistic and other creative works on various platforms including digital media and character merchandise.
- (b) The registered office of the Applicant is situated at 1<sup>st</sup> Floor, Building No. 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai - 400 093, Maharashtra.
- (c) The share capital of the Transferor Company1 as on December 22, 2015 is as under:

Authorized Share Capital	Amount in Rupees
19,30,00,000 equity shares of ₹ 10/- each	193,00,00,000
6,70,00,000 preference shares of ₹ 10/- each	67,00,00,000
<b>Total</b>	<b>260,00,00,000</b>
<b>Issued, Subscribed and Paid Up</b>	
16,29,11,633 equity shares of ₹ 10/- each	162,91,16,330
5,06,72,132 5% non-cumulative redeemable preference shares of ₹ 10/- each	50,67,21,320
47,82,060 0% compulsorily convertible preference shares of ₹ 10/- each	4,78,20,600
<b>Total</b>	<b>218,36,58,250</b>

Disney Enterprises Inc. holds 100% (except 1 share) of the equity share capital and 100% of the preference share capital. There is no change in the share capital of the Transferor Company1 as on date.

- (d) The main objects of the Transferor Company1 as per its Memorandum of Association includes:
  1. To engage in the business of promoting, developing, adapting, producing, reproducing, printing, publishing, dubbing, directing, exhibiting, funding, acquiring, protecting commercially exploiting, marketing, implementing, transferring, purchasing, importing, exporting, licensing, leasing, exchanging, altering, distributing, selling and dealing in all types and kinds of books, educational films, cinematography films, television films, audio video tapes and works, animated pictures, records, tapes and video recordings, representations, voices, sounds movements and personalities of all types and kinds of cartoon and fictional characters and scenes from motion pictures and other audio/ visual works and production of all kinds of merchandise using the above voices, sounds, movements and personalities.
  2. To engage in the distribution of The Disney Channel ("Channel") and any other channels and to enter into license agreement(s) with sub licensee(s) in India or abroad for distribution and transmission of the Channel to subscribers in India and abroad
  3. To engage in distribution of rights in television programming produced, co-produced or acquired by the Disney Group, the Company and their respective Subsidiaries and Affiliates in the free-to-air market and in the pay television market and through any other kind of media currently in vogue or which may be in vogue at any time.

4. To engage in the supervision, operation, promotion and marketing of the Channel in India and abroad;
5. To engage in dubbing, identification, co-production or acquisition and, or production of local programming for incorporation in the Channel and to use software facilities in India and abroad to develop and export content, animations and the like including the import, distribution, sale, rent and license of theatrical and direct to video motion pictures in film, videotapes, DVD and VCD as well as audio product, interactive entertainment product and computer software in all formats and all other forms whether now known or hereafter devised by all methods of projection and through all media and co-production or acquisition motion pictures and import, export, distribution, exhibition of foreign and domestic motion pictures.
6. To carry on the business to purchase and sell advertising time or space on any television channel including the Channel, radio, internet in India or abroad or any other kind of media currently in vogue or which may be in vogue at any time and to act as agent or representative for any person(s) or entities for soliciting/booking advertisements and/or any other promotional, commercial and other programmes on any form of media or medium including collection of charges and remittances thereof to principals.
7. To carry on software development, business and technology process outsourcing services and support functions and all activities relating thereto, in any industry and areas, including back office operations; and to provide for solutions and services in information technology, document management and library services, data processing services, data management services, transcription services, revenue accounting services, payroll services, information processing services, human resource services including but not limited to, benefits of help desk, benefits administration, training management, training documentation, training scheduling, employee set-up and maintenance, expatriate management, payroll processing, time and attendance tracking.
8. To carry on business and activities as a call center and help desk services, both inbound and outbound, and provide services relating to products, product support services, hardware and software support services, customer relation management tools, caller assistance, call telemarketing, teleservices, teleshopping and development of software in respect billing and collection, accounting, customer tracking, internet based call services, and other telephone based services.

### 3.3 Indiagames Limited/Transferor Company2

- (a) The Transferor Company2 was incorporated on incorporated on 1<sup>st</sup> February 2000, under the Act as indiagames.com Ltd. Pursuant to a fresh certificate of incorporation consequent upon change of name dated 19<sup>th</sup> September 2001, the name of the Transferor Company2 was changed to its present name i.e. Indiagames Ltd. The Transferor Company 2 *inter alia* develops, aggregates and distributes content on interactive media and digital platforms. The Transferor Company 2 is also in the business of creating digital applications including games based on the content developed by the Transferee Company.
- (b) The registered office of the Transferor Company2 is situated at 1<sup>st</sup> Floor, Bldg No. 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai 400 093, Maharashtra.
- (c) The share capital of the Transferor Company2 as on December 22, 2015 is as under:

<b>Authorized Share Capital</b>	<b>Amount in Rupees</b>
12,50,000 equity shares of ₹ 10 each	1,25,00,000
<b>Issued, subscribed and paid up Share Capital</b>	
11,42,860 equity shares of ₹ 10 each	1,14,28,600

The Transferor Company2 is a subsidiary of the Transferee Company. The entire share capital of the Transferor Company2 is held directly and indirectly (through the Transferee Company) by The Walt Disney Company (Southeast Asia) Pte. Limited as on the Appointed Date and date of approval of the Scheme by the Board of Directors. There is no change in the share capital of the Transferor Company1 as on date

- (d) The main objects of Transferor Company2 as set out in its Memorandum of Association are as under:
  1. To create, develop, license, acquire, buy, procure, host, maintain, update, import, export digital content including without limitation interactive products, games, applications, videos, audio, music, audio-visuals, graphics, images, ebooks, experiences, animations, digital platforms, marketplace, websites, software, multimedia presentations, computer based training and all associated intellectual property rights; and to license, transfer, deliver, distribute, license, publish, sell, exploit, monetize, market, promote, advertise such digital content or elements thereof across the world, through all media currently in existence and to be developed in the future including without limitation the internet, broadband, mobile technology, wap, sms, wifi, data services, blue tooth, television, satellite, cable, direct-to-home, internet protocol television, embedding for viewing and consumption on electronic devices including without limitation set top boxes, computers, handheld device, mobiles, tablets, gadgets, headsets, wearables, consoles, pods, CD-ROM, touch screen kiosks; and to develop, license, rent, lease, distribute, sell, market, advertise, promote, import, export of electronic and other equipment for the purpose of exploitation of digital content.
  2. To develop, procure, operate, update, maintain, host, perform, deliver, and provide information technology enabled services including without limitation that of digital publishing, platform services, advertising, promotion, marketing, deck management, analytics, technical solutions, DRM, other content and data security and hosting, packaging, Internet portals, internet destinations, web publishing and designing, wap portals, e-commerce, networking, telecommunications, software implementation, enterprise resource planning, manpower deployment across the world.



### 3. Background of the Scheme

The Scheme provides interalia for:

- a) Amalgamation of the Transferor Company1 and Transferor Company2 ("Transferor Companies") into Transferee Company.
- b) Consideration consequent upon amalgamation payable to the shareholders of the Transferor Companies by issue of equity shares of the Transferee Company.
- c) Dissolution without winding up of the Transferor Companies.
- d) The Scheme also provides for writing off of the debit balance of the profit & loss balance of the Applicant against identified reserves including the securities premium account.
- e) Change in the object clause of the Transferee Company by inserting applicable objects relating to the business of the Transferor Companies.

### 4. Rationale of the Scheme

This Composite Scheme of Amalgamation and Arrangement would achieve the following synergies:

- (a) The existing business of the Transferor Company1 includes licensing and exploitation of original artistic and other creative works on various platforms including digital media and character merchandise. It would, therefore, be appropriate that these works be exploited by the legal entity (Transferee Company), which produces, develops and licenses original content and which will be responsible for exploitation of content and creative works on future platforms and exploring of new rights under copyright and other intellectual property laws. Customers would also benefit from a single point service for all their needs.
- (b) The Transferor Company 2 *interalia* develops, aggregates and distributes content on interactive media and digital platforms. The Transferee Company which, as mentioned above is in the business of production and distribution of content on various media including interactive and digital platforms. The Transferor Company 2 is also in the business of creating digital applications including games based on the content developed by the Transferee Company.
- (c) The proposed restructuring of the group companies by merger of the business operations of the Transferor Companies into the Transferee Company will lead to consolidation of various intellectual property rights and properties in the appropriate entity, create synergies of operations that would enable the Transferor Companies and the Transferee Company to participate more profitably in the transferred business in an increasingly competitive market.
- (d) The synergies created by the consolidation would increase operational and management efficiency, integrate business functions and decrease cost of legal compliance with respect to the transferred businesses. The merger will be economically productive, resulting in better value to the customers and all stakeholders of the Companies.
- (e) Right sizing balance sheet of the Transferee Company by adjusting extant profit & loss debit balance against the identified reserves and securities premium account

### 5. Salient features of the Scheme

#### 5.1. Key Definitions

"Appointed Date" shall mean April 1, 2015 or such other date as may be directed or imposed by any Appropriate Authority;

"Appropriate Authority" means any governmental, statutory, departmental, or public body or authority including the National Company Law Tribunal / the High Court or any such other governmental authority;

"Effective Date" means the last of the dates on which all the conditions and matters referred to in Clause 22 to the Scheme have been fulfilled, obtained or waived.

#### 5.2. Amalgamation of Transferor Companies into the Transferee Company

With effect from the Appointed Date and upon the coming into effect of this Scheme, pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Act, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing but subject to existing charges, encumbrances affecting the same, so as to become, as and from the Appointed Date, the undertakings, businesses, properties and other belongings, of the Transferee Company by virtue of and in the manner provided in this Scheme.

- 5.3. The Scheme also contains clauses dealing with the mode and manner of vesting of the assets and liabilities, transfer of employees, legal proceedings contracts and agreements and accounting treatment in the books of the Transferee Company upon the merger becoming effective.

#### 5.4. Consideration

The Transferee Company shall without any further act or deed and without any further payment, issue and allot equity shares, proportionately to the shareholders of the Transferor Companies whose names are recorded in the register of members of the Transferor Companies on the Record Date in the following ratio:

##### Transferor Company1

- (a) 1,000 equity shares of face value of ₹ 10/- each at a premium of ₹ 382 each of the Transferee Company credited as fully paid-up for every 15,700 equity shares of ₹ 10/- each held by the equity shareholders in the Transferor Company1.

- (b) 1,000 equity shares of face value of ₹ 10/- each at a premium of ₹ 382 each of the Transferee Company credited as fully paid-up for every 15,700 0% compulsorily convertible preference shares of ₹ 10/- each fully paid-up held by each such member in the Transferor Company1.
- (c) 1,000 equity shares of face value of ₹ 10/- each at a premium of ₹ 382 each of the Transferee Company credited as fully paid-up for every 71,000 5% non-cumulative redeemable preference shares of ₹ 10/- each fully paid-up held by each such member in the Transferor Company1.

**Transferor Company2**

- (a) 1,000 equity shares of face value of ₹ 10/- each at a premium of ₹ 382 each of the Transferee Company credited as fully paid-up for every 103 equity shares of ₹ 10/- each held by the equity shareholders in the Transferor Company2.
- (b) Upon the Scheme becoming effective the 56% of the equity share capital held by the Transferee Company and its nominees in Transferor Company2 shall stand cancelled and accordingly no consideration shall be payable by the Transferee Company to the shareholders or their nominees or any other persons in respect thereof pursuant to the Scheme.

**5.5. Dissolution of the Transferor Companies**

Upon the coming into effect of the Scheme, the Transferor Companies shall stand dissolved without winding-up.

**5.6. Writing off of Profit & Loss Account Balance against Securities Premium Account**

Upon this Scheme becoming effective and after the fresh issue of equity shares pursuant to the Scheme any amount upto ₹ 1600 crores (₹ 16,000 million) representing substantial part of the existing debit balance in profit & loss account of the Transferee Company as at 31<sup>st</sup> March 2015, shall be written off in the manner as may be approved by the Board of Directors of the Transferee Company against all or any of (a) the balance in Business Restructuring Reserve, (b) the balance in General Reserve, (c) the balance in Capital Reserve and (d) the Securities Premium Account, as may be decided by the Board of the Transferee Company in this regard. The reduction of capital which shall be effected as an integral part of the Scheme itself in accordance with the provisions of Section 52 of the Companies Act, 2013 read with Sections 100 to 104 of the Companies Act, 1956. The order of the High Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act for the purpose of confirming reduction of share capital. The utilization of the securities premium account would not involve either diminution of liability in respect of the unpaid share capital or payment to any shareholder of any paid-up share capital.

**5.7. Combination of Authorised Share Capital**

As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorised share capital of the Transferor Companies shall after reclassification of the shares into equity, where necessary, stand transferred to and be added with the authorised share capital of the Transferee Company without any liability for payment of any additional registration fees and stamp duty pursuant to the provisions of Sections 13, 14, 61 and other applicable provisions of the Companies Act, 2013 and Section 394 of the Act and no resolutions or consent and approvals would be required to be passed by the Transferee Company and the authorised Share Capital of the Transferee Company shall stand increased by ₹ 2,61,25,00,000.

The Board of Directors of the Applicant have vide resolution passed on 29<sup>th</sup> August, 2016 approved the preferential allotment of upto 1,346,153,846 equity shares of ₹ 10/- each at a premium of ₹ 3 per share to The Walt Disney Company (Southeast Asia) Pte. Limited subject to members approval. In view of the increase of the authorized share capital of the Applicant by reason of the proposed preferential allotment in the Applicant and to accommodate any future changes to the authorised share capital, Clause 12 (5.7 above) of the Scheme which deals with the combination of the authorized share capital of the Transferor Companies with the authorized share capital of the Applicant is consequentially amended. A copy of the Scheme which has been duly approved by the Board of Directors of the Applicant at its meeting held on December 22, 2015 after incorporating the authorised changes to Clause 12 (Clause 5.7 above) and the Transferor Companies, is attached to this Explanatory Statement for the consideration of the equity shareholders of the Applicant at the court convened meeting. The preference shareholders of the Applicant have provided their written consent to the Scheme with modifications if any required.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the salient features thereof.

**5.8. Conditionality of the Scheme**

The Scheme is conditional upon and subject to approvals and filings laid down in Clause 22 of the Scheme.

**5.9. Change in object clause of the Transferee Company**

With effect from the Appointed Date, and upon the Scheme becoming effective, the main object clause of the Memorandum of Association of the Transferee Company shall be deemed to be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities of the Transferor Companies as stated in Clause 13 of the Scheme, pursuant to the provisions of Sections 13 and 14 of the Companies Act, 2013 and other applicable provisions of the Act.

**6. Board meeting and valuation report**

The proposed Scheme has been approved by the Audit Committee and the Board of Directors of the Applicant at their meeting held on 22<sup>nd</sup> December, 2015 after considering the valuation report dated 14<sup>th</sup> December, 2015 of Deloitte Haskins and Sells, Chartered Accountants and the fair exchange ratio recommended under it.

**7. Capital structure pre and post amalgamation**

7.1. Post the approval of the Scheme on December 22, 2015, there has been an infusion of funds in the Applicant whereby 11,73,814 equity shares were allotted to The Walt Disney Company (Southeast Asia) Pte. Limited. Further, as stated in clause 5.7 above and the AGM notice accompanying this notice and explanatory statement thereto, there is a further proposed infusion of funds in the Applicant by way of preferential issue.

**7.2. Pre and post amalgamation capital structure of the Applicant as on date is as follows:**

	Pre-amalgamation as on date		Post-amalgamation*	
	No. of Shares	Amount	No. of shares	Amount
<b>Authorised share capital</b>				
Equity shares of ₹ 10/- each	13,91,47,900	1,39,14,79,000	40,03,97,900	4,00,39,79,000
Compulsorily convertible preference shares of ₹ 1,500/- each	73,33,500	11,00,02,50,000	73,33,500	11,00,02,50,000
		<b>1239,17,29,000</b>		<b>1500,42,29,000<sup>^</sup></b>
<b>Issued subscribed and paid up share capital</b>				
Equity Shares of ₹ 10/- each	52,837,473	52,83,74,730	6,91,14,562 <sup>\$</sup>	69,11,45,620
Compulsorily Convertible Preference Shares of ₹ 1,500/- each	16,66,000	2,49,90,00,000	16,66,000	2,49,90,00,000
	<b>Total</b>	<b>3,02,73,74,730</b>		<b>3,19,01,45,620</b>

\*Taking into account the allotment as stated in clause 7.1 above

\$ If approved by the shareholders at the Annual General Meeting to be held immediately after the said meeting and further subject to allotment by the Management Committee of the Board of Directors, the Issued, Subscribed and Paid up capital may stand increased by not exceeding 1,346,153,846 equity shares of ₹ 10/- i.e. ₹ 13,46,15,38,460/- due to preferential allotment to The Walt Disney Company (Southeast Asia) Pte. Limited.

<sup>^</sup> If approved by the shareholders at the Annual General Meeting to be held immediately after the said meeting, the existing Authorised Share Capital of the Company shall be reclassified and also further increased by ₹ 409,71,86,000/- by creation of additional 409,718,600 Equity Shares of ₹ 10/- each.

**7.3. Pre and Post amalgamation equity shareholding pattern of the Applicant based on the shareholding pattern disclosed in clause 7.2 is as under:**

Category of Shareholders	Pre amalgamation		Post amalgamation*	
	Number of equity shares	As a percentage of total capital	Number of equity shares	As a percentage of total capital
Promoter Foreign bodies corporates	52,680,473	99.70	68,957,562	99.77
Other Foreign bodies corporates	268	0.00	268	0.00
Foreign nationals	97	0.00	97	0.00
H U F	3,906	0.01	3,906	0.00
Bodies corporates	3,519	0.01	3,519	0.01
Non-resident Indians	4,508	0.01	4,508	0.01
Resident individuals	1,44,702	0.27	1,44,702	0.21
<b>Total</b>	<b>52,837,473</b>	<b>100.00</b>	<b>69,114,562</b>	<b>100.00</b>

\*Taking into account the allotment as stated in clause 7.1 above and basis the beneficiary position as on August 26, 2016.

**8. Extent of shareholding of directors and key managerial personnel**

- (a) None of the directors or key managerial personnel (KMPs) of the Applicant and the Transferor Companies or their relatives have any interest in the Scheme except to the extent of shares held by them in the Applicant Company or the Transferor Companies as shareholders or nominees.
- (b) The effect of the Scheme on interests of the directors and KMPs and their relatives is not any different from the effect of the Scheme on like interests of other persons. The shareholding of the present directors and KMPs (or their relatives) of the Applicant and the Transferor Companies held as on date either singly jointly or as nominee is as under

Name of the Director/ KMP	Designation	Equity Shares in Transferee Company	Equity shares in Transferor Company1	Equity shares in Transferor Company2
Nimish Shah	Whole Time Director of the applicant	1	Nil	1
Sujit Vaidya	Director of the applicant	Nil	Nil	Nil
Parul Tevatia	Director of the applicant	Nil	Nil	Nil
Vishwas Joshi	Chief Financial Officer of the applicant	1	Nil	Nil

**UTV SOFTWARE COMMUNICATIONS LIMITED**

Puneet Juneja	Company Secretary of the applicant	1	Nil	Nil
Siddharth Roy Kapur	Managing Director of Transferor1	Nil	Nil	Nil
Abhishek Maheshwari	Director of Transferor1	Nil	Nil	Nil
Venkata Subramaniam	Company Secretary of Transferor1	Nil	Nil	Nil
Diana Goiporia	Director, Transferor2	Nil	Nil	Nil
Bhushan Kapadia	Director, Transferor2	1	Nil	Nil
Monisha Shroff	Director, Transferor2	Nil	Nil	Nil
Prem Mehta	Independent Director of Applicant and Transferor 2	Nil	Nil	Nil
Narendra Kumar Ambwani	Independent Director of Applicant and Transferor 2	Nil	Nil	Nil

**9. General**

- The Scheme is not prejudicial to the interests of the members of the Applicant Company. The financial position of the Applicant will not be adversely affected by this Scheme. Further, the rights and interests of the shareholders and creditors of any of the companies will not be prejudicially affected by this Scheme as the Applicant, post this Scheme, will be able to meet its liabilities as they arise in the ordinary course of business. By virtue of this Scheme becoming effective there would be no change in control of the Applicant or in the constitution of its Board of Directors. The amalgamation is expected to be tax neutral under the applicable provisions of the Income Tax Act 1961 with respect to the parties to the Scheme and its shareholders. For United States federal income tax purposes, it is intended that each amalgamation outlined in this Scheme will qualify as a re-organization within the meaning of Section 368(a) of the United States Internal Revenue Code of 1986, as amended.
- The latest audited accounts of the Applicant Company as on 31<sup>st</sup> March, 2016 have been placed before the shareholders for approval pursuant to the accompanying AGM notice in the AGM to be held immediately after the conclusion of this meeting. The Applicant would be able to meet liabilities as they arise in the course of business. There is no likelihood that any creditor of the concerned companies would lose or be prejudiced as a result of this Scheme being passed since no sacrifice or waiver is at all called for from them nor are their rights sought to be modified in any manner.
- To the knowledge of the Applicant, there are no winding up proceedings pending or filed against the Applicant Company as of date.
- No investigation or proceedings have been instituted or are pending in relation to the Applicant under the applicable provisions of Chapter XIV of the Companies Act, 2013 and Sections 237, 250, 250A and 251 of the Act, in respect of the Applicant.
- The board of directors of the Applicant have, at their meeting held on August 29, 2016, approved the closure of the local studios business of the Applicant for which approval of the shareholders is being separately sought by way of postal ballot.

**10. Inspection**

The following documents will be open for inspection at the Registered Office of the Transferee Company and on any working day (except Saturdays, Sundays and public holidays) prior to the date of the meeting between 11.00 a.m. to 1.00 p.m:

- Copy of the order dated 1<sup>st</sup> July, 2016 and 12<sup>th</sup> August, 2016 of the Hon'ble High Court of Judicature at Bombay passed in Company Summons for Direction No. 531 of 2016 directing the convening of the meeting of the Equity Shareholders.
- Memorandum of Association and Articles of Association of Transferor Company1, Transferor Company2 and Transferee Company;
- Audited Financial Statements of Transferor Company1, Transferor Company2 and Transferee Company for last three financial years ended March 31, 2016, March 31, 2015 and March 31, 2014 ;
- Register of director's shareholdings of the Transferee Company;
- Valuation report dated 14th December 2015 of Deloitte Haskins and Sells, Chartered Accountants.

A copy of this Scheme, Explanatory Statement, Form of Proxy and Attendance Slip may be obtained free of charge on any working day (except Saturdays, Sundays and public holidays) prior to the date of the meeting, from the registered office of the Applicant situated at 1st Floor, Building No. 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai 400 093, Maharashtra.

**By order of the Board of Directors**

Sd/-

**Nimish Shah**  
**Chairman appointed for the meeting**  
**DIN: 05250183**

Place: Mumbai

Date: August 29, 2016

CIN: U72200MH1990PLC056987

**Registered office:**

1st Floor, Building No. 14, Solitaire Corporate Park,  
Guru Hargovindji Marg, Chakala, Andheri (E),  
Mumbai 400 093, Maharashtra

**COMPOSITE SCHEME OF AMALGAMATION AND ARRANGEMENT**

(Under Section 391 to 394 and other applicable provisions of the Companies Act 1956 and Companies Act 2013)

**Between**

**The Walt Disney Company (India) Pvt. Ltd (“Transferor Company1”); Indiagames Ltd (Transferor Company2); and  
UTV Software Communications Ltd (“Transferee Company”)**

**PREAMBLE**

**A. RATIONALE OF THE COMPOSITE SCHEME OF AMALGAMATION**

This Composite Scheme of Amalgamation and Arrangement would achieve the following synergies:

- (f) The existing business of the Transferor Company1 includes licensing and exploitation of original artistic and other creative works on various platforms including digital media and character merchandise. It would, therefore, be appropriate that these works be exploited by the legal entity (Transferee Company), which produces, develops and licenses original content and which will be responsible for exploitation of content and creative works on future platforms and exploring of new rights under copyright and other intellectual property laws. Customers would also benefit from a single point service for all their needs.
- (g) The Transferor Company 2 *interalia* develops, aggregates and distributes content on interactive media and digital platforms. The Transferee Company which, as mentioned above is in the business of production and distribution of content on various media including interactive and digital platforms. The Transferor Company2 is also in the business of creating digital applications including games based on the content developed by the Transferee Company.
- (h) The proposed restructuring of the group companies by merger of the business operations of the Transferor Companies into the Transferee Company will lead to consolidation of various intellectual property rights and properties in the appropriate entity, create synergies of operations that would enable the Transferor Companies and the Transferee Company to participate more profitably in the transferred business in an increasingly competitive market.
- (i) The synergies created by the consolidation would increase operational and management efficiency, integrate business functions and decrease cost of legal compliance with respect to the transferred businesses. The merger will be economically productive, resulting in better value to the customers and all stake holders of the Companies.
- (j) Right sizing balance sheet of the Transferee Company by adjusting extant profit & loss debit balance against the identified reserves and securities premium account

**B. PARTS OF THE SCHEME:**

The Scheme is divided into three Parts, the details of which are as follows:

**Part 1:** Part 1 contains definitions and interpretation and share capital clause of the Transferor Companies and the Transferee Company.

**Part 2:** Part 2 provides for the amalgamation of the Transferor Companies into the Transferee Company.

**Part 3:** Part 3 of this Scheme provides for writing off of the debit balance of the profit & loss balance *interalia* against securities premium account

**Part 4:** Part 4 of this Scheme provides for general terms and conditions.

**PART 1**

**1. GENERAL DEFINITIONS AND INTERPRETATION**

**1.1. Definitions**

In this Scheme the following terms shall have the following meanings:

“**Act**” means the Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force and any corresponding provisions of the Companies Act, 2013 to the extent notified or modified from time to time;

“**Appointed Date**” shall mean April 1, 2015 or such other date as may be directed or imposed by any Appropriate Authority;

“**Applicable Law**” shall mean any statute, notification, bye-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders instructions having the force of law enacted or issued by any Appropriate Authority including any statutory modification or re-enactment thereof for the time being in force;

“**Appropriate Authority**” means any governmental, statutory, departmental, or public body or authority including the National Company Law Tribunal / the High Court or any such other governmental authority;

“**Board of Directors**” shall mean the board of directors or any committee thereof, of any of the Transferor Companies, and the Transferee Company as the context may require;

“**Companies**” shall mean collectively the Transferor Companies and the Transferee Company which are the parties to this Scheme;

**“Effective Date”** means the last of the dates on which all the conditions and matters referred to in Clause 22 have been fulfilled, obtained or waived. References in this Scheme to the date of “coming into effect of this Scheme” or “Scheme becoming effective” shall be construed accordingly;

**“Funds”** shall mean to include provident fund, gratuity fund and pension and/or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits in relation to the employees;

**“High Court”** means the Hon’ble High Court of Judicature at Bombay;

**“Interim Period”** shall mean the period commencing the Appointed Date and ending the Effective Date;

**“Proceeding”** shall include any suit, petition, writ petition, assessment, appellate, revisionary, rectification, or any other legal proceedings by or against the relevant Transferor Company under any law for the time being in force pending before any court, judicial, quasi-judicial or any other forum, whether already initiated or to be initiated in future other Proceeding under that Act, whether already initiated or to be initiated in future;

**“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of issue of shares under the Clause 11 of the Scheme;

**“Scheme”** or **“the Scheme”** or **“this Scheme”** means this Composite Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by the Appropriate Authority;

**“Transaction Taxes”** shall mean the following taxes / levies / duties (other than levy on the income of the Transferor Companies, under the Income Tax Act, 1961):

- (a) the Service tax levied under the Finance Act, 1994, and any Cess levied under any Finance Act.
- (b) the Value Added Sales Tax (VAT) levied under the respective State legislations in India as applicable to the Transferor Companies,
- (c) the Central Sales Tax (CST) levied under the Central Sales Tax Act, 1956,
- (d) the Customs duty and other duties levies under associated legislations for import of goods into India, and
- (e) The Goods & Services Tax (GST) that may come into force from a date to be notified by the respective Governments
- (f) the obligation under Chapter XVII-B of the Income Tax Act, 1961 of the Transferor Companies with respect to their payments to various vendors

**“Transferee Company”** means **UTV Software Communications Ltd** a company incorporated under the provisions of the Companies Act, 1956, whose CIN is U72200MH1990PLC056987 and having its registered office at 1<sup>st</sup> Floor, Building No. 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai 400 093, Maharashtra;

**“Transferor Company1”** means **The Walt Disney Company (India) Pvt Ltd** a company incorporated under the provisions of the Companies Act, 1956, whose CIN is U74999MH2003PTC149854 and having its registered office at 1<sup>st</sup> Floor, Building No.14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai 400 093, Maharashtra;

**“Transferor Company2”** means **Indiagames Limited** Company incorporated under the provisions of the Companies Act, 1956, whose CIN is U72900MH2000FLC123970 and having its registered office at 1<sup>st</sup> Floor, Building No.14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai 400 093, Maharashtra;

**“Transferor Companies”** means and refers to the Transferor Company1 and the Transferor Company2, collectively.

## **1.2. Interpretation**

- (a) Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961 (“ITA”), the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory amendment, modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the High Court in this Scheme, the reference if the context so permits, would include, the National Company Law Tribunal.
- (b) A reference to a ‘Clause’ or ‘Parts’, under this Scheme shall, unless the context otherwise requires, mean a reference to a ‘Clause’ or ‘Part’ of this Scheme.
- (c) The singular shall include the plural and vice versa. Any phrase introduced by the terms “including”, “include”, or any similar expression shall be construed without limitation.

## **1.3. DATE OF TAKING EFFECT AND OPERATIVE DATE**

This Scheme, with or without any modification(s), as may be approved or imposed or directed by the High Court, shall become effective on the Effective Date but operate from the Appointed Date.

## 2. Share Capital

### 2.1. The Share Capital structure of Transferor Company1 as at March 31, 2015 and December 23, 2015 is as follows:

Authorized Share Capital	Amount in Rupees
19,30,00,000 equity shares of ₹ 10/- each	193,00,00,000
6,70,00,000 preference shares of ₹ 10/- each	67,00,00,000
<b>Total</b>	<b>260,00,00,000</b>
Issued, Subscribed and Paid Up	
16,29,11,633 equity shares of ₹ 10/- each	162,91,16,330
5,06,72,132 5% non-cumulative redeemable preference shares of ₹ 10/- each	50,67,21,320
47,82,060 0% compulsorily convertible preference shares of ₹ 10/- each	4,78,20,600
<b>Total</b>	<b>218,36,58,250</b>

Disney Enterprises Inc. holds 100% (except 1 share) of the equity share capital and 100% of the preference share capital.

### 2.2. The Share Capital structure of the Transferor Company2 as at March 31, 2015 and December 22, 2015 is as follows:

Authorized Share Capital	Amount in Rupees
12,50,000 equity shares of ₹ 10 each	1,25,00,000
Issued, subscribed and paid up Share Capital	
11,42,860 equity shares of ₹ 10 each	1,14,28,600

The Transferor Company2 is a subsidiary of the Transferee Company. The entire share capital of the Transferor Company2 is held directly and indirectly (through the Transferee Company) by The Walt Disney Company (Southeast Asia) Pte. Limited as on the Appointed Date and date of approval of the Scheme by the Board of Directors.

### 2.3. The Share Capital structure of the Transferee Company as at March 31, 2015 and December 22, 2015 is as follows:

Authorised Share Capital	Amount in Rupees
10,69,66,900 equity shares of ₹ 10/- each	106,96,69,000
73,33,500 compulsorily convertible preference shares of ₹ 1,500/- each	1100,02,50,000
<b>Total</b>	<b>1206,99,19,000</b>
Issued, Subscribed and Paid Up:	
5,16,63,659 equity shares of ₹ 10/- each	51,66,36,590
16,66,000 compulsorily convertible preference shares of ₹ 1,500/- each	249,90,00,000
<b>Total</b>	<b>301,56,36,590</b>

Subsequent to March 31, 2015, the authorised share capital of the Transferee Company has increased upon the merger of its subsidiary UTV New Media Limited with it. As on December 22, 2015 the detail of the share capital of Transferee Company is as under:

Authorized Share Capital	Amount in Rupees
13,91,47,900 Equity Shares of ₹ 10/- each	139,14,79,000
73,33,500 compulsorily convertible preference shares of ₹ 1,500/- each	1100,02,50,000
<b>Total</b>	<b>1239,17,29,000</b>

## PART 2

### 3. AMALGAMATION OF TRANSFEROR COMPANIES INTO TRANSFEE COMPANY

- 3.1. With effect from the Appointed Date and upon the coming into effect of this Scheme, pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Act, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing but subject to existing charges, encumbrances affecting the same, so as to become, as and from the Appointed Date, the undertakings, businesses, properties and other belongings, of the Transferee Company by virtue of and in the manner provided in this Scheme.

### 4. Transfer of Assets

Without prejudice to the generality of Clause 3 of the Scheme:

- 4.1. Upon the coming into effect of the Scheme and with effect from the Appointed Date, all assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Transferor Companies of whatsoever nature and wheresoever situate shall, without any further act or deed, be and stand vested in the Transferee Company and/or be deemed to be vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company. It is clarified that as on the Appointed Date the Transferor Companies do not own any immovable properties.

- 4.2. In respect of such of the assets and properties of the Transferor Companies as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred by the Transferor Companies upon the coming into effect of the Scheme, and shall become vested as assets and property of the Transferee Company with effect from the Appointed Date without requiring any deed or instrument of conveyance for transfer of the same.
- 4.3. In respect of such of the assets and properties belonging to the Transferor Companies including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposit with any Appropriate Authority including any tax authority, quasi government, local or other authority or body or with any company or other person, the same shall stand vested in the Transferee Company and/or deemed to have been vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date.
- 4.4. All assets and properties of the Transferor Companies as on the Appointed Date, whether or not included in the books of the Transferor Companies and all assets and properties, which are acquired by the Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 391 to 394 of the Act without any further act, instrument or deed, be and stand vested in and be deemed to have been vested in the Transferee Company upon the coming into effect of the Scheme.
- 4.5. All the licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, sales tax deferrals, exemptions and benefits, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether on, before or after the Appointed Date, any import license without payment of Duty under any Scheme, that may become available to the respective Transferor Company, if any, consequent to any order of the court, with regards to any of its past imports, shall, without any further act, instrument or deed, cost or charge be and stand transferred to and vested in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, sales tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions. For the avoidance of doubt and without prejudice to the generality of the foregoing, all consents, no-objection certificates, clearances, clearances, authorities (including operation of bank accounts), powers of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company.
- 4.6. Upon the Scheme becoming effective, the Transferee Company shall be entitled to without limitation, operate the bank accounts, including transacting in cash, cheque, NEFT, RTGS or any other electronic mode, intra company, inter company, other settlements, availing and utilizing any limits, issuing or receiving any guarantee of any of the Transferor Companies or carry out any other transaction as it deems fit.

**5. Contracts, Deeds, etc.**

- 5.1. Upon the coming into effect of the Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.
- 5.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Transferor Companies occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of the Scheme, in accordance with the its provisions, if so required under Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Companies are a party, or any writings as may be necessary, in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies to be carried out or performed.

**6. Transfer of Liabilities**

Without prejudice to Clause 3 of the Scheme:

- 6.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all liabilities of the Transferor Companies including all secured and unsecured debts (whether in Indian rupees or foreign currency), liabilities (including contingent liabilities), duties and obligations of the Transferor Companies of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations along with any encumbrance, including any bank guarantees thereon (the "Liabilities") shall, pursuant to the sanction of this Scheme by the High Court, without any further act, instrument, deed, matter or thing, be transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, and the same shall be assumed by the Transferee Company to the extent they are outstanding on the Effective Date so as to become as



and from the Appointed Date, the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies, and the Transferee Company shall meet, discharge and satisfy the same. Further, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

- 6.2. All Liabilities of the Transferor Companies shall, as on the Appointed Date, whether or not provided in the books of the Transferor Companies, incurred or which arise or accrue to the Transferor Companies on or after the Appointed Date until the Effective Date shall be deemed to be and shall become the Liabilities of the Transferee Company by virtue of this Scheme.
- 6.3. Where any such Liabilities as on the Appointed Date have been discharged by the Transferor Companies on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.

## **7. Employees**

- 7.1. Upon the coming into effect of this Scheme, all employees of the Transferor Companies, shall become the employees of the Transferee Company and on terms and conditions not less favourable than those on which they are engaged by the respective Transferor Companies and without any interruption of or break in service as a result of the amalgamation of the Transferor Companies with the Transferee Company. For the purpose of payment of any compensation including but not limited to salary, encashment of leave, bonus, gratuity and other terminal benefits, the past services of such employees with the Transferor Companies and such benefits to which the employees are entitled in the Transferor Companies shall also be taken into account, and paid (as and when payable) by the Transferee Company.
- 7.2. In so far as the Funds created by the Transferor Companies for the employees or to which the Transferor Companies is contributing for the benefit of the employees, all the contributions made to such Funds for the benefit of the employees and the investments made by the Funds in relation to the employees shall be transferred to the Transferee Company and shall be held for the benefit of the concerned employees.

## **8. Transferor Companies Proceedings**

Upon the coming into effect of this Scheme, all Proceedings including legal proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the respective Transferor Companies, whether pending and/or arising on or before the Effective Date shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company.

## **9. Conduct of business of the Transferor Companies during the Interim Period**

With effect from the Appointed Date and up to and including the Effective Date:

- (a) Subject to Clause 15.1, the Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions for and on account of, and in trust for, the Transferee Company;
- (b) With regards to the Transferor Companies, all profits and income accruing or arising to them, losses and expenses arising, incurred or accruing, for the period commencing the Appointed Date, shall for all purposes be treated as and be deemed to be the profits, income, losses or expenses, as the case may be, of the Transferee Company.
- (c) Any of the rights, powers, authorities or privileges exercised by any Transferor Company, shall be deemed to have been exercised by such Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company.
- (d) All assets and properties acquired by the Transferor Companies on and after the Appointed Date, including any accretion to or removal from existing or acquired assets and properties, shall belong to and continue to remain vested in the Transferee Company.
- (e) All inter-company transactions between (a) the Transferor Companies or (b) any of the Transferor Company and the Transferee Company during the Interim Period shall, be considered as intra-company transactions. No interest or other liability shall accrue in any manner, on any of these transactions for the period after the Appointed Date.

## **10. Saving of Concluded Transactions**

Subject to the terms of the Scheme, the transfer and vesting of the Transferor Companies as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Transferor Companies on or before the Appointed Date or after the Appointed Date until the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Companies as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

## **11. Consideration**

Upon coming into effect of this Scheme and upon vesting of the Transferor Companies into the Transferee Company and as a consideration for the same pursuant to the amalgamation of Transferor Companies into the Transferee Company under this Scheme,

the Transferee Company shall without any further act or deed and without any further payment issue and allot equity shares, proportionately to the shareholders of the Transferor Companies whose name is recorded in the register of members of the Transferor Companies on the Record Date in the following ratio:

**Transferor Company1**

- 11.1. (a) 1,000 equity shares of face value of ₹ 10/- each at a premium of ₹ 382 each of the Transferee Company credited as fully paid-up for every 15,700 equity shares of ₹ 10/- each held by the equity shareholders in the Transferor Company1.
- (b) 1,000 equity shares of face value of ₹ 10/- each at a premium of ₹ 382 each of the Transferee Company credited as fully paid-up for every 15,700 0% compulsorily convertible preference shares of ₹ 10/- each fully paid-up held by each such member in the Transferor Company1.
- (c) 1,000 equity shares of face value of ₹ 10/- each at a premium of ₹ 382 each of the Transferee Company credited as fully paid-up for every 71,000 5% non-cumulative redeemable preference shares of ₹ 10/- each fully paid-up held by each such member in the Transferor Company1.

**Transferor Company2**

- 11.2. 1,000 equity shares of face value of ₹ 10/- each at a premium of ₹ 382 each of the Transferee Company credited as fully paid-up for every 103 equity shares of ₹ 10/- each held by the equity shareholders in the Transferor Company2, subject however to Clause 11.7 herein.
- 11.3. Notwithstanding anything contained herein, in the event of any shareholder of any of the Transferor Companies, has a shareholding such that, such shareholder becomes entitled to a fraction of an equity share issued pursuant to clause 11, then the Transferee Company shall not issue any fractional share to such shareholder(s); any fraction arising out of such allotment shall be ignored. No cash shall be payable to such a shareholder either. No other further liability in any form would exist thence to the Transferee Company to such shareholder in any manner whatsoever
- 11.4. The equity shares issued and allotted pursuant to this Clause, shall in all respects, be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank *pari passu* with the existing equity shares of the Transferee Company.
- 11.5. The issue and allotment of the equity shares pursuant to this Clause in the Transferee Company to the shareholders of the Transferor Companies as provided in the Scheme, shall be deemed to have been carried out as if the procedure laid down under Section 62 (1) (c) of the Companies Act, 2013 and any other applicable provisions of the Act or any amendments thereto were duly complied with.
- 11.6. The shares issued to the shareholders of the Transferor Companies by the Transferee Company pursuant to this Clause shall be issued in dematerialised form by the Transferee Company, unless otherwise notified in writing by the shareholders of the Transferor Companies to the Transferee Company.
- 11.7. Upon the Scheme becoming effective the 56% of the equity share capital held by the Transferee Company and its nominees in Transferor Company2 shall stand cancelled and accordingly no consideration shall be payable by the Transferee Company to the shareholders or their nominees or any other persons in respect thereof pursuant to the Scheme.

**12. Combination of Authorised Share Capital**

As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorised share capital of the Transferor Companies shall after reclassification of the shares into equity, where necessary, stand transferred to and be added with the authorised share capital of the Transferee Company without any liability for payment of any additional registration fees and stamp duty pursuant to the provisions of Sections 13, 14, 61 and other applicable provisions of the Companies Act, 2013 and Section 394 of the Act and no resolutions or consent and approvals would be required to be passed by the Transferee Company and the Authorised Share Capital of the Transferee Company shall stand increased by ₹ 2,61,25,00,000.

**13. CHANGE IN OBJECT CLAUSE OF THE TRANSFEE COMPANY**

- 13.1. With effect from the Appointed Date, and upon the Scheme becoming effective, the main object clause of the Memorandum of Association of the Transferee Company shall be deemed to be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities of the Transferor Companies, pursuant to the provisions of Sections 13 and 14 of the Companies Act, 2013 and other applicable provisions of the Act. Accordingly, the Memorandum of Association of the Transferee Company shall be altered by addition of the following sub clause 3 (C) to the existing main objects of the Company.

3(C):- To engage in creating, developing, producing, acquiring, procuring, hosting, maintaining, updating, modifying and adapting all types of characters and other creative works and intellectual property, for the purposes of commercially exploiting, licensing, marketing, importing, exporting, altering, printing, publishing and distributing such material in connection with merchandise programs, publishing products including books, magazines and digital products, and promotional activities.

- 13.2. For the purpose of the amendments in the Memorandum of Association and Articles of Association of the Transferee Company as provided in this Clause, the consent/approval given by the members of the Transferee Company to this Scheme pursuant to Section 391 of the Companies Act, 1956 and any other applicable provisions of the Act shall be deemed to be sufficient and no further

resolution of members of the Transferee Company as required under the provisions of Section 13 and 14 of the Companies Act, 2013 and any other applicable provisions of the Act shall be required to be passed for making such change/amendment in the Memorandum of Association and Articles of Association of the Transferee Company. Further filing of the certified copy of this Scheme as sanctioned by the High Court, in terms of Section 391-394 of the Companies Act, 1956 and any other applicable provisions of the Act, together with the Order of the High Court and a printed copy of the Memorandum of Association for the purposes of said Section 13 and 14 of the Companies Act, 2013 shall be sufficient compliance and the concerned Registrar of Companies shall register the same and make necessary alterations in the Memorandum of Association and Articles of Association of the Transferee Company accordingly and shall certify the registration thereof in accordance with the provisions of Section 13 and 14 of the Companies Act, 2013 and any other applicable provisions of the Act.

**14. Dissolution of the Transferor Companies**

Upon the coming into effect of the Scheme, the Transferor Companies shall stand dissolved without winding-up.

**15. Matters relating to Taxation for Part 2 and 3 of this Scheme**

15.1. Subject to Clauses 15.2 and 15.3, during the Interim Period, any Transferor Company, as an assessee under the relevant Transaction Tax legislation shall be responsible for the Transaction Taxes and compliances thereof pertaining to any transaction of the relevant Transferor Company. Any CENVAT and/or VAT input credit or any other eligible credit pertaining to any and all of the transactions entered into by the relevant Transferor Company, during such Interim Period, shall be availed and utilized under the relevant tax legislation(s), by the relevant Transferor Company in this regard.

15.2. During the Interim Period, any VAT under the respective State legislation, with regards to any transaction referred to alluded in Clause 9(e) of the Scheme shall be charged and discharged on such inter-company transactions by the respective Transferor Company or the Transferee Company as the case may be, until the Effective Date. The buyer in respect of such transactions shall be entitled to VAT input credit on the invoices raised by the seller. The Transferee Company shall be entitled to use any unutilized VAT input credit balance of any of the Transferor Companies as at the Effective Date.

15.3. During the Interim Period, for the purpose of levy and discharge of service tax including any Cess, with regards to the transactions referred to in Clause 9(e) above, the relevant Transferor Company or as the case may be, the Transferee Company shall be entitled to assess, levy and collect the applicable service tax on its Invoice(s) raised on the counter party;

**Provided** however, notwithstanding the accounting treatment to be given in this regard in the books of accounts of the Transferee Company upon this Scheme becoming effective, the Transferee Company shall be entitled to at its option, on one or more such Intra-Company transaction(s) as it feels fit, apply for and obtain a refund of such service tax, cess and/or alternatively claim input credit under the applicable law.

15.4. With regards to the Transaction Taxes, upon the Scheme becoming effective:

- (a) the Transferee Company shall thereafter be an assessee under the relevant Transaction Tax legislation(s) for the Transaction Tax, for its own businesses and that of the Transferor Companies and their businesses amalgamated into it under this Scheme;
- (b) Notwithstanding the accounting treatment given in the books of accounts by the Transferee Company with respect to CENVAT credit, VAT input tax credit, TDS receivable asset, and/or any other tax credit asset, all compliances done by the respective Transferor Companies, including returns filed, Transaction Taxes remitted, CENVAT credit, VAT input tax credit or any other credit availed and utilized by the Transferor Companies until the Effective Date, shall be deemed to be sufficient compliance, filing, remittance, due availment and/or utilization of such credit, by the Transferee Company, from the Appointed Date.
- (c) Any unpaid Transaction Tax obligation of any of the Transferor Company as at the Effective Date, shall be transferred to and become the obligation of the Transferee Company and be payable by and recoverable against the latter, in the same manner in which it would have been otherwise recoverable against the relevant Transferor Company. Any unutilized CENVAT and/or Input VAT credit or other eligible credit under the relevant Transaction Tax legislation pertaining to the relevant Transferor Company shall be transferred to and stand vested in the Transferee Company. Any Invoice or other document basis which such CENVAT or input VAT tax credit, and/or TDS receivable asset credit is so earned, shall stand vested and become the property of the Transferee Company towards such credit so transferred and vested, notwithstanding that they have been issued in the name of the relevant Transferor Company;

15.5. Upon this Scheme becoming operative, any Transaction Tax Proceeding, (including but not limited to Writ Petition No. WP/8168/2015 filed before the High Court), pertaining to the Transferor Companies, initiated before or on or after the Appointed Date, shall be transferred to and continued by/against the Transferee Company. Any tax or other liability, including any bank or other guarantee given to any tax authority at any time, any refund of any Transaction Tax or other receivable or eligible credit whether before or after the Effective Date, whether or not recorded in the books of accounts of the Transferor Companies as at 31st March 2015, shall under the relevant tax legislation or other constitutional Proceeding be assessable, proceeded by/against, receivable, creditable to the Transferee Company. Any action done or abstained from, by any of the Transferor Companies with regards to these taxes, litigations, assessments, appellate or revisionary or rectification or other proceedings, shall be deemed to have been actions done by or abstained from, as the case may be, by the Transferee Company.

- 15.6. Upon this Scheme becoming effective, any income tax Proceeding, any income tax liability or any refund due, pertaining to any of the Transferor Company for any assessment year, shall be transferred and stand vested with the Transferee Company; and that the Transferee Company shall be entitled in its own right to such refunds, receivables or other deposits, if any. Beginning the Appointed date, any credit for income taxes deducted at source under Chapter XVII-B shall, notwithstanding that the relevant certificates in Form 16 or as the case may be, the credits in Form 26AS, have been issued/displayed in the name of relevant Transferor Company, such certificates, credits shall become assets of the Transferee Company duly credited against the latter's tax obligation for the relevant assessment year(s) under the ITA. Any credit under Section 115JAA pertaining to any tax paid for any previous year under Section 115JB shall be transferred to and shall stand vested in the Transferee Company, notwithstanding the accounting treatment for the same in the Books of the relevant Transferor or the Transferee Company.
- 15.7. During the Interim Period, the Transferor Companies and the Transferee Company shall, to the extent possible, co-operate with each other in respect of any such contest, defense, litigation or settlement arising in respect of the concerned Transferor Company.
- 15.8. Upon the Scheme becoming effective, the Transferee Company shall be entitled to refile its income tax returns for each of the assessment years beginning the Appointed Date, including any other report or filing under the ITA, including Tax Audit Report, the Transfer Pricing Audit Report, the MAT report etc. based on the certified financials prepared by the Transferee Company, giving effect to this Scheme, for the periods beginning the Appointed Date.

**16. Compliance with Section 2(1B) of the Income Tax Act 1961**

The provisions of this Scheme as they relate to the amalgamation of the Transferor Companies into and with the Transferee Company have been drawn up to comply with the conditions relating to "amalgamation" as defined 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 of the Income-tax Act, 1961, 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.

**17. Accounting Treatment in the books of the Transferee Company**

- 17.1. Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall record for the Scheme in its books of accounts as under:
- (i) The Transferee Company shall record the assets and liabilities of the respective Transferor Companies, (including but not limited to the asset being an eligible credit to any Transferor Company under Section 115JAA of the ITA or any deferred tax asset), vested in it pursuant to this Scheme, at their respective fair values thereof. The Transferee Company shall appropriately record the consideration issued pursuant to Clause 11 of the Scheme as equity share capital to the extent of face value of equity shares issued. The fair value of shares issued in excess of the face value of shares shall be credited to the securities premium account;
  - (ii) Transactions referred to in Clause 9(e) of this Scheme, shall stand cancelled in the books of the Transferee Company and no interest or other benefit, if any, shall accrue on these transactions after the Effective Date;
  - (iii) The overall deficit, if any, being the difference between the amount of fair value of consideration issued pursuant to Clause 11 of the Scheme and the fair value of the overall net assets taken over as per Clause 17(i), but after giving effect to clause (ii) above, shall be debited to Goodwill Account.  

PROVIDED further that, the Goodwill, shall be amortized over a period of five consecutive financials years beginning the financial year ending 31st March 2016. Such an amortization shall be done both in the stand-alone financials and the consolidated financials, if any, of the Transferee Company.
  - (iv) On the contrary to (iii) above, the overall excess, if any, being the difference between the amount of consideration issued pursuant to Clause 11 above and the fair value of net assets taken over as per Clause 17(1)(i), but after giving effect to clause (ii) above, shall be credited by the Transferee Company to its Capital Reserve Account. It is clarified that there shall either be a Goodwill Account or a Capital Reserve Account and not both.
  - (v) Transactions referred to in Clause 9(e) of this Scheme, shall stand cancelled in the books of the Transferee Company and no interest or other benefit, if any, shall accrue on these transactions after the Effective Date.
  - (vi) Upon issuing of equity shares by the Transferee Company under Clause 11 herein, all the existing preference and equity share certificates of the respective Transferor Companies shall automatically stand cancelled, without any further act or deed.

**PART 3****REDUCTION OF SECURITIES PREMIUM ACCOUNT****18. Writing off of Profit & Loss Account Balance against Securities Premium Account**

- 18.1 Upon this Scheme becoming effective and after the fresh issue of equity shares in accordance with Clause 11 is carried out, any amount upto ₹ 1600 crores (Rs.16,000 million) representing substantial part of the existing debit balance in profit & loss account of the Transferee Company as at 31<sup>st</sup> March 2015, shall be written off in the manner as may be approved by the Board of Directors of the Transferee Company against all or any of (a) the balance in Business Restructuring Reserve, (b) the balance in General Reserve, (c) the balance in Capital Reserve and (d) the Securities Premium Account, as may be decided by the Board of the Transferee Company in this regard.
- 18.2 To the extent the balance in the securities premium account is adjusted as per clause 18.1 above, there shall be reduction of capital which shall be effected as an integral part of the Scheme itself in accordance with the provisions of Section 52 of the Companies Act 2013 read with Sections 100 to 104 of the Companies Act 1956. The order of the High Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act for the purpose of confirming reduction of share capital. The utilization of the securities premium account would not involve either diminution of liability in respect of the unpaid share capital or payment to any shareholder of any paid-up share capital.

**PART 4****GENERAL TERMS AND CONDITIONS****19. Application/Petitions to the High Court**

- 19.1 The Companies shall with all reasonable dispatch, make and file all applications and petitions under Sections 391 to 394 of the Companies Act, 1956 before the High Court for sanction of this Scheme and shall apply for such approvals as may be required under Applicable Law.
- 19.2 Each Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authority as may be necessary under any Applicable Law for such consents, approvals and sanctions as may be required for the execution of this Scheme.

**20. Validity of Existing Resolutions**

Upon the coming into effect of the Scheme, the resolutions, if any, of the Transferor Companies which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, such limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

**21. Modification to the Scheme**

- 21.1. The Companies through their Board of Directors may in their full and absolute discretion, assent to any alteration or modification to this Scheme which the High Court and/or any other Appropriate Authority may deem fit to approve or impose. No amendments to the Scheme post the Effective Date shall be carried out unless the same is approved by the High Court or directed by any Appropriate Authority.
- 21.2. The Companies through their Board of Directors, may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation of the Scheme or in any matter whatsoever connected with the Scheme or to review the position relating to the satisfaction of various conditions to the Scheme and if necessary, to waive any such conditions to the extent permissible under Applicable Law.
- 21.3. The Companies through their Board of Directors shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any Appropriate Authority or concerned person is unacceptable to any of the Companies.

**22. Conditionality of the Scheme**

The Scheme is conditional upon and subject to the fulfilment of each of the conditions specified below:

- (a) The sanction or approval by concerned Appropriate Authority being obtained or granted in respect of the Scheme and any matters related to thereto; and
- (b) Certified copies of the order of the High Court sanctioning the Scheme (including orders for condonation of delay in filing form INC-28, if applicable) being filed by the Companies with the Registrar of Companies at Mumbai, Maharashtra.

**23. Severability**

If any Part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Boards of Directors, affect the validity or implementation of the other Parts and/or provisions of this Scheme.

**24. Costs, Charges, Expenses and Stamp Duty**

All costs, charges and expenses (including any taxes and duties, stamp duty, registration charges, if any, etc.) in relation to or in connection with the Scheme and incidental to the implementation of this Scheme shall be payable by the Transferee Company.

This page has been Intentionally left blank

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY**  
**ORDINARY ORIGINAL CIVIL JURISDICTION**  
**COMPANY SUMMONS FOR DIRECTION NO. OF 2016**

In the matter of Sections 391 to 394 read with Section 100 to 103 of the Companies Act, 1956 and Section 52 of Companies Act, 2013;

And

In the matter of the Composite Scheme of Amalgamation and Arrangement between The Walt Disney Company (India) Pvt. Ltd. ("Transferor Company1"); Indiagames Ltd. (Transferor Company2); and UTV Software Communications Ltd. ("Transferee Company")

**UTV Software Communications Ltd.** )  
a company incorporated under the Companies Act 1956 )  
having its registered office at 1<sup>st</sup> Floor, Building No. 14, )  
Solitaire Corporate Park, Guru Hargovindji Marg, )  
Chakala, Andheri (E), Mumbai 400 093, Maharashtra ) **...Applicant**

**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./Client ID : .....  
DP ID : ..... Number of equity share(s) held .....

I/We, being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

1. Name : ..... E-mail ID: .....
- Address : .....
- Signature : ..... or failing him .....
2. Name : ..... E-mail ID: .....
- Address : .....
- Signature : ..... or failing him .....
3. Name : ..... E-mail ID: .....
- Address : .....
- Signature : .....

as my/our proxy, to act for me/us at the meeting of shareholders to be held at The Hall of Culture, Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018 , on Thursday, 29th September, 2016 at 11:00 A.M. at such meeting and any adjournment or adjournments thereof:

- (1) for the purpose of considering and if thought if thought fit, to approving either with or without modification(s), the proposed Composite Scheme of Amalgamation and Arrangement between The Walt Disney Company (India) Pvt Ltd ("Transferor Company1"); Indiagames Ltd (Transferor Company2); and UTV Software Communications Ltd ("Transferee Company") under the provisions of Section 391 to 394 of the Companies Act 1956 \_\_\_\_\_ (here, if for, insert 'FOR', or if against, insert 'AGAINST' and in the latter case strike out the words 'EITHER WITH OR WITHOUT MODIFICATIONS' after the word resolution) the said amalgamation embodied in the Scheme and the resolution, either with or without modification(s)\*, as my/our proxy may approve.

\*strike out whatever is not applicable

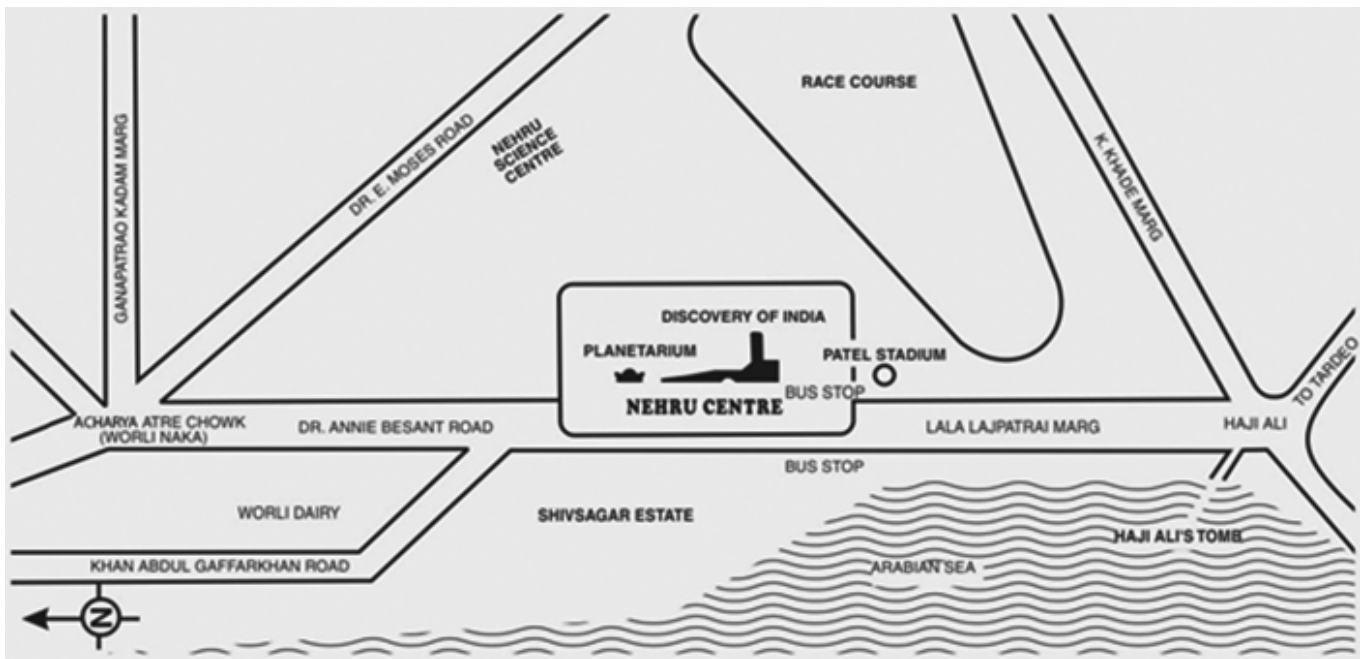
Signed this ..... day of ..... 2016  
Signature of Shareholder(s) : .....  
Signature of Proxy holder: .....



**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 court convened meeting.
- (2) A proxy need not be a member of the company
- (3) All alterations made in the form of proxy should be initialed.
- (4) 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 Applicant. 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 Nehru Centre**





## UTV SOFTWARE COMMUNICATIONS LIMITED

CIN: U72200MH1990PLC056987

**Registered Office:** 1<sup>st</sup> Floor, 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

(To be handed over at the entrance of the meeting venue)

### ATTENDANCE SLIP

Regd. Folio No./DPID – Client ID No.	
Shareholder's Name: Mr./ Ms/ Mrs./ Messers	
<b>In case of Proxy or Authorised Representative</b>	
Name of Proxy or Authorised Representative: Mr./Ms/Mrs.	
No. of Shares held	

I hereby record my presence at the Court Convened Meeting of the shareholders of UTV Software Communications Ltd., the Applicant Company, convened pursuant to the Order dated 1<sup>st</sup> July, 2016 read with order dated 12<sup>th</sup> August, 2016 of the Hon'ble High Court of Judicature of Bombay, at The Hall of Culture, Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018\*, on Thursday, 29<sup>th</sup> September, 2016 at 11:00 A.M.

\_\_\_\_\_  
Signature of Shareholder/ Proxy/ Authorised Representative

### ELECTRONIC VOTING PARTICULARS

<b>EVEN</b> (E-Voting Event Number)	<b>User ID</b>	<b>Password/PIN</b>

