



**MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION
OF
SITI NETWORKS LIMITED**





GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies
Everest, 100 Marine Drive, Mumbai, Maharashtra, India, 400002

Certificate of Incorporation pursuant to change of name
[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): L64200MH2006PLC160733

I hereby certify that the name of the company has been changed from **SITI CABLE NETWORK LIMITED** to **SITI NETWORKS LIMITED** with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name **WIRE AND WIRELESS (INDIA) LIMITED**.

Given under my hand at Mumbai this Fifth day of August two thousand sixteen.



SATYA PARKASH KUMAR
Registrar of Companies (STS)
Registrar of Companies
RoC - Mumbai

Mailing Address as per record available in Registrar of Companies office:

SITI NETWORKS LIMITED

4th Floor, Madhu Industrial Estate,, Pandurang Budhkar Marg, Worli., MUMBAI, Mumbai City,
Maharashtra, India, 400013



भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, महाराष्ट्र, मुंबई

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L64200MH2006PLC160733

मैसर्स WIRE AND WIRELESS (INDIA) LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
WIRE AND WIRELESS (INDIA) LIMITED

जो मूल रूप में दिनांक चौबीस मार्च दो हजार छह को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स
WIRE AND WIRELESS (INDIA) LIMITED

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा
लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य
विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि. 507 (अ) दिनांक 24.6.1985 एस्. आर्. एन. B56732753 दिनांक 05/09/2012 के द्वारा
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स
SITI CABLE NETWORK LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र मुंबई में आज दिनांक पांच सितम्बर दो हजार बारह को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Maharashtra, Mumbai

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : L64200MH2006PLC160733

In the matter of M/s WIRE AND WIRELESS (INDIA) LIMITED

I hereby certify that WIRE AND WIRELESS (INDIA) LIMITED which was originally incorporated on Twenty Fourth day of March Two Thousand Six under the Companies Act, 1956 (No. 1 of 1956) as WIRE AND WIRELESS (INDIA) LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN B56732753 dated 05/09/2012 the name of the said company is this day changed to SITI CABLE NETWORK LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given at Mumbai this Fifth day of September Two Thousand Twelve.


Registrar of Companies, Maharashtra, Mumbai

कम्पनी रजिस्ट्रार, महाराष्ट्र, मुंबई

*Note: The corresponding form has been approved by SUDHAKAR TULASHIRAM BHOYE, Assistant Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.

The digitally signed certificate can be verified at the Ministry website (www.mca.gov.in).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

SITI CABLE NETWORK LIMITED
135, CONTINENTAL BUILDING, DR ANNIE BESANT ROAD,, WORLI,,
MUMBAI - 400018,
Maharashtra, INDIA



CO.No.11- 160733



कारबार प्रारम्भ करने के लिए प्रमाण-पत्र
Certificate for Commencement of Business
कम्पनी अधिनियम, 1956 की धारा 149 (3) के अनुसरण में
Pursuant of Section 149 (3) of the Companies Act, 1956

मैं एतद्वारा प्रमाणित करता हूँ कि

जो कम्पनी अधिनियम, 1956 के अधीन तारीख को निगमित की गई थी और जिसने आज विहित प्रारूप में सम्यक् रूप से सत्यापित घोषणा फाइल कर दी है कि उक्त अधिनियम की धारा 149 (1) (क) से लेकर (घ) तक/149 (2) (क) से लेकर (ग) तक की शर्तों का अनुपालन किया गया है, कारबार प्रारम्भ करने की हकदार है।

I hereby certify that the **WIRE AND WIRELESS (INDIA) LIMITED**

which was incorporated under the Companies Act, 1956, on the **TWENTYFOURTH** day of **MARCH, 2006** 19, and which has this day filed a duly verified declaration in the prescribed form that the conditions of Section 149 (1) (a) to (d)/149(2) (a) to (c) of the said Act, have been complied with is entitled to commence business.

मेरे हस्ताक्षर से यह तारीख को मे दिया गया।

Given under my hand at this **TWENTYSEVENTH** day of **MARCH TWO** thousand nine hundred and **SIX**



(**M. JAYAKUMAR**)
कम्पनियों का रजिस्ट्रार
Asstt. Registrar of Companies
Maharashtra, Mumbai.

G-31/ESTT.-96/89/5000



सत्यमेव जयते

प्रारूप आई. आर.

Form I. R.

निगमन का प्रमाण पत्र

CERTIFICATE OF INCORPORATION

ता.

को. स.

CIN : U 64 210 M H 2006 P L C 160733

मैं एतद्वारा प्रमाणित करता हूँ कि आज

कंपनी अधिनियम (1956 का स. 1) के अधीन निगमित की गई है और कंपनी परिशीलित है।

I hereby certify that **WIRE AND WIRELESS (INDIA) LIMITED** is this day incorporated under The Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.

हैं वस्ताहत के आज का

को दिया गया।

Given under my hand at **MUMBAI** this **TWENTYFOURTH** day of **MARCH**

TWO THOUSAND SIX



ASSTT. REGISTRAR OF COMPANIES
MAHARASHTRA, MUMBAI

THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
SITI NETWORKS LIMITED*

- I The name of the Company is SITI NETWORKS LIMITED*
- II The Registered Office of the Company will be situated in the State of Maharashtra within the jurisdiction of Registrar of Companies, Maharashtra, Mumbai.
- III The objects for which the Company is established are:
- (A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:
1. To undertake, establish, set up, conduct, erect, take on lease, hire, franchise, time sharing or other wise acquire and or run, manage, conduct cable network, satellite system, up linking and down linking facilities, wireless station, Multi Channel Multipoint Distribution System (MMDS), Low Power Multichannel Multi Point Distribution System (LMDS), ground station and or connect, link, centralize such systems for telecast, transmission, uplinking, down linking, broadcast, narrow cast, display, exhibition, communication or distribution, redistribution, exchange of audio, video, communication or other signals and exploit such network, system for own business or rent, franchise, lease or otherwise allow, use to others in part or full.
- (B) OBJECT INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS SPECIFIED IN (A) ABOVE ARE:
2. To run, conduct, manage, telephone, telecommunication, wireless, radio, WIFI, WIMAX, data transfer, E-mail or other system of communication, fixed or mobile and for that purpose set up, establish, erect, construct, take on lease, hire, franchise, time sharing or otherwise acquire systems and other equipments and machineries or to allow others to use the facilities on time sharing, lease, franchise, hire, call or on other basis.
3. To plan, establish, develop, provide, operate, maintain cable including optic fibre cable or satellite based communications or their emergent

* The name of the Company changed from 'Siti Cable Network Limited' to 'Siti Networks Limited' w.e.f. August 5, 2016. The Name Clause was altered by passing Special Resolution by the members of the Company through Postal Ballot on July 27, 2016.

forms, and or maintain telecommunication networks, systems, services including telephone, telex, message, relay, data transmission, facsimile, television, telematics, value added networks services, paging, cellular, mobile, e-commerce, audio and video services, maritime and aeronautical communication services and other telecommunications services as are in use elsewhere or to be developed in future and to act as satellite based service provider and carry on the business of generation, distribution, redistribution, receiver, transmitter of audio, video and radio signals, or any such other media and entertainment related business in India and abroad.

4. To engage in the process of digitizing, cataloging and enabling the search, retrieval, management, delivery and secure sale of audio, video, text, data and/or images, bibliography of films, entertainment programmes, musical videos, clippings, entertainment events, game shows, talk shows and heritage preservation, archives and all related areas; to acquire copyrights, cable rights, satellite rights, cinema and video rights, pay per view rights, pay per telecast rights, right of reproduction, dubbing and all other rights in respect thereof to carry out, undertake, organize and provide all facilities for research and development.
5. To acquire, set-up, run, maintain, lease, license cable network, work station or equipments for distribution, redistribution of signals, telecast, broadcast, release, display, transmission, exhibition through cable pay TV, Satellite, transponder or otherwise, directly or indirectly through agents, franchise, lessees, licensees as also using the network and equipment for communication via satellite, cable or otherwise.
6. To purchase, take on lease, hire, import or otherwise acquire and sale, let, lease, re-let, distribute, export or otherwise dispose of, or otherwise deal in and produce, dub, record, picturise, develop, assemble, blend or otherwise process cinematographic films, videographics films, telefilms, serials, programmes including that of cartoons, topical, commercial, educational, information, social, cultural, historical, mythological, entertainment and amusement, sports, events capable of release on theaters, cable, satellite, video, cinema halls or media and copy rights, distribution rights, exhibition rights thereof.
7. To engage in the business of subscriber management services including billing services, payment handling, credit card gateways, interfaces with authorization system, customer care, price and product handling, subscription handling, conditional access interfaces, managing call centers, market research, mass communication services and to provide all these services through access and to configure, construct, install, commission and operate a comprehensive subscriber management system including but not limited to billing system, subscriber's information and request entitlement management messages and subscriber authorization system.
8. To market various kinds of entertainment services including Direct-To Home (DTH) services, Headend in the Sky (HITS) services, cable television networking services and any other electronic media related services by establishing comprehensive marketing network and to act as marketing agent, advertising sales concessionaire or event

manager and engages in tele-marketing, tele-campaigning, and marketing and selling of all kinds of media and information products including I.T products and services in India and abroad.

9. To engage in the business of distribution of entertainment, information and knowledge, and the production and publishing of data, and to provide services of electronic commerce (E-commerce), E-Governance, provide financial or social services on cable TV networks, whether by setting up cable TV networks or through carriage arrangements or through such other business understanding with cable networks in India or abroad, or through any other existing and emerging mode of distribution.
10. To carry on the business of canvassers, Advertisers via cable networking, satellite system, wireless, telephone, telex or other modes and media.
11. To obtain rights of distribution and marketing of any kind of communication signals and electronic data (including decryption and encryption thereof) by means of satellite, wireless, wire or other electronic or mechanical methods of delivery or otherwise and to source, provide and/or market various kinds of entertainment services. Broadcasting Content Services, Cable Television Networking Services, Internet Services, Voice over Internet Protocol (VoIP) Services and any other electronic media, electronic data related services by establishing comprehensive marketing network.
12. To buy, sell, procure, develop, produce and commission various kinds of entertainment content/software (including programs) or data and their aggregation, exhibition, distribution and dissemination on TV channels, be it satellite TV channels or terrestrial TV channels or cable channels or through any other mode or through pay channels using existing and/or emerging technologies, including distribution via internet or web-casting or exhibition in cinema and/or video theater in all forms be it an analogues signals or digital signals or through sale of physical materials like cassettes including audio cassettes, video cassettes, digital video discs, CD ROM.
13. To enter into agreements and contracts or collaborate, with foreign Individuals, from joint ventures, partnerly with companies or other organisation for technical, financial or any other assistance for carrying out all or any of the objects of the Company.
14. To establish, appoint and maintain any agencies, representatives in India or any part of the world for the conduct of the business of the Company or for the sale, distribution of rights, signals, of any for the time being at the disposal of the Company.
15. To engage Directors, Actors, Authors, Play-writers, Dramatists .Dialogue and Scenario writers, Films editors, Story writers and other persons, Technicians, Engineers, Sound experts, Cameramen, Musicians, Art Directors, Artists, Painters Carpenters and other experts necessary for conducting the business of the Company and to pay and remunerate persons so engaged.

16. To build, erect or take or lease, hire and run, maintain manage or re-let lease or sale cinema halls, theaters, parks, satellite, transponder, studios, sets, sites, buildings, works clubs, amusements sports complex recreation facilities for the purposes of company's business.
17. To act as dealers, agents, representatives, collaborators, exporters, importers, stockists or otherwise deal in any manner in respect of all electronic machinery, telecommunication machines and equipment, cable, wire, chemicals, video, projections, video cassettes, tapes and records components required for manufacture any of these as may be required for company's main business.
18. To mortgage, assign, lease, improve, manage, work, develop, alter, exchange, enfranchise, dispose of, turn to account, abandon or otherwise deal with undertaking (s) of the Company or any part thereof, all or any part of the land, buildings, assets, properties, rights, concessions, whether movable or immovable, assets of the company for such consideration, in such manner and on such terms as the Company may think fit or deem expedient and in particular, for shares, stock, debentures or other securities of any other Company having objects altogether or in part similar to those of this Company.
19. To advance, deposit with or lend money, securities and property to or receive loans or grant or deposits from the Government or other with or without security.
20. To make advances of such sum or sums of money upon or in respect of or for the purposes of raw materials, goods, machinery, stores or any other property, articles and things required for the purposes of the Company upon such terms with or without security as the Company deem expedient.
21. To carry on the business of advertisement, publicity and promotion and appoint Agents, offices, representatives for booking of advertisements, time slots, time sharing, publicity, sponsorship on cable network, or other media for the purposes of company's business.
22. To subscribe for, absolutely or conditionally, purchase or otherwise acquire and to hold, dispose of and deal in stocks and securities or obligations of any other company whether Indian or foreign.
23. Subject to the provisions of the Act to invest moneys of the company not for the time being required for any of the purposes of the company in such investments (other than shares or stock of this company) as may be thought proper and to hold, sell or otherwise deal with such investments.
24. To borrow or raise or secure payment of money or to receive money or to receive money on deposit at interest for any of the purposes of the company, and at such time or rate and in such manner as may be thought fit and in particulars, by the issue of debentures or debenture-stocks perpetual or otherwise, including debentures or debenture stocks convertible into shares of this or any other company or perpetual annuities

and as security for any such money so borrowed, raised or received or of any such debentures, or debentures-stocks so issued to mortgage, pledge or charge the whole or any part of the property, assets, or revenue and profits of the company present or future including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem, expedient, and to purchase, redeem or pay off any such securities, provided, the company shall not carry on Banking business as defined by the Banking Regulation Act, 1949 and subject to the provisions of a Act and directives of the Reserve Bank of India.

25. To open an account or accounts with any individual, firm or company or with any bank or any financial institutions, etc. to pay into and to withdraw money from such account or accounts.
26. To draw, make accept, discount, execute, endorse and issue bills of exchange and other promissory notes, bills of lading, warrants debentures and other negotiable or transferable instruments or securities.
27. Generally to carry on or assist in carrying on in any place or places any other trade or business, whether commercial or otherwise, which may seem to the Company as capable of being conveniently carried on with the business (es) of the Company or render profitable any of the company's properties or rights.
28. To apply for, purchase, or otherwise acquire and protect, prolong and renew, whether in India or elsewhere trade marks, trade names, designs secret processes, patent rights, 'BREVETS D'INVENTION', licensees protections and concessions which may appear likely to be advantageous or useful to the Company, to use, exercise, develop manufacture under or grant licensees or privileges in respect thereof or otherwise turn to account any patents, trade marks, property, rights, inventions, secrets, information or rights which the Company may acquire or propose to acquire and develop.
29. To acquire and undertake all or any part of the business, property and liabilities of any person or Company carrying on any business which this company is authorised to carry on or possessed of property suitable for the purposes of the Company.
30. To take part in the supervision or control of the business or operations of any company or undertaking and for the purpose to appoint and remunerate any Director, Accounts or other experts or agents.
31. To pay all costs, charges and expenses of any incidental to the promotion, formation, registration and establishment of the company including costs, charges, expenses relating to negotiations, contracts and arrangements made prior to and in anticipation of the formation and incorporation of the Company and expenses relating to industrial and import licensing.
32. To form, incorporate or promote any company or companies whether in India or in any foreign country, having amongst its or their objects the acquisition of all or any of the assets or control, management or development of the opinion of the Company

could or might directly or indirectly assist the Company in the management of its business or the development of its properties or otherwise prove advantages to the company and to pay all or any of the cost and expenses incurred in connection with any such promotion or incorporation and to remunerate any person of company in any manner it shall think fit for services rendered or to be rendered in obtaining subscriptions of or placing or assisting to place or to obtain subscriptions for or for guaranteeing the subscriptions for or the placing of any shares in the capital of the company or any bonds, debentures, obligations or securities of the company may have interest in or about the formation of the company or the conduct of its business or in or about the promotion or formation of any other company in which the company may have an interest.

33. To amalgamate, enter into partnership or into any arrangement for sharing profits, or into any union of interest, joint venture, reciprocal concession or company or companies carrying on, or engaged in or about to carry on or engaged or being authorised to carry on or engage in, any business or transaction which this company is authorised to carry on or engage in or any similar business or transaction capable of being conducted so as directly or indirectly to benefit this company.
34. To adopt such means of making known the business of the company cable, audio, video, T.V., electronic media as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.
35. To create any reserve, sinking fund, insurance fund, or any other special fund whether for depreciation or repairing, improving, extending or maintaining any property of the Company or for any other purpose conducive to interest of the company,
36. To distribute as bonus shares among members or place to reserve or otherwise to apply as the company may from time to time think fit, any money received by way of premium on shares or debentures issued at premium by the Company and any moneys received in respect of forfeited shares and moneys arising from the sale by the Company of forfeited shares subject to the provisions of the Companies Act, 1956.
37. To help promote, implement, contribute to rural development schemes, associations, clubs and institutions connected with rural development.
38. To insure either fully or partly, the whole or any part of the Company with a view to protect and indemnify the Company from liability or loss, either fully or partially and also in insure, to protect and indemnify any part of portion thereof, either on mutual principal or otherwise.
39. To provide for the welfare of the officers, employees, ex-officers and ex-employees of the company and the wives, widows and families or the dependents or the connections of such persons, building or contributing to the building of houses, dwelling or shawls or any grant of money, pension, allowances, bonus or other payments; or by creating and

from time to time subscribing or contribution to other associations, institutions, funds of trusts, and by providing or subscribing or contributing towards places of recreation, hospitals, and dispensaries, medical and other attendance or other assistance as the company shall think fit and subscriber or contribute to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, or any other institutions and objects which shall have any moral or other claim to support or aid by the company either by reason of location of operation or of public and general utility or otherwise.

40. To carry on the business of production, distribution, exploitation and screening of Cinematograph films in all gauges through satellite uplinking or otherwise and in particular Audio and/or Video Cassettes, Compact Discs, Laser Compact Discs, Video films and/or any other Contrivances, Tapes of all gauges, form and Contrivances Multification of Films and Cassettes including developing and resorting to new method or process that may be developed technically and/or technologically in future relating to the above activity and short films, documentary films, educational and feature films and to carry or all other allied or related activities on medias inclusive of Television/Radio Programming, theatre operations, paper journals, magazines and other similar activities.
41. To undertake business of production, blending, copying, transferring, duplicating, video recording, picturising, developing, shooting, servicing, releasing, buying, selling, importing, exporting, marketing, exhibiting, distributing, give or take on hire, purchase or sell and to deal in any manner in films both of own manufacture or other manufacture including distribution rights, copy rights, video rights, performing rights limited to media and exhibition territory, period or otherwise, Indian or Foreign, in India or elsewhere outside India and to establish branches or agencies in India or elsewhere outside India and to establish branches or agencies in India or elsewhere outside India and also to engage agents representatives for the above or any other purposes of the company and to remunerate such agents, representatives and servants of the company and to manufactures, produce and exhibit Cinematographic films and pictures and to engage Directors, Actors and other servants, Authorise, Play-writers, Dramatists, Dialogue and Scenario writers, Films Editors, Story writers and other persons, Technicians, Engineers, Sound Experts, Cameramen, Musicians, Art Directors, Artists, Painters, Carpenters and other experts necessary for conducting the business of the Company and to pay and remunerate persons so engaged.
42. To construct, purchase or take on lease Cinematograph theatres, cinema halls parks, studios, sets, sites, clubs, amusement, sports complex, recreation facilities and the buildings and works convenient for the purpose of company's business and to manage, maintain thereof, when so erected on.
43. To undertake the business of Advertisements, publicity and promotion, canvassers, Space Selling agents for various media including Television (Satellite, Cable or Terrestrial), or any other electronic media.
44. To organize meetings and classes, conferences and competitions to ascertain the popularity of the products on their own or on behalf of the customers, to organize door-

to-door publicity and train personnel for the same and to assist customers in their Sales promotion. Market Research programmes, recruitment of personnel, furnishing with advertisement and publicity layouts, write-ups and other materials necessary for effective sales promotion.

45. To export films, serials, entertainment programmes, music videos, and all kinds of entertainment, information infotainment, or any other such IPR-based software for the purpose of commercial exploitation in India and abroad.
46. To acquire, set up, rent, lease television studios or film studios or editing suits or related production studios for the purpose of using such capacities for the production of all kinds of programmes and entertainment software for their exhibition on satellite TV channels or in cinema and/or video theatres or cable channels or through any other mode in all forms, whether as a signal of its sale of physical material by existing and emerging modes of distribution.
47. To engage in the business of distribution of entertainment, information and knowledge, and the production and publishing of data, and to provide services of electronic commerce (E-commerce), provide social services on cable TV networks, whether by setting up cable TV networks or through carriage arrangements or through such other business understanding with cable networks in India or abroad, or through any other existing and emerging mode or distribution.
48. To carry on the business of assemble, put to place, set up, plan, establish, develop, acquire, purchase, launch, re launch, hire, lease, time share, manage, maintain, operate, run, replace, sale, upgrade, or otherwise commercially exploit, satellite, space craft, ground station assets, transponders, control stations, via uplink or downlink or otherwise for the purpose of transmitting, relaying, telecommunicating, broadcasting, narrow-casting, telecasting; any form of radio, video signals both terrestrially and spatially.
49. To engage in the business of providing Internet access, with or without content, by making use of cable networks and telecommunication networks or otherwise, and to provide basic and value added Internet services to all kinds of corporate, institutions and individuals in India and abroad.
50. To engage in the business of conducting qualitative and quantitative research, be it for providing intelligence or information or analysis, or trends, pertaining to any industry or company or market or product or service or such like, on a commercial basis and distribution the same through any existing or emerging mode of distribution,
51. To engage in the business of providing services such as electronic commerce (E-commerce), whether by setting up ISPs or through arrangements with other ISPs including tie-ups with cable networks or with telephone companies or cable & wireless companies or cellular telephony companies or through such other emerging means of last-mile linkages as may appear on the technological horizon in the

immediate or distant future to reach the consumer, be it in the corporate sector or in the domestic sector, in India and abroad

52. To engage in the business of marketing, selling, retailing products and services through televisions, radio, internet or any other electronic media on a commercial basis so as to enable teleshopping services to the end consumer, be it in the corporate sector or in the domestic sector, in India and abroad.
53. To engage in the production, procurement, buying, selling and marketing of Information Technology products and services, and computer software, be it related to media or such other fields, in India and abroad through any existing or emerging mode of distribution.
54. To engage in the business of setting up animation facilities or animation studios or operation animation studios for the making of animation films and animation software for commercially exploiting such animation films and software in India and abroad through existing and emerging modes of distribution.
55. To initiate joint venture with other media companies, whether in the area of print media like newspapers or electronic media like television and radio or cinema, or in other areas like theme parks, if such venture are deemed to result in business and strategic synergies for the company or will be conducive to the overall business interests of the Company.

(C) THE OTHER OBJECTS ARE:

56. To carry on business of manufacturing, assembling, buying, selling, reselling, exchanging, altering, importing exporting, hiring, letting on hire, distributing or dealing in ships, boats, barges, launches, submarine and other under water vessels, aeroplanes, aero-engines, airships, sea planes, flying boats, hydroplanes and aircrafts and aerial conveyances for transport of conveyance of passenger, merchandise or goods whether propelled or assisted by means of petrol, spirit, electricity, steam, oil, vapour gas, petroleum, mechanical, animal or any motive power and all component parts, accessories, equipments and apparatus for use in connection therewith.
57. To acquire, establish, run and conduct the business of flour mill, bakery, rolling mill, oil mill, dal mill, rice mill.
58. To carry on the business of traders or manufacturers, importers, exporters, assemblers, repairers, finishers, letters on hire or hire purchase and dealers of and in machinery and tools and accessories, abrasive equipment and abrasive plant of all kinds, wire drawing equipment, casting patterns moulds precision surface finishers, special alloy casting, heat treatment, sound reproduction equipment, electronic equipment including chips, Integrated Circuits and various kinds computer parts and accessories categories as computer hardware, cinematographic, photographic, various kinds of recording, broadcasting and distribution equipments, fire fighting equipment and components or accessories for the same, engineers tools, hardware goods, machinery, tools and equipment of all descriptions for tools

makers and for glazing, cutting and working on metal, glass tiles, stone, marbles and rock substances and in any articles or things used for or in connection with any such business as aforesaid and of and in the raw or other materials for or component parts of or accessories to the same.

59. To produce, manufacture, refine, prepare, import, export, buy, sell and generally to deal in iron and steel in all forms and/or by-products thereof and to carry on the trade or business of iron makers, steel makers, steel converters, rolled steel makers, miners, smelters, engineers, tin plate makers and iron foundry in all their branches, manufactures of all sorts of bars, rods and other sections sheets and plates, wires and wire products of iron and steel and other metal and to search for, get, work, make merchantable sell and deal in iron, steel and other metal ferrous and nonferrous, or old or new, coal minerals and substances.
60. To construct and establish docks, berths, workshops, building, machinery and other convenience and to carry on the business of proprietors of docks, wharves, jetties, piers, warehouses and stores and of ship, tug lighter and barge owners, shipwrights, dresgets, ship freight and freight and insurance brokers.
61. To carry on and undertake any transaction, operation or business as financiers, guarantors, agents and contractors and to undertake and carry out all such operation and transactions.
62. To carry on the business as general merchants, traders in goods and commodities on ready or forward basis, commission agents, buying to selling agents brokers, Importers and to act as manufacturer's representatives.
63. To manufacture, sell, prepare or otherwise deal in chemicals, import and entitlements and packing material and boxes, containers, barrels of various types and forms made of wood, metal, corrugated sheets tin-plates, craft and craft paper, rubber plastic and glass.
64. To manufacture, sell and carry on business of industrial gases, i.e. oxygen, acetylene, argon, nitrogen, carbon dioxide, nitrous oxide, freon in gas and in liquid form.
65. To carry on the business of running motor lorries, motor taxis, motor minibuses and conveyance of all kinds and on such lines and routes and the Company may think fit and to transport passengers and goods and generally to do the business of common carriers.
66. To carry on the business of hotel, restaurant, cafe, tavern, refreshment room and boarding and lodging house keepers, beer house keepers, licensed victualers, wine, beer and spirit merchants, aerated mineral and artificial water and other drinks purveyors, caterers for public amusements, dealers in ivory, novelty and other goods and as general merchants, garage proprietors, livestock, stable keepers, job masters, farmers, dairymen, importers and brokers of goods, alive and dead stock and foreign produce of all descriptions, hair dressers, perfumers, chemists, proprietors of clubs,

baths dressing rooms, laundries, reading, writing and newspaper room, libraries grounds and places of amusements, recreation sports, entertainment and merchants, travel agents, Bank Mukadams for railways, shipping and airways and carriers by land, water and air, barge property and freight contractors, forwarding agents, clearing agents, stevedores, ship chandlers, caterers in railway, airlines and steamship, companies, underwriters and insurers of ships, crafts, goods and other property, theatrical opera box office proprietors cinema exhibitions, producers and merchants, refrigerating, store-keepers and as proprietors conducting safe deposit vaults, general agents, ice merchants and carry on the business of running night clubs, swimming pools, playing of launches and boats, bakery and confectionery.

67. To carry on business as Brokers, and manufacturers of and dealers in bread flour, rava, maida biscuits, sweets and farinaceous compounds and materials of every description.
68. To carry on business of manufacturers of and dealers in sugar, gur, khandsari, sugar candy, chocolate, toffees and other allied products.
69. To carry on the business as manufacturers and dealers in boots, shoes, clogs, all kinds of footwear and leather and plastic goods, lasts, boots, trees, laces buckles, leggings, accessories and fittings.
70. To carry on business as goldsmiths, silversmiths, jewellers, gem merchants, watch and clock repairers, electroplaters, dressing bag makers, importers and exporters of bullion and buy, sell and deal (wholesale and retail) in bullion, precious stones, jewellery gold or silver plates, cups, shields, electroplated, cutlery, dressing bags, brozens, articles of virtue, object of art and such other articles and goods as the Company may consider capable of being conveniently dealt in relation to its business and to manufacturing goods for the above business.
71. To carry on business of manufacturers or dealers in electronic goods, data processors, word processors typewriters, calculating machines, computers, cleaners, office equipments, sewing and printing machines, air-conditioning equipments, air conditions, refrigerator, coolers, ice cream manufacturing machinery and to maintain air-conditioning go downs for storage of goods.
72. To carry on business of a steam and general laundry and to wash, clean, purity, renovate and prepare for use of all articles of wearing apparel, household domestic and other cotton, silk and woolen fabrics, repair, let on hire, alter, improve, treat and deal in all apparatus, machines, materials and articles of all kinds which are capable of being used for any such purposes.
73. To acquire or set up and run hospitals clinics, nursing homes, maternity and family planning units or pathological laboratories and optician shops.
74. To carry on the business of cold storage of fruits, vegetables, seeds, fish, meat, agricultural products, milk and dairy products and other perishable items and manufacturers and dealers of ice, ice creams, cold drinks, beer, soft drinks.

75. To cultivate, grow, produce, or deal in any agricultural, vegetable or fruit products and to carry on all or any of the business of farmers, dairymen, milk contractors, poultry farms, dairy farmers, and milk products condensed milk and powdered milk, cake, cheese, butter, poultry, fruits, fruit essences, vegetables, all types of flowers, products, flowers essence and to buy, sell manufacture and trade in any goods usually trade in any of the above business or any other business inclusive of staple foods and medical preparation from milk, vegetables, flowers and animal products or any substitute for any of them associated with the farming interests.
76. To carry on the business as Leasing Company and to invest the capital and other moneys of the Company in the purchase or upon the security of shares, stocks, debentures stock, bonds, mortgages, obligations estate, buildings, land, business, manufacturing concerns and securities carrying on business in shares, stocks, debentures, debenture stocks, bonds mortgages, obligates, obligations and securities, Commissioners, Trust, Municipal or Local Authority, Government, Corporation Companies and to carry on the business of Underwriters, Film Financing, hire purchase, financing and to carry on business of financing industrial enterprises, trade and business.
77. To carry on the manufacture and sale of patent medicines and preparations and generally to carry on the business of manufacturers, buyers, sellers of and dealers in all kinds of medicines, medical preparations and drugs whatsoever and obtain patents for them.
78. To manufacture, buy, lease and sell machinery, equipments, stores, engineering products of all kinds and description and to carry on the business of suppliers and dealers in all types of machinery and in all products intended for use in foundry and treatment of metals and to carry on the business of leasing, hire purchase, finance company.
79. To carry on the business of manufacturers of or dealers in glass products, including sheet and plate glass, optical glass, glass wool and laboratory ware.
80. To carry on the business as manufacturers, dealers, stockists, importers and exporters of buckets, bath tubs, metal furnitures, safes, chimneys, pipes.
81. To acquire or set up and run schools, colleges, training and professional institutions and music and dance centres.
- 82.. To carry on the business of dredging, Fishing, seafood, merchants, carriers by land, water and air, ship owners, aircraft owners, transport owners, dock owners, hanger owners, airfield owners, sea plane base owners, warehouse man, wharfingers, barge owners, ship chandlers, stores, suppliers, lighter men, clearing, forwarding and general agents, shipping agents, stevedores, bunkers, painters and hotel owners and bus owners.
83. To carry on service as consultants for computer, technology, software development, training and exporters, importers, dealers, distributors for software, computers, components parts, accessories, consumables and to deal in electronic goods, spare parts, fax telex, office automation equipments.

84. To act as marketing agent, advertising sales concessionaire, or event manager and engage in tele marketing, tele campaigning and marketing and selling of all kinds of media and information products including I.T. Products and services in India and abroad.

IV The liability of the members of this Company is limited.

- V *a) The Authorised Share Capital of the Company is Rs.130,00,00,000/- (Rupee one hundred thirty crores only) divided into 129,00,00,000 (Rupee one hundred twenty nine crores) Equity Shares of Rs.1/- each and 1,00,00,000 (one crore) Preference Shares of Rs.1/- each, with the power to increase or decrease or consolidate or sub-divide the shares under the power of the Companies Act, 2013.
- b) Minimum paid up capital of the Company shall be Rs. 5,00,000/- (Rupees Five Lac Only)

* * * * *

We, the several persons whose names and addresses and descriptions are subscribed, are desirous of being formed into a Company in pursuance of this **MEMORANDUM OF ASSOCIATION** and we respectively agree to take the number of shares in the Capital of the Company set opposite to our respective names

Names Addresses, Descriptions and occupation of Subscribers	No. of Shares taken by each Subscribers	Signature of Subscribers	Signature, Name, Address, description and occupation of Witness
<p>1. SHRI RAJIV GARG S/o. Shri Om Prakash Garg 403, Sibylle, Worli Hill Road, Worli, Mumbai - 400 018.</p> <p>SERVICE</p>	<p>16,655 (Sixteen Thousand Six Hundred Fifty Five only)</p>	Sd/-	<p>sd/- MR. UMESH PRADHAN S/o Mr. Ashvinikumar Shankar Pradhan B-2/ 503, Swastik Residency, Opp. Ritu Enclave, Ghodbandar Road, Thane (W) 400 607 SERVICE</p> <p>WITNESS TO SUBSCRIBERS 1 & 4</p>
<p>2. SHRI HIMANSHU MODY S/o. Shri Pradeep Mody 1201/B, Gardenia Building, Vasant Valley, Film City Road, Malad (W), Mumbai - 400 097.</p> <p>SERVICE</p>	<p>16,655 (Sixteen Thousand Six Hundred Fifty Five only)</p>	Sd/-	
<p>3. SHRI SANJAY AGRAWAL S/o. Shri Chand Mal Agrawal Flat No.402, 'C' Wing, Lakshachandi Apartment, Gokuldharm, Goregaon (E), Mumbai - 400 063.</p> <p>SERVICE</p>	<p>16,650 (Sixteen Thousand Six Hundred Fifty only)</p>	Sd/-	
<p>4. M. LAKSHMINARAYANAN S/o. Shri Mahadev Dularelal 135. Continental Building, Dr. Annie Besant Road, Worli, Mumbai - 400018.</p> <p>SERVICE</p>	<p>10 (Ten only)</p>	Sd/-	

Names Addresses, Descriptions and occupation of Subscribers	No. of Shares taken by each Subscribers	Signature of Subscribers	Signature, Name, Address, description and occupation of Witness
<p>5. SHRI PUSHPAL SANGHAVI S/o. Shri Ramesh Sanghavi 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai - 400018.</p> <p>SERVICE</p>	<p>10 (Ten only)</p>	<p>Sd/-</p>	<p>sd/- MR. UMESH PRADHAN S/o Mr. Ashvinikumar Shankar Pradhan B-2/ 503, Swastik Residency, Opp. Ritu Enclave, Ghodbandar Road, Thane (W) 400 607 SERVICE</p> <p>WITNESS TO SUBSCRIBERS 5 & 7</p>
<p>6. SHRI SHAILESH DHOLAKIA Sh. Shri Nagindas Dholakia 135, Continental Building, Dr. Annie Besant Road, Worli Mumbai - 400018.</p> <p>SERVICE</p>	<p>10 (Ten only)</p>	<p>Sd/-</p>	
<p>7. SHRI VINOD DESAI S/o Shri Yashwant Desai 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai - 400018.</p> <p>SERVICE</p>	<p>10 (Ten only)</p>	<p>Sd/-</p>	
<p>TOTAL :-</p>	<p>50000 (Fifty Thousand Only)</p>		

Mumbai Dated this, 22nd day of March, 2006.

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION#
OF
SITI NETWORKS LIMITED*
(INCORPORATED UNDER THE COMPANIES ACT, 1956)

PRELIMINARY

Interpretation

1. Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Act.

The marginal note effect the construction hereto and in these presents, unless there is something in the subject or context inconsistent therewith.

"The Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.

"The Articles" means these Articles of Association as originally framed or as altered from time to time by Special Resolution.

"Beneficial Owner" shall mean beneficial owner as defined in Clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

"Depository" shall mean a depository as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996.

"The Company" means **SITI NETWORKS LIMITED**.*

"The Directors" mean the Directors of the Company for the time being.

"Independent Director" shall have the meaning ascribed to it in the Act.

"Key Managerial Personnel" means a Key managerial personnel appointed in pursuance of Section 203 of the Act.

Altered and adopted new set of Articles of Association by passing Special Resolution at the 10th Annual General Meeting of the members of the Company held on September 27, 2016.

* The name of the Company changed from 'Siti Cable Network Limited' to 'Siti Networks Limited' w.e.f. August 5, 2016. The Name Clause was altered by passing Special Resolution by the members of the Company through Postal Ballot on July 27, 2016.

"Member" means the duly registered holder from time to time of the shares of the Company and includes the subscribers to the Memorandum of the Company and the beneficial owner as defined above.

"National Holiday" means and includes a day declared as national holiday by the Central Government.

"The Office" means Registered Office of the Company for time being.

"The Register" means the Register of Members to be kept pursuant to the Section 88 of the Act.

"Seal" means the Common Seal of the Company, if any.

"Securities" means the securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956

"Share" means equity shares as well as preference shares

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

Words importing the masculine gender also include the feminine gender.

Words importing persons include corporations.

Table "F" not to apply

2. The Regulations contained in Table F, in the First Schedule to the Companies Act, 2013 or in the schedule to any previous Companies Act, shall not apply to this Company, and the regulations for the management of the Company and for the observance of Members thereof and their representatives, shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 2013, be such as are contained in these Articles.

SHARE CAPITAL AND VARIATION OF RIGHTS

Authorised Share Capital

3. Subject to the provisions of the Act and these articles, the Authorised Share Capital of the Company shall be of such amount and be divided into such shares as may be provided in Clause V of the Memorandum of Association of the Company, from time to time. The Board of Directors shall have the power to classify them into any class of shares and/ or any denomination, as the Board of Directors may decide.

Allotment of shares under Board control	4. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.
Issue of Securities	5. The Company may issue Debentures, Debenture Stock or loan, loan stock, Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Share Warrants or any other security convertible in to or exchangeable for the Shares of the Company or conferring the right to allotment or the option of right to call for allotment of shares of the Company, securities linked to Equity Shares, securities with Warrants, including Foreign Currency Convertible Bonds (FCCBs) and Foreign Currency Exchangeable Bonds (FCEBs) subject to, and in accordance with, applicable laws, including provisions of the Act, the Securities and Exchange Board of India (SEBI) Guidelines, Regulations and instructions and subject to other applicable legal and regulatory provisions to any eligible person, including Qualified Institutional Buyers, Foreign / resident investors, Indian and or Multinational Financial Institutions, Mutual Funds, Banks, Non-Resident Indians, stabilizing agents and any other categories of investors, whether they be holders of shares of the Company or not.
Commission for placing share	6. The Company may, subject to compliance with provisions of Section 40 the Act, exercise the power of paying commission. Such Commission may be paid partly by the payment of cash or the allotment of fully or partly paid shares, debentures or debenture stock or partly in the one way and partly in the other.
Brokerage	7. The Company may pay on the Issues of shares or debentures such brokerage as may be lawful.
Redeemable preference share	8. Subject to the provisions of the Act, the Company may issue Preference Shares which are, or at the option of the Company are liable to be redeemed or to be redeemed, whether with or without right to redemption out of profits which would otherwise be available for dividend, or out of proceeds of a fresh issue of shares made for the purpose, on such terms and conditions and with such rights and privileges and in such manner as the Company may determine and in particular such shares may be issued with a preferential or qualified right to dividends and in the

distribution of assets of the Company and subject to the provisions of the Act, with special or differential voting rights.

Installments on shares to be duly paid

9. If, by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments every such installment, shall, when due, be paid to the Company by the person who for the time being shall be the Member registered in respect of the share or by his executor or administrator.

Liability of joint holder of share

10. Members who are registered jointly in respect of a share shall be severally as well as jointly liable for the payments of all instalments and calls due in respect of such shares.

Trust not recognized

11. Save as herein otherwise provided, the Company shall be entitled to treat the Member registered in respect of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction or as by statute required, be bound to recognize any equitable or other claim to or interest in such share on the part of any other person.

CERTIFICATES

Certificate

12. The certificate to title of shares and duplicates thereof when necessary shall be issued under the Seal of the Company, if any, in accordance, with the provisions of Section 46 of the Act and the rules prescribed by the Central Government for the said purposes as in force from time to time.

Member's right to certificate

13. Every Member shall be entitled to one Certificate for all the shares registered in his name or, if the Directors so approve to several certificates each for one or more of such shares.

Provided however that no share certificate(s) shall be issued in respect of the shares held in Depository.

Issue of new certificate in place of one defected, lost or destroyed

14. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, and on execution of such indemnity as the Company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued without payment of fees if the Board so decide, or on payment of such fees as the Board shall prescribe. Provided that no fee shall be charged for issue of new certificate(s) in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or SEBI Regulations or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act or any other Act, or rules applicable in this behalf.

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

CALLS

Calls

15. a) The Directors may, from time to time subject to the terms on which any shares may have been issued, and subject to Section 49 of the Act, make such calls as they think fit upon the Members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each Member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Directors.
- b) A call may be made payable by installments.
- c) That the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.
- d) Not less than 30 (thirty) days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

When interest on a call or installment payable

16. If the sum payable in respect of any call or installment are not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made for the installment shall be due, shall pay interest for the same from the day appointed for the payment thereof to the time of the actual payment at such rate as the Directors may determine. The Directors shall be at liberty to waive payment of any such interest wholly or in part.

Amount payable at fixed time or by installments payable at calls

17. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed times, whether on account of the amount of the share or by way of premium, every such amount or installment shall be payable as it were a call duly made by the Directors and of which due notice had been given and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly.

Evidence in action by Company against Shareholders

18. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against

any Shareholder or his representatives to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the register of the Company as a holder, or one of the holders, of the shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call, nor that a quorum of Directors was present at the meeting, at which any call nor that the meeting at which any call was made duly convened or constituted nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.

Payment of call in advance

19. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, to the Member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

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

The provisions of these Articles shall *mutatis mutandis* apply to the calls on other security(ies) of the Company.

Revocation of call

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

FORFEITURE, SURRENDER AND LIEN

If call or installment not paid, notice may be given

21. If any Member fails to pay the whole or any part of any call or installment or any money due in respect of any shares either by way of principal or interests on or, before the day appointed for the payment of the same or any extension thereof as aforesaid, the Directors may at any time thereafter during such time as the call or installment remains unpaid or decree remains unsatisfied serve a notice on such Member, or on the person (if any) entitled to share by transmission, requiring him to pay, such call or installment or such part thereof or other moneys as remains unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have accrued/incurred by the Company by reason of such non-payment.

In default of
payment shares may
be forfeited

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

Notices of forfeiture
to Member

23. The notice aforesaid shall:
- (a) name a further day (not being earlier than the expiry of thirty days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

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

Forfeited share

24. Every share so forfeited as aforesaid shall thereupon be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board shall think fit. A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

Power to annul
forfeiture

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

Member shall be
liable to pay money
owing at the time of
forfeiture and
interest

26. Any Member whose shares may be forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls and other money owing upon the shares at the time of the forfeiture with interest there on from the time of the forfeiture, until payment at 12 (twelve) percent per annum or at such rate as Directors may decide, and the Directors may enforce the payment thereof without any deduction or allowance for the value of shares at the time of forfeiture, if they think fit and shall not be under any obligation to do so.

- | | | |
|-----------------------------------------------------|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Title of purchases and allottee of forfeited shares | 27. | The Company may receive the consideration, if any, given for the share on any sale or other disposition thereof and the person to whom such share is sold/ disposed of may be registered as the holder of the share, and he shall not be bound to see the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceeding in reference to the forfeiture, sale or other disposal of the same. |
| Directors may accept surrender of shares | 28. | The Directors may at any time, subject to the provisions of the Act, accept the surrender of any share from or by Member desirous of surrendering on such terms as the Directors may think fit. |
| Company's lien on share / debentures | 29. | <p>a) The Company shall have a first and paramount lien upon all the shares/ debentures (other than fully paid up shares/debentures) registered in the name of each Member (whether solely or Jointly with others) and upon the proceeds of sale thereon for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares /debentures and no equitable interest in any share/debenture shall be created except upon the footing and condition that this article will have full effect. Any such lien shall extend to all dividends and bonus from time to time declared in respect of such shares/debentures.</p> <p>Unless otherwise agreed the registration of a transfer of shares/ debentures shall operate as a waiver of the Company's lien, if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p> <p>b) The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:</p> <p>Provided that no sale shall be made—</p> <p>i) unless a sum in respect of which the lien exists is presently payable; or</p> <p>ii) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.</p> <p>c) i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</p> <p>ii) The purchaser shall be registered as the holder of the</p> |

shares comprised in any such transfer.

- iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- d) i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
- e) Where any shares under the powers in that behalf herein contained are sold by the Directors and the certificates thereof has not been delivered to the Company by the former holders of the said shares, the Directors may issue new certificates in lieu of certificates not so delivered.

The provisions of these Articles shall *mutatis mutandis* apply to the calls on other securities of the Company.

TRANSFER AND TRANSMISSION OF SHARES

- | | | |
|---------------------------------------------------|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Form of transfer | 30. | The Instrument of transfer shall be in the form as prescribed in rules made under Section 56 of the Act, in writing and all the provisions of the Act and of any statutory modification thereof for the time being, shall be duly complied with, in respect of all transfer of shares and the registration thereof. |
| Foreign register of Members and form | 31. | The Company shall have power to keep foreign Register of Members or debenture holder in any country or state outside India as may be decided by the Board from time to time. If any shares are to be entered in any such register, the instrument of transfer shall be in a form recognized under the law of such country or state or in such form as may be approved by the Board. |
| Company to maintain register and index of Members | 32. | The Company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in material and dematerialized forms in any media as may be permitted by law including in any form of electronic media. The Company shall be entitled to keep in any state or country outside India a branch Register of Members Resident in that state or country. |
| Share to be numbered | 33. | The shares in the capital shall be numbered progressively |

progressively

according to their several denominations & except in the manner herein before mentioned, no share shall be sub-divided, provided however, that the provisions relating to progressive numbering shall not apply to the share of the Company which are in dematerialized form.

To treat the person as holders of shares whose name appears in the Register of Members

34. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Member as the holder of any share or whose name appears as the beneficial owner of shares in the records of the depository, as the absolute owner thereof & accordingly shall not, except as ordered by a court of competent jurisdiction or as by law required, be found to recognize any benami trust or equity or equitable, contingent, future or partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.

No notice of any trust express, implied or constructive shall be entered in the Register of Members or of debenture holders.

Company to dematerialize its shares, debentures etc.

35. The Company shall be entitled to dematerialize its existing shares, debentures and other securities and rematerialise its shares, debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereby, if any.

Instrument of transfer

36. (i) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.

Directors may refuse to register transfer

37. Subject to the provisions of the right of appeal conferred by Section 58 Act or any statutory modifications of the said provisions for the time being in force, the Directors may, at their own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares and in particular may so decline in any case in which the Company has lien upon the shares or any of them whilst any money in respect of the shares desired to be transferred or any of them remain unpaid or unless the transfer is approved by the Directors and such refusal shall not be affected by the fact that the proposed transferee is already a Member. The registration of a transfer shall be conclusive evidence of the approval of the Director of the transfer.

Additional requirements for transfer

38. The Board may decline to recognise any instrument of transfer unless:-

(a) The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(b) The instrument of transfer is in respect of only one class of shares.

Notice of refusal to be given to transferor and transferee

39. If the Company refuse to register the transfer of any share or transmission of any right therein, Company within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, shall send notice of refusal to the transferee and the transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of the Act or any statutory modification of the provisions for the time being in force shall apply.

Custody/destruction of the instrument of transfer

40. The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. Such instruments of transfer may be destroyed by the Company at the sole discretion of the Directors.

Closure of transfer books etc.

41. The Directors shall have power, on giving not less than seven days previous notice as required under Section 91 of the Act, to close the Register of Members and debenture holders of the Company at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Registration of person entitle to shares otherwise than by transfer (transmission clause)

42. Subject to the provisions of the Act and these Articles any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under these clauses, or of his title, as the Board may think sufficient and upon giving such indemnity as the Directors may require either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board, registered as such holder provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by execution, to his nominee of instrument of transfer of the shares in accordance with the provision herein contained, and until he does so, he shall not be free from any liability in respect of the share. This clause is herein referred to the "Transmission Clause".

Register of Transfer	43.	The Company shall keep a book to be called "Register of Transfer" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares held in material form.
Provisions of Depository Act to apply	44.	In case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificate and where such shares or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.
Refusal to register transmission of shares	45.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if the transferee, named in an ordinary transfer presented for registration.
Board may require evidence of transmission	46.	Every transmission of a share shall be verified in such manner as the Directors may require, and the Company may refuse to register any such transmission until the same be so verified, or until or unless an Indemnity be given to the Company with regard to such registration which the Board at its discretion shall consider sufficient provided nevertheless that there shall not be any obligation on the Company or the Board to accept any Indemnity.
Fee on transfer or transmission	47.	<p>The Company will not make any charge for:-</p> <p>(a) Registration of transfer/transmission of its shares and debentures;</p> <p>(b) Subdivision and consolidation of shares and debenture certificates and subdivision of letters of Allotment and split, consolidation or Renewal and Pucca Transfer Receipts into denominations corresponding to the market units of trading;</p> <p>(c) Subdivision of renounceable Letters of Rights; and</p> <p>(d) Registration of any power of attorney, probate, succession certificate and letter of administration, certificate of death or marriage or similar other documents.</p>
Power to withhold benefits	48.	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by Membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to

transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

The Company not liable for disregard of a notice - registration of a transfer

49. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made, by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable right, title, or interest to or in the same shares notwithstanding that the Company have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give notice which may be given to them of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so though it may have been entered or referred to in some books of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit.

INCREASE, REDUCTION AND ALTERATION IN AUTHORISED, ISSUED AND SUBSCRIBED CAPITAL

Increase of authorized share capital

50. The Company may from time to time in general meeting by ordinary resolution alter the conditions of its memorandum by increase of authorized share capital by creation of new shares of such amount as it thinks expedient.

Increased capital same as original capital

51. Except so far as may be otherwise provided by the conditions of issue or by these present, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained, here in considered with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

Reduction of capital

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

Buy Back of Shares

53. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable

provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities (hereinafter referred to "Buy-Back") out of:-

- (a) its Free Reserve; or
- (b) the Securities Premium Account; or
- (c) the proceeds of any Shares or other specified securities,

in accordance with the provisions of the Act and Rules prescribed by the Central Government and/or by Securities and Exchange Board of India in this behalf, provided that nothing herein contained shall be deemed to affect the provisions of the Act and these Articles regarding reduction of capital in so far as and to the extent they are applicable. The Company shall also have the power to re-issue the shares so bought back.

Consolidation,
division and sub
division

54. Subject to the provisions of section 61, the Company may, by ordinary resolution in general meeting alter the conditions of Memorandum as follows:

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

Sweat Equity

55. The Company may issue sweat equity shares of a class of shares already issued on the conditions prescribed under the provisions of the Act. The rights, limitations, restrictions and provisions as are for the time being applicable to equity shares shall be applicable to the sweat equity shares issued and the holders of such shares shall rank *pari passu* with other equity Shareholders.

Herein "sweat equity shares" means such equity shares issued by a Company to its Directors or employees at a discount or for consideration, other than cash, for providing their know-how or making available rights in the nature of intellectual property rights or value additions.

JOINT HOLDERS

Joint holders

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

Power to borrow

57. Subject to the provisions of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Directors shall have the power from time to time at their discretion to accept deposits from Members of the Company either in advance of calls or otherwise and generally to raise or borrow or secure the payment of any sum of money for the purpose of the Company, provided that the aggregate of the amount borrowed (apart from temporary loans as defined in Section 180 of the Act

obtained from the Company's bankers in the ordinary course of business) and remaining outstanding and undischarged at that time, shall not without the consent of the Company in general meeting, exceed the aggregate of the paid up capital of the Company and its free reserves, that it to say reserves not set apart for any specific purpose.

- | | | |
|-------------------------------------------------------------|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Conditions on which money may be borrowed | 58. | Subject to the provisions of the Act and these Articles, the Board may raise and secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of bonds, perpetual or redeemable debentures, debenture stock or any mortgage or charge or other security on the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being. |
| Bonds, debentures etc. to be under the control of Directors | 59. | Any bonds, stocks or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefits of the Company. |
| Issue at discount etc. or with special privilege | 60. | Any bonds, debentures, debentures stock, or other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending at general meetings provided that debentures with the right of conversion into shares shall not be issued except in conformity with the provisions of Section 62 of the Act or any modification thereof. |
| Indemnity may be Given | 61. | Subject to the provision of the Act and these Articles, if the Directors or any of them or any other person shall incur or about to incur any liability as surety for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability. |
| Mortgage of uncalled capital | 62. | If any uncalled capital of the Company is included or charged by any mortgage or other security, the Directors shall subject to the provisions of the Act and these Articles make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed. |

GENERAL MEETING

- | | | |
|------------------------|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Annual General Meeting | 63. | Subject to the provisions of the Act, the Company shall hold from time to time as provided by the Act, in addition to any other meeting or general meeting as its Annual General Meeting at the intervals and in accordance with the provisions of the Act. |
|------------------------|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

- | | |
|------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Participation by Shareholders in the General Meeting through Electronic Mode | 64. Subject to the provisions of the Act and any other Law, any Notification, Circular issued by the Central Government or any other Government authority/ department, the Shareholder(s) of the Company may participate in the General Meeting(s) of the Company through Electronic Mode/ video conferencing or any other mode permissible from time to time. |
| Extraordinary General Meeting | 65. Subject to the provisions of Section 100, the Board may, whenever, it thinks fit, call a General Meeting other than an Annual General Meeting, to be called an Extraordinary General Meeting .The Board shall also call an Extraordinary General Meeting upon receipt of a requisition in writing by any Member or Members holding in the aggregate not less than one tenth of such of the paid up capital of the Company as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made. |

PROCEEDINGS AT GENERAL MEETING

- | | |
|------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Quorum of General Meeting | 66. (i). No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103. |
| If Quorum not present meeting to be dissolved or adjourned | 67. Subject to the provisions of the Act, if at the expiration of half an hour from the time appointed for the meeting a quorum of Members, shall not be present, the meeting, if convened by or upon the requisition of Members shall stand cancelled, but in any other case it shall stand adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place, as the Board may determine. |
| Chairman of the meeting | 68. The Chairman or in his absence the Managing Director/Executive Director of the Company shall be entitled to take the chair at every General Meeting whether Annual or Extraordinary. If there be no such Chairman or Managing Director or if at any meeting neither of them be present within fifteen minutes of the time appointed for holding such meeting then any one of the Directors present shall be elected to be Chairman of a general meeting by the Members present at the meeting. |
| Member as Chairman | 69. If at any general meeting, the quorum is present and the chair is not taken by a Director at the expiration of half an hour from the time appointed for holding the meeting or if before the expiration of half an hour from the time appointed for holding the meeting all the Directors decline to take the chair, the Members present shall |

succeeding meeting shall be prima facie evidence of the proceedings.

Participation through Electronic Mode : Shareholder's Meeting/ Postal Ballot	75.	Notwithstanding anything contrary contained in the Articles of Association of the Company, the Company may provide Video Conference facility, Electronic Postal Ballot Voting mechanism, and/or any other permissible electronic or communication facility to enable the Shareholders of the Company to participate in General Meeting(s) and / or vote on matters requiring approval of the Shareholder(s) of the Company. Such participation by the Shareholder(s) at General Meeting(s) or in the Postal Ballot voting process of the Company through Video Conference facility, e-mail or approved electronic platforms and/or use of any other permissible electronic or communication facility shall be subject to the Rules, Guidelines and Permissions issued / laid down by the Regulatory / Statutory Authorities in this regard and shall be governed by Legal or Regulatory Provisions applicable to the Company from time to time.
---------------------------------------------------------------------------------	-----	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

VOTES OF MEMBERS

Votes may be given by proxy	76.	Subject to the provisions of the Act and these Articles, votes may be given either personally or by proxy or in the case of a body corporate, also by a representative duly authorized under the Act.
Deposit of instrument of appointment	77.	The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or notarial certified copy of that power or authority, shall be deposited at the office not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid .
Form of proxy	78.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105.
Voting rights	79.	Subject to the provisions of the Act and particularly of Section 47 and rules thereof and of these Articles : <ol style="list-style-type: none"> 1) Upon a show of hands every Member holding equity shares and entitled to vote and present in person (including as attorney or a representative of a body corporate) shall have one vote. 2) Upon a poll, the voting right of every Member holding equity shares and entitled to vote and present in person (including a body corporate present as aforesaid) or by proxy shall be entitled to vote in proportion to his share in the paid-up equity capital of the Company. 3) The voting right of every Member holding preference shares,

on a show of hands choose one of their own Member to be the chairman of the meeting.

Business confined to election of Chairman whilst chair is vacant

70. No business shall be transacted at any General Meeting except the election of a Chairman, whilst the chair is vacant.

Chairman with consent to adjourn meeting

71. The Chairman may with the consent of any meeting at which quorum is present and shall if so directed by the meeting, adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at meeting from which the adjournment took place.

Notice to be given where a meeting is adjourned

72. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of original meeting.

Save as aforesaid, it shall not be necessary to give any notice of adjournments or the business to be transacted at adjourned meeting.

Casting vote of the chairman

73. In case of equality of votes, whether on a show of hands or on a poll, the chairman of the meeting, shall be entitled to a casting vote, in addition to his own vote or votes to which he may be entitled as Member.

Minutes of General meeting

74. The Company shall cause to be kept minutes of all proceedings of General Meetings which shall contain a fair and correct summary of the proceedings there at and a book containing such minutes shall be kept at the office of the Company and shall be open, during business hours for such periods not being less in the aggregate than two hours in each day as the Directors may determine to the inspection of any Member without charge.

Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting:

- (a) is, or could reasonably be regarded as defamatory of any person;
- (b) is irrelevant or immaterial to the proceedings; or
- (c) is detrimental to the interest of the Company.

The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds. Any such minutes, if purporting to be signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next

if any, shall upon a show of hands or upon a poll be subjected to the provisions, limitations and restrictions laid down in Section 47 of the Act.

Variation of Shareholders Rights	<p>80. (a) If at any time the Share Capital is divided into different classes of shares, rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall, to the extent consistent, apply.</p> <p>(b) The rights conferred upon the holders of the shares of any class with preferred or other rights shall not, unless otherwise expressly provided by terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.</p>
No voting by proxy on show of hands	<p>81. No Member present only by proxy shall be entitled to vote on a show of hands, unless such Member is a corporation, present by a proxy who is not himself a Member, in which case such proxy shall have a vote on the show of hands as if he was a Member.</p>
Restriction on exercise of voting right	<p>82. Subject to the provisions of the Act, no Member shall be entitled to voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him, have not been paid or in regard to which the Company has and has exercised any right or lien.</p>
Votes in respect of shares of deceased, insolvent Members	<p>83. Any person entitled under the "Transmission Clause" (Article 42 hereof) to transfer any shares, may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to transfer such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.</p>
Right of Members to use his votes differently	<p>84. On a poll taken at a meeting of the Company, a Member entitled to more than one vote, or his proxy, or other person entitled to votes for him as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.</p>
Validity of votes given by proxy, notwithstanding death etc., of Member	<p>85. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous insanity or lunacy or death of the principal or revocation of the proxy or any power of attorney, as the case may be, under which such proxy</p>

was signed, or the transfer of share in respect of which the vote is given provided that no intimation in writing of the insanity, lunacy, death, revocation or transfer shall have been received at the office before the meeting.

Time for objection to vote 86. Subject to the provisions of the Act and these Articles no objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote, whether given personally or by proxy or by any means hereby authorized and not disallowed at such meeting or poll, shall be deemed valid, for all purposes of meeting or poll whatsoever.

Chairman of any Meeting to be the judge of validity of any vote 87. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

DIRECTORS

Number of Directors 88. Unless otherwise determined by a general meeting and subject to Section 149 of the Act, the number of Directors shall not be less than three and not more than fifteen.

Appointment of Alternate Directors 89. Subject to provisions of Section 161, the Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this article shall vacate office if and when the Original Director returns to India. If the terms of office of the Original Director is determined before he so returns to India, any provision in the said Act or in these articles for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Additional Directors 90. Subject to provisions of Section 152, 161 and 169 of the Act, the Board of Directors may appoint any person other than a person who fails to get appointed as a Director in a General Meeting, as an Additional Director at any time who shall hold office up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier and any person so appointed shall retain his office only until the next Annual General Meeting.

Casual Vacancy 91. If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board and the Director so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated.

Nominee Director	92.	The Board may appoint any person as a Director nominated by any institution, body corporate or Government in pursuance of the provisions of any law for the time being in force or of any agreement.
Qualification shares of Directors	93.	A Director shall not be required to hold any qualification shares and a person may be appointed as a Director notwithstanding that he holds no shares in the Company.
Sitting Fee	94.	<p>(a) Each Director may be paid out of the funds of the Company by way of sitting fee such sum as the Board may fix upto such amount as may be prescribed, from time to time under the applicable provisions of the Act. The said sitting fees shall be payable per meeting of the Board or any committee thereof attended by the Director or Member thereof.</p> <p>(b) In addition to the sitting fee, Directors may be paid all traveling, hotel and other expenses properly incurred by them in attending and returning from the meetings of the Board of Directors or any committee thereof or general meetings of the Company.</p>
Directors Remuneration	95.	Subject to the provisions of Section 197 of the Act, if any Director be called upon to perform extra services or make special exertions or efforts (which expression shall include work done by a Director as a Member of any committee formed by the Directors) the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by fixed sum or otherwise as may be determined by the Board.
Expenses incurred by a Director for going out on Company's business	96.	If any Director be called upon to go or reside out of the State where the Registered Office is situated for the Company's business and if any Director who has a usual place of residence outside the State where the Registered Office is situated is called upon to come to the State where the Registered Office is situated for Company's business or if such Director is required to go to any other station directly from his usual place of residence he shall be entitled to be repaid any travelling or other expenses incurred in connection with the business of the Company.
When office of Director to be vacated	97.	<p>Subject to Section 167 of the Act, the office of a Director shall be vacated if:</p> <p>(i) he incurs any of the disqualifications specified in Section 164;</p> <p>(ii) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;</p>

- (iii) he acts in contravention of the provisions of Section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- (iv) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184;
- (v) he becomes disqualified by an order of a court or the Tribunal;
- (vi) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months;

Provided that the office shall be vacated by the Director even if he has filed an appeal against the order of such court;

- (vii) he is removed in pursuance of the provisions of this Act;
- (viii) he, having been appointed a Director by virtue of his holding any office or other employment in the Holding, Subsidiary or Associate Company, ceases to hold such office or other employment in that Company.

Directors may act notwithstanding vacancy

98. The continuing Directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by the Articles of the Company as necessary quorum of Directors, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that number or for summoning a General Meeting, but for no other purpose.

Director may contract with Company

99. A Director or his relative, a firm in which such Director or relative is a partner, any other partner in such a firm or a private Company of which the Director is a Member or Director may enter into any contract with the Company for the sale, purchase or supply of goods, materials, services or for underwriting the subscription of any shares in or debentures of the Company provided that the sanction of the Board is obtained by a resolution passed at its meeting before or within two months of the date on which the contract is entered into in accordance with Section 188 of the Act. No sanction, however, shall be necessary for any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis. The Director, so contracting or being so interested, shall not be liable to the Company for any profit realised by any such contract by reason of such Director holding that office, of the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him at a meeting of the Board at which the contract is determined, if his interest then exists or in any other case at the first meeting of the Board after the acquisition of his interest.

Disclosure of interest	<p>100. (1) For the purposes of Article 97, a general notice given to the Board by a Director at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board Meeting held after such change, disclose his concern or interest in any Company or companies or bodies corporate, firms or other association of individuals which shall include the shareholding, in such manner as may be prescribed.</p> <p>(2) Every Director of a Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into:</p> <ul style="list-style-type: none"> a. with a body corporate in which such Director or such Director in association with any other Director, holds more than two per cent shareholding of that body corporate or is a Promoter, Manager, Chief Executive Officer of that body corporate; or b. with a firm or other entity in which, such Director is a partner, owner or Member, as the case may be; <p>shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting.</p>
Interested Director not to participate or vote in Board's proceedings	<p>101. No Director shall as a Director, take any part in the discussion of or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote, his vote shall be void;</p>
Directors may be Directors of Company promoted by the Company	<p>This article is subject to the provisions of Section 184 of the Act.</p> <p>102. A Director may be or become a Director of any company promoted by the Company or in which it may be interested as a vendor, Shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or Shareholder of such Company except in so far as Section 197 or Section 188 of the Act may be applicable.</p>
Retirement of the Directors	<p>103. Subject to provisions of Sections 149 and 152 of the Act and these Articles, not less than two third of the total number of Directors of the Company shall be person whose period of office is liable to determination by retirement of Director by rotation. At every Annual General Meeting of the Company, one third of the</p>

Directors whose period of office is liable to retire by rotation for the time being of the Company shall retire by rotation. If the number to retire is not three or multiple of three, then the number nearest to one third shall retire from office. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default and subject to an agreement among themselves, be determined by lot.

- | | |
|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Eligibility for re-election | 104. A retiring Director shall be eligible for re-election. |
| Company to appoint successors | 105. Subject to the provision of the Act, the Company at the General Meeting at which a Director retires in manner aforesaid, may fill up the vacancy by electing the retiring Director or some other person thereto. |
| Provisions in default of appointment | <p>106. (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a holiday, at the same time and place.</p> <p>(b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless:</p> <ul style="list-style-type: none"> i. at that meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost; ii. the retiring Director has, by notice in writing addressed to the Company or the Board, expressed his unwillingness to be so re-appointed; iii. he is not qualified or disqualified for appointment; iv. a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act or v. Section 162 is applicable to the case. |
| Company may increase or reduce the number of Directors | 107. Subject to Section 149 of the Act the Company may, by ordinary resolution, from time to time, increase or reduce the number of Directors and the Company may, (subject to the provisions of Section 169 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person in his |

place. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

Notice of candidature for office of Director except in certain cases

108. No person not being a Retiring Director, shall be eligible for appointment to the office of Director at any General Meeting, unless he or some other Member intending to propose him has, at least fourteen clear days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or intention of such Member to propose him as a candidate for that office, along with the deposit of one lakh rupees or such higher amount as may be prescribed which shall be refunded to such person or as the case may be, to the Member, if the person proposed gets elected as a Director or gets more than twenty-five per cent of total valid votes cast either on show of hands or on poll on such resolution.

Resignation

109. Subject to the provisions of the Act, a Director may resign his office at any time by notice in writing addressed to Company or to the Board of Directors.

KEY MANAGERIAL PERSONNEL

Appointment of Key Managerial Personnel

110. Subject to the provisions of the Act,-

(i) The Company shall have appoint the following whole-time Key Managerial Personnel by means of a resolution of the Board on such terms and at such remuneration and such conditions as it may think fit:

- a. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;
- b. Company Secretary; and
- c. Chief Financial Officer

(ii) A Director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

Appointment of Chairperson of the Company

111. Notwithstanding anything contained in Section 203 or any other provisions of the Act, the Board may appoint or re-appoint an individual as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company at the same time.

PROCEEDING OF DIRECTOR'S MEETING

- Meeting of Directors** 112. Subject to the provisions of Section 173 of the Act, the Directors may meet together for Board Meetings for the conduct of business from time to time and shall hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board and they may adjourn and otherwise regulate their meetings as they think fit.
- Participation through Electronic Mode – Board / Committee Meetings** 113. Notwithstanding anything contrary contained in the Articles of Association of the Company, the Director(s) of the Company may participate in Meeting(s) of the Board and / or Committees thereof, through Video Conference facility and/or any other permissible electronic or communication facility. Such participation by the Director(s) at Meeting(s) of the Board and Committees thereof, through Video Conference facility and/or use of any other permissible electronic or communication facilities shall be subject to the Rules, Guidelines and Permissions issued / laid down by the Regulatory / Statutory Authorities in this regard and shall be governed by Legal or Regulatory Provisions applicable to the Company from time to time.
- Notice of Meetings** 114. Subject to provisions of Section 173 of the Act, notice of not less than seven days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the Company.
- A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting.
- Quorum** 115. Subject to Section 174 of the Act, quorum for a meeting of the Board shall be one third of its total strength (excluding Director, if any, whose place be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher. Provided that where at any time the number of interested Directors exceed or is equal to two-third of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested, being not less than two, shall be the quorum during such time.
- Provided further that participation by a Director in the Meeting of Directors and / or Committees thereof through use of Video Conference or any other electronic or any other permissible electronic or communication facility, as permitted by applicable laws from time to time, shall be counted for the purpose of quorum, subject to the applicable Legal or Regulatory provisions applicable to the Company from time to time.
- When meeting to be convened** 116. A Director may at any time and the Secretary upon the request of a Director shall convene a meeting of the Board by giving a notice in writing to every Director at his address registered with

the Company.

- | | |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Adjournment of meeting | 117. If a meeting of a Board cannot be held for want of a quorum, then the meeting shall stand adjourned to such day, time and place as the Director or Directors present at that time may fix. Notice of the adjournment of the meeting shall be given to all the Directors in the manner prescribed. |
| Chairman | 118. The Board may from time to time elect one of their Member to be the chairman of the Board of Directors and determine the period for which he is to hold office. |
| Who to preside at the meeting of the Board | 119. All meetings of the Directors shall be presided over, by the chairman, if present, but if at any meeting of the Directors the chairman is not present at the time appointed for holding the same, the Board shall choose one of the Directors then present to preside at the meeting. |
| Question at Board meeting how decided (casting vote) | 120. Questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes, the Chairman of the meeting (whether the chairman appointed by virtue of these Articles or the Directors, presiding at such meeting) shall have second or casting vote. |
| Directors may Appoint Committee | 121. Subject to the provisions of Section 179 of the Act, the Directors may delegate any of their powers to Committees consisting of any such Members of their body as they think fit, and may from time to time revoke and discharge any such committee either wholly or in part, and either as to persons or purposes, but every committee so formed shall, in the exercise of powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. The Board may from time to time fix the remuneration to be paid to any Member or Members of their body constituting a committee appointed by the Board in terms of these articles, and may pay the same.

The aforementioned delegate or attorney, as the case may be, may be authorized by the Directors to sub delegate all or any of the powers, authorities and discretions for the time being vested in them. |
| Meeting of the Committee, how to be governed | 122. The meeting and proceedings of any such committee shall be governed by the provisions herein and/or in the Act contained for regulating the meetings and proceedings of Directors so far as the same are applicable thereto, and are not superseded by any regulation made by the Directors under the last preceding Article. |

A committee may elect a Chairperson of its meetings. However, if

at any meeting the chairperson is not present at the time appointed for holding the same, the Members shall choose one of the Members then present to preside at the meeting.

**Resolution by
Circulation**

123. No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors or Members of the committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier or through such electronic means as may be prescribed and has been approved by a majority of the Directors or Members, who are entitled to vote on the resolution.

A resolution passed as above shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be and made part of the minutes of such meeting.

**Act of Director or
committee valid not
withstanding defect
in appointment**

124. Subject to the provisions of the Act, and these articles all acts done by any meeting of the Directors or a committee of Directors or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid or that every or any of these were or was disqualified be as valid if every such person has been duly appointed and was qualified to be Director.

Provided that nothing in this article shall be deemed to give validity to acts done by a Director after his appointment has been noticed by the Company to be invalid or to have terminated.

**Minutes of
proceedings of
Directors and
Committees to be
kept**

125. In terms of the provisions of Section 118 of the Company, the Directors shall cause minutes to be duly entered in a book or books provided for the purpose:
- i. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
 - ii. All appointments made at any of the meetings aforesaid shall be included in the minutes of the meeting.
 - iii. In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain-
 - a. the names of the Directors present at the meeting; and
 - b. in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from or not concurring with the resolution.

Any such minutes of any meeting of the Board or of any committee of the Board if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting, shall be received as prima facie evidence of the matters stated in such minutes

POWERS OF THE BOARD OF DIRECTORS

- | | |
|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Power of the Board | 126. 1) Subject to the provisions of the Act, the Board shall be entitled to exercise all such powers, and to do all acts in furtherance of its objects, specified in the Memorandum of Association for which the Company is established, except such powers as are required by the Act or the Memorandum or Articles of Association of the Company to be exercised or done by the Company in the General Meeting. In exercising any such power or doing any such acts or things, the Board shall be subject to the provisions contained in that behalf in the Memorandum or Articles of the Company or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in general meeting. |
| | 2) No regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. |
| Managing Director,
Whole Time Director
/ Executive Director
and Manager | 127. Subject to the provisions of Section 196 and 197 and other applicable provisions of the Act, the Directors may from time to time appoint one or more of their body to be a Managing Director or Managing Director(s) in which expression shall be included a Joint Managing Director or Whole-Time Director or Executive Director of the Company for such terms not exceeding five years at a time as they may think fit, to manage the affairs and business of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from the office and appoint another or others in his or their place or places. |
| Board to decide
powers etc. | 128. a) Subject to the provisions of the Act, the Board may, from time to time, entrust to and confer upon a Managing Director/Whole Time Director / Executive Director for the time being such of the powers exercisable under these presents by the Board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such powers either collaterally with, or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers. |
| | b) The remuneration of a Managing Director/Whole Time Director / Executive Director shall be such as may from time to time |

fixed by the Board subject to the provisions of the Act and approval of the Shareholders in General Meeting and may be by way of fixed salary or commission from profits of the Company or by participation in any such profits or by any of all these modes.

- c) The Managing Director/Whole Time Director / Executive Director shall not while he continues to hold that office be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the retirement of Director or in fixing the number of Directors to retire subject to the provisions of any contract between him and the Company. He shall, however, be subjected to the same provisions as to resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be Managing Director/Whole Time Director / Executive Director, if he ceases to hold the office of the Director from any causes.

THE SEAL

The Seal, its custody and use

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

Deeds, how to be signed

130. Every deed or other instrument to which the seal of the Company is required to be affixed, shall be executed either by a Director or a Company Secretary or any person authorized by the Board or Board Committee constituted by the Board.

DIVIDENDS

Division of Profit

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

Dividend in proportion to amount paid up

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

Company in General meeting may declare a dividend

133. The Company in general meeting may declare a dividend to be paid to the Members according to their right and interest in the

profits and subject to the provision of the Act, may fix the time for payment. When a dividend has been so declared the warrant in respect thereof shall be posted within thirty days from the date of declaration to the Shareholder entitled to the payment of the same.

- | | |
|---------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Dividend out of Profit | 134. Subject to the provisions of the Act and in particular Section 123 thereof, no dividend shall be payable except out of the profit of the year or any other undistributed profits of the Company and the declaration of the Directors as to the dividend amount of the net profits of the Company shall be conclusive. |
| Interim Dividend | 135. Subject to the provisions of the Act, the Directors may from time to time pay to the Members on account of the next forthcoming year such interim dividends as in their judgment the position of the Company justifies. |
| No Member to receive dividend whilst indebted to Company and Company's right of reimbursement thereof. | 136. No Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any moneys may be due or owing from him to the Company in respect of such shares either along or jointly with any other person or persons and the Directors may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company. |
| Unclaimed dividend | 137. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with all the provisions of the Act in respect of unclaimed or unpaid dividend. |
| Dividend how remitted | 138. Unless otherwise directed by any Member any dividend may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled or in case of joint holders to the one of them first named in Register of Members in respect of the joint holding to such person and to such address as the Member or joint holder may in writing direct.

Every such cheque or warrant shall be made payable to the order of the person to whom it is sent, the Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the Member or person entitled thereto, by the forged endorsement or for any dividend lost to the Member or person entitled thereto, by the forged endorsement of the cheque or warrant or the fraudulent recovery thereof by any other means. |
| Dividend and call together | 139. Any general meeting declaring a dividend may make a call on the Members for such amount as the meeting fixes, but so that the call made earlier on each Member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend, and that the dividend may, if so, arranged between the Company and the Members, be set off against the |

calls.

CAPITALIZATION

Capitalisation

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

(a) by the issue and distribution as fully paid shares, debenture stock, bonds or other obligations of the Company, or;

(b) by crediting the shares of the Company which may have been issued and are not fully paid up, with the whole or any part of the sum remaining unpaid thereon.

Provided that Share Premium Account and Capital Redemption Reserve Account may be applied in accordance with the provisions of the Act only.

2) Subject to the provisions of the Act and these Articles, in case, whether some of the shares in the Company are fully paid and others are partly paid only, such capitalization may be effected by distribution of further shares in respect of the fully paid shares, and/or by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares, and the partly paid shares, the sum so applied in payment of such further shares and in the extinguishing or diminution of the liability on the partly paid shares shall be applied pro rata in proportion to the amount already paid or credited as paid on the existing fully paid and partly paid shares respectively.

Board's power to issue fractional certificate/ coupon etc.

141. The Board shall have power:

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they

may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.

ACCOUNTS

- Books of Account to be kept** 142. The Company shall keep proper books of accounts as required by the Act and in particular in accordance with the provisions of Section 128 and 129 of the Act.

The books of account aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide.

- Financial Statements to be furnished to General Meeting** 143. The Board of Directors shall lay before each annual general meeting a duly authenticated Financial Statements alongwith its report made up in accordance with the provisions of the Act.

- Copies of Statements of Accounts to be sent to Members & others** 144. A copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements in such form as may be prescribed from time to time pursuant to Section 136 of the Act, shall be sent to every Member of the Company, to every trustee for the debenture-holder of any debentures issued by the Company and to all persons other than such Member or trustee, being the person so entitled, not less than twenty-one days before the date of the meeting, at which such documents are to be laid.

- Accounts when audited and approved to be conclusive** 145. Every statement of account of the Company when audited and adopted by a general meeting shall be conclusive.

- Inspection of books of account by Members** 146. Subject to the provisions of the Act, the Board shall from time to time determine whether and to what extent and at what time and place and under what conditions the books or papers of the Company or any of them shall be open to the inspection of Members not being Directors. No Member (not being a Director) shall have any right to inspect any books or papers of the Company except as conferred by law or authorised by the Board subject to the foregoing.

Inspection in respect of any subsidiary of the Company shall be done only by the person authorised in this behalf by a resolution of the Board of Directors.

AUDIT

- Accounts to be audited** 147. Books of accounts shall be audited by one or more auditors to be

appointed in accordance with the provisions of the Act their rights and duties shall be regulated in accordance with Section 139 to 147 of the Act.

- Auditors Rotation** 148. Subject to the provisions of the Act, the office of the Auditors shall be liable to rotation at such period as may be prescribed.

DOCUMENTS AND SERVICE OF DOCUMENTS

- Service of Documents** 149. A document (which expression for this purpose shall be deemed to include and shall include any summon, notice, requisition, process, order, judgment or any other document in relation to or in the winding up of the Company) may be served or send by the Company on or to any Member in the manner prescribed under Section 20 of the Act.

- Service of Document in Electronic Mode** 150. Notwithstanding anything contrary contained in the Articles of Association of the Company, any document may be served by the Company on any Member of the Company by such electronic mode of communication as may be permitted under Applicable laws from time to time and such service of document shall be deemed to have been effected in the manner provided by law, subject to compliance with applicable Legal or Regulatory provisions applicable to the Company in this regard, from time to time.

- Members bound by documents sent to previous holders** 151. Every person, who by operation of law, transfer or by other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such shares which, previously to his name and address being entered on the register shall have been duly served on or send to the person from whom he derives his title to such share.

- Service of notice by Members** 152. All notice to be given on the part of Member shall be left at or sent by registered post to the registered office of the Company.

- How notice to be signed** 153. Any notice to be given by the Company shall be signed by such Director or secretary or officer as the Board may appoint. The signature on any notice to be given by the Company may be written or printed or lithographed or be affixed by any other mechanical means.

AUTHENTICATION OF DOCUMENT

- Authentication of document** 154. Save as otherwise expressly provided in the Act or these Articles a document or proceeding requiring authentication by the Company may be signed by a Director, Key Managerial Personnel or an officer of the Company duly authorized by the Board in this behalf and need not be under its seal.

WINDING UP

Distribution of Assets

155. Subject to the provisions of this Act as to overriding preferential payments under Section 326, if the Company shall be wound up, and the assets available for distribution among the Member as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up (other than the amount of calls paid in advance), at the commencement of the winding up, on the shares held by them respectively, and if in a winding up, the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up or which ought to have been paid on the share held by them respectively. But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution in Specie and kind

156. Subject to the provisions of Chapter XX of the Act and rules made thereunder:
- 1) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets or the Company, whether they shall consist of property of the same kind or not.
 - 2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon the property and may determine how such division shall be carried out as between the Members or different classes of Members.
 - 3) The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the contributors as the liquidator, with the like sanction, thinks fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

SECRECY CLAUSE

Secrecy Clause

157. No Member shall entitled to visit or inspect the Company's work without the permission of the Board or manager or secretary or to require discovery of or any information respecting any detail of the Company's trading or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board, it will be inexpedient in the interest of the

Members of the Company to communicate to the public.

INDEMNITY AND RESPONSIBILITY

Director's and
Member's
right of indemnity

158. a) Every Director, manager, secretary and other officer or employee of the Company shall be indemnified by the Company against and it shall be duty of Directors to pay out of funds of the Company all costs, losses and expenses (including traveling expenses) which any such Directors, manager, secretary or officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, manager, secretary or officer or employee entered into or act or deed by him as such Director, manager, secretary or officer or employee or in any way in the discharge of the duties.
- b) Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal or in connection with any application under Section 463 in which relief is granted to him by the court or the Tribunal.

Directors and other
officers, not
responsible for act
of others

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

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

Name, address, description and occupation of Subscribers	Number of equity shares taken by each Subscriber	Signature of Subscribers	Name, address and description of Witness
SHRI RAJIV GARG S/o Shri Om Prakash Garg 403, Sibylle, Worli Hill Road, Worli, Mumbai – 400 018 SERVICE	16,655/- (Sixteen Thousand Six Hundred Fifty Five Only)	Sd/-	<p style="text-align: center;">Sd/- MR. UMESH PRADHAN S/o Mr. Ashwinikumar Shankar Pradhan B-2/503, Swastik Residency, Opp. Ritu Enclave, Ghodbandar Road, Thane (W) 400 607 SERVICE</p>
SHRI HIMANSHU MODY S/o Shri Pradeep Mody 1201/B, Gardenia Building, Vasani Valley, Film City Road, Malad (W), Mumbai – 400 097 SERVICE	16,655/- (Sixteen Thousand Six Hundred Fifty Five Only)	Sd/-	
SHRI SANJAY AGARWAL S/o Shri Chand Mal Agarwal Flat No. 402, 'C' Wing, Lakshachandi Apartment, Gokuldharm, Goregaon E, Mumbai – 400 063 SERVICE	16,650/- (Sixteen Thousand Six Hundred Fifty Only)	Sd/-	
M. LAKSHMINARAYANAN S/o Shri Mahadev Dularelal 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018 SERVICE	10/- (Ten Only)	Sd/-	
SHRI PUSHPAL SANGHAVI S/o Shri Ramesh Sanghavi 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018 SERVICE	10/- (Ten Only)	Sd/-	
SHRI SHAILESH DHOLAKIA S/o Shri Nagindas Dholakia 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018 SERVICE	10/- (Ten Only)	Sd/-	
SHRI VINOD DESAI S/o Shri Yashwant Desai 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai – 400 018 SERVICE	10/- (Ten Only)	Sd/-	

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

COMPANY PETITION NO. 531 OF 2006 WITH C.A. NO. 666 OF 2006
WITH
COMPANY PETITION NO. 532 OF 2006 WITH C.A. NO. 685 OF 2006
COMPANY PETITION NO. 533 OF 2006 WITH C.A. NO. 686 OF 2006
COMPANY PETITION NO. 534 OF 2006 WITH C.A. NO. 687 OF 2006

Zee Telefilms Limited
Zee News Limited
Siti Cable Network Limited
Wire & Wireless (India) Ltd. ...Petitioners

Mr. Virag Tulzapurkar i/by M/s. Rajesh Shah & Co. for the Petitioners.

Mr. C. J. Joy with Sushama Joshi, M. M. Goswami i/by Pankaj Kappor for the Regional Director.

CORAM : R. S. MOHITE, J.

DATED : 17/11/2006.

1. Company Petition No. 531 of 2006 is filed by Zee Telefilms Limited, Company Petition No. 532 of 2006 is filed by Zee News Limited, Company Petition No. 533 of 2006 is filed by Siti Cable Network Limited and Company Petition No. 534 of 2006 is filed by Wire & Wireless (India) Ltd. All these Petitions are filed under sections-391 to 394 of the Companies Act and seek sanction of this court to the composite scheme of arrangement which is annexed at Exh. 1 to Company Petition No. 531 of 2006 Since the Scheme is the same and will be binding on all the petitioners, the aforesaid petitions are disposed off by this common order.
2. The Regional Director has filed his affidavit dated 09-11-2006. He has submitted that the Scheme is of an arrangement between M/s. Zee Telefilms Ltd., M/s. Zee News Ltd., M/s. Siti Cable Network Ltd. and M/s. Wire & Wireless (India) Ltd. and their respective shareholders. It presides that the news business of M/s. Zee Telefilms Ltd. shall be demerged into M/s. Zee News Ltd and cable business of the M/s. Zee Telefilms Ltd and M/s. Siti Cable shall be demerged into M/s. Wire & Wireless (India) Ltd, That, none of the petitioner companies under consideration is proposed to be liquidated under the scheme. That, the petitioner company M/s. Zee Telefilms Ltd. is listed with BSE, NSE and Calcutta Stock Exchanges and the petitioners have submitted a NOC from all time above stock exchanges. The affidavit also indicates that the Regional Director has applied his mind to the various clauses of the scheme. He has called for and obtained the affidavits of the Director of the petitioner companies and has ultimately certified that he does not find the scheme prejudicial to the interest of creditors, shareholders and the public. The said affidavit does not contain anything which would indicate that the scheme is prejudicial to the interest of the creditors, shareholders and the public.
3. All the prescribed procedure in accordance with law has been followed and nobody has raised objection to the Sanction of the said scheme. In the circumstances, Company Petition No. 531 of 2006 is allowed in terms of prayer clause (a) to (i), Company Petition No. 532 of 2006 is allowed in terms of prayer clause (a) to (g), Company Petition No. 533 of 2006 is allowed in terms of prayer clause (a) to (d) and Company Petition No. 534 of 2006 is allowed in terms of prayer clause (a) to (d).
4. Each of the petitioners of the aforesaid petitions with pay Rs. 2,500/- each as costs to the Regional Director.
5. Drawn up order is dispensed with. The parties will act on a copy of this order duly certified by the Company Registrar of this court.

(R. S. MOHITE J.)

SCHEME OF ARRANGEMENT

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

BETWEEN

ZEE TELEFILMS LIMITED

AND

ZEE NEWS LIMITED

AND

SITI CABLE NETWORK LIMITED

AND

WIRE & WIRELESS (INDIA) LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

A. Background and rationale for the Scheme of Arrangement:

- (a) Zee Telefilms Limited ('ZTL') is the flagship company of the Zee group and is India's first largest vertically integrated media and entertainment company.
- (b) ZTL alongwith Siti Cable Network Limited ('Siti Cable') operates the largest cable distribution system in India. Siti Cable has contracted with more than 6,000 cable operators across the country to distribute television channel signals received from various satellites.
- (c) ZTL was a pioneer of the cable TV industry in India. Among many other firsts, it pioneered India's first 24 hour Hindi news channel, Zee News, which remains a leading Hindi news channel today. To comply with the guidelines of Ministry of Information and Broadcasting, Government of India, the business relating to news gathering, editing, production and uplinking of news and current affairs programmes was transferred to Zee News Limited ('ZNL') ZTL also broadcasts a bouquet of regional channels spread across languages such as Hindi, English, Marathi, Bangla, Punjabi, Telugu and Gujarati which also have news capsules and other news and current affairs related programmes.
- (d) Each of the several businesses carried on by ZTL either directly or through its subsidiaries / group companies, has significant potential for growth. The nature of technology, risk and competition involved in each of these business is distinct from each other and, in fact, rapidly divergent. Consequently each business or undertaking is capable of addressing independent business opportunities, deploying different technologies and attracting different sets of investors, strategic partners, lenders and other stakeholders. Further, each of the businesses has a different set of regulations to comply with, which include restriction on the extent of foreign investment and management in a Company

depending on the business activity carried on by it. For example, as per the Ministry of Information & Broadcasting Guidelines, Foreign Direct Investment (including the Foreign Institutional Investors' stake) is restricted to 26% in companies engaged in the news and current affairs business. Whereas, as per the Foreign Exchange Management Regulations, Foreign Direct Investment upto 49% is permitted in companies engaged in the cable business. On the other hand, news gathering and uplinking business requires a minimum holding of 51% by a single block of resident Indian shareholders.

- (e) ZTL therefore proposes to re-organize and segregate by way of demerger, its business and undertakings engaged in :
 - (i) News Business - Comprising of News and Regional Channels (hereinafter referred to as 'News Business Undertaking'); and
 - (ii) Cable Business-Comprising of cable distribution business within ZTL and Siti Cable (hereinafter referred to as ('Cable Business Undertaking')).

B. Parts of the Scheme :

This Scheme of Arrangement is divided into the following parts:

- (i) PART I deals with the definitions and related aspects;
- (ii) PART II deals with the restructuring of the News Business Undertaking.
- (iii) PART III deals with the restructuring of the Cable Business Undertaking.
- (iv) PART IV which deals with general clauses that will be applicable to the entire Scheme of Arrangement, and
- (v) PART V which deals with general terms and conditions applicable to this Scheme of Arrangement.

PART I

DEFINITIONS

1. DEFINITIONS

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

- 1.1 "Act" means the Companies Act, 1956 and includes any statutory re-enactment or modification thereof, or amendment thereto, from time to time.
- 1.2 "Appointed Date" means 31st day of March, 2006 or such other date as may be approved by the High Court.
- 1.3 "Cable Business Undertaking of Siti Cable" means the cable business of Siti Cable including all related programme and move rights, intellectual property right, contracts, engagements, arrangements of all kind, brands, domain names and on a going concern basis and include without limitation :
 - (i) All assets wherever situated, whether movable or immovable tangible or intangible, including plant and machinery, furniture, office equipments, appliances, accessories together with all present and future liabilities (Including contingent liabilities) appertaining or relatable thereto.
 - (ii) Without prejudice to the provisions of sub-clause 1.3(i) above, the Cable Business Undertaking of Siti Cable shall include all the debts, liabilities, duties and obligations and also including, without limitation, all properties and assets in connection with or pertaining or relatable to. the Cable Business Undertaking of Siti Cable such as licenses, permits, quotes, approvals, registration, lease; tenancy rights in relation to office and residential properties, permissions, buildings, vehicles, incentives if any, and all other rights, title, interests, copyrights, patents, trademarks, trade names and other industrial or intellectual property rights of any nature whatsoever, consent approvals or powers of every kind nature and description whatsoever in connection with or pertaining or relatable to the Cable Business Undertaking of Siti Cable and all deposits and or moneys paid or received by Siti Cable in connection with or pertaining or relatable to the Cable Business Undertaking of Siti Cable and all statutory licences, permission, approvals or consent to carry on the operations of the Cable Business Undertaking of Siti Cable.

For the purpose of this Scheme, it is clarified that liabilities pertaining to the Cable Business Undertaking of Siti Cable include;

- (a) The liabilities, which arise out of the activities or operations of the Cable Business Undertaking of Siti Cable.
- (b) Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the Cable Business Undertaking of Siti Cable.
- (c) Liabilities other than those referred to in Sub-Clause (a) and (b) above and not directly relatable to the remaining business of Siti Cable, being the amounts of general or multipurpose borrowings of Siti Cable shall be allocated to the Cable Business Undertaking of Siti Cable in the same

proportion which the value of the assets transferred under this Clause bears to the total value of the assets of Siti Cable immediately before giving effect to this Scheme.

- (iii) All permanent employees of Siti Cable employed in and/or relatable to the Cable Business Undertaking of Siti Cable as on the Effective Date; and
- (iv) Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Cable Business Undertaking of Siti Cable or whether it arises out of the activities or operations of the Cable Business Undertaking of Siti Cable shall be decided by mutual agreement between the Board of Directors of Siti Cable and Wire & Wireless.

1.4 "Cable Business Undertaking of ZTL" means the cable business of ZTL including all related programme and move right, intellectual property rights, telecasting and broadcasting rights through cable, contracts, engagements, arrangements of all kinds, brands, domain names and on a going concern basis and include without limitation;

- (i) All assets wherever situated, whether movable or immovable, tangible or intangible, including plant and machinery, furniture, office equipments, appliances, accessories together with all present and future liabilities (including contingent liabilities) appertaining or relatable thereto.
- (ii) Without prejudice to the provisions of sub-clause 1.4(i) above, the Cable Business Undertaking of ZTL shall include all the debts, liabilities, duties and obligations and also including, without limitation, all properties and assets in connection with or pertaining or relatable to the Cable Business Undertaking of ZTL such as licenses, permits, quotas, approvals, registrations, lease, tenancy rights in relation to office and residential properties, permission, buildings, vehicles, incentives if any, and all other rights, title, interests, copyrights, patents, trademarks, trade names and other industrial or intellectual property rights of any nature whatsoever, consent, approvals or powers of every kind nature and description whatsoever in connection with or pertaining or relatable to the Cable Business Undertaking of ZTL and all deposits and or moneys paid or received by ZTL in connection with or pertaining or relatable to the Cable Business Undertaking of ZTL, all statutory licences, permission, approvals or consents to carry on the operations of the Cable Business Undertaking of ZTL.

For the purpose of this Scheme, it is clarified that liabilities pertaining to the Cable Business Undertaking of ZTL include;

- (a) The liabilities, which arise out of the activities or operations of the Cable Business Undertaking of ZTL
- (b) Specific loans and borrowings raised, incurred and utilized for the activities or operation of the Cable Business Undertaking of ZTL.
- (c) Liabilities other than those referred to in Sub-Clauses (a) and (b) above and not directly relatable to the remaining business of ZTL, being the amounts of general or multipurpose borrowing of ZTL shall be allocated to the Cable Business Undertaking of ZTL in the same proportion which the value of the assets transferred under this Clause bears to the total value of the assets of ZTL immediately before giving effect to this Scheme.

- (iii) All permanent employees of ZTL employed in and/or relatable to the Cable Business Undertaking of ZTL as on the Effective Date; and
 - (iv) Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Cable Business Undertaking of ZTL or whether it arises out of the activities or operations of the Cable Business Undertaking of ZTL shall be decided by mutual agreement between the Board of Directors of ZTL and Wire & Wireless.
- 1.5 "Cable Business Demerged Undertakings" means collectively, the cable business undertaking of ZTL and Siti Cable.
- 1.6 "Court" or "High Court" means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable.
- 1.7 "Demerged Undertakings" means,
- (i) News Business Undertaking of ZTL; and
 - (ii) Cable Business Demerged Undertakings, collectively,
- 1.8 "Effective Date" means the date on which the certified copy of the Order of the High Court of Judicature at Bombay sanctioning the Scheme is filed with the Registrar of Companies, Mumbai, Maharashtra.
- 1.9 "Wire & Wireless" means Wire & Wireless (India) Limited, having its registered office at 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai - 400 018.
- 1.10 "News Business Undertaking" means the News and Regional Channel business of ZTL including ZTL's investments in ZNL and all its programme rights, intellectual property rights, telecasting and broadcasting rights, contracts, engagements, arrangements of all kinds, brands, domain names and on a going concern basis and include without limitation;
- (i) All assets wherever situated, whether movable or immovable, tangible or intangible, including plant and machinery, furniture, office equipments, appliances, accessories together with all present and future liabilities (including contingent liabilities) appertaining or relatable thereto.
 - (ii) Without prejudice to the provisions of sub-clause 1.10(i) above, the News Business Undertaking of ZTL shall include all the debts, liabilities, duties and obligations and also including, without limitation, all properties and assets in connection with or pertaining or relatable to the News Business Undertaking of ZTL such as licenses, permits, quotas, approvals, registrations, lease, tenancy rights in relation to office and residential properties, permission, buildings, plant and machinery, office equipments, vehicles, incentives if any, and all other rights, title, interests, copyrights, patents, trademarks, trade names and other industrial or intellectual property rights of any nature and description whatsoever in connection with or pertaining or relatable to the News Undertaking of ZTL and all deposits and or moneys paid or received by ZTL in connection with or pertaining or relatable to the News Business Undertaking of ZTL and all statutory licences, permissions, approvals or consents to carry on the operations of the News Business Undertaking of ZTL.

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

- (a) The liabilities, which arise out of the activities or operations of the News Business Undertaking of ZTL.
 - (b) Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the News Business Undertaking of ZTL.
 - (c) Liabilities other than those referred to in Sub-Clauses (a) and (b) above and not directly relatable to the remaining business of ZTL, being the amounts of general or multipurpose borrowings of ZTL shall be allocated to the News Business Undertaking of ZTL in the same proportion which the value of the assets transferred under this Clause bears to the total value of the assets of ZTL immediately before giving effect to this Scheme.
- (iis) All permanent employees of ZTL employed in and/or relatable to the News Business Undertaking of ZTL as on the Effective Date; and
- (iv) Any question that may arise as to whether a specified assets or liability pertains or does not pertain to the News Business Undertaking of ZTL or whether it arises out of the activities or operations of the News Business Undertaking of ZTL shall be decided by mutual agreement between the Board of Directors of ZTL and ZNL.

1.11 "Record Date" means the date to be fixed by the board of Directors of ZTL and Siti Cable for the purpose of reckoning names of the equity shareholders of ZTL and equity and preference shareholders of Siti Cable who shall be entitled to receive shares of Wire & Wireless and ZNL, as the case may be, upon coming into effect of this Scheme.

1.12 "Resulting Companies: means Wire & Wireless and ZNL collectively.

1.13 "Siti Cable" means Siti Cable Network Limited having its registered office at 135, Continental Building, Dr. Annia Besant Road, Worli, Mumbai - 400 018.

1.14 "Scheme" or "Scheme of Arrangement" means this Composite Scheme of Arrangement in its present form or with any modification(s) made under clause 18 of this Scheme.

1.15 "ZNL" means Zee News Limited having its registered office at 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai - 400 018.

1.16 "ZNL" means Zee Telefilms Limited having its registered office at 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai - 400 018.

2. SHARE CAPITAL

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

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

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

ZTL has issued 10,000 0.5% Foreign Currency Convertible Bonds of US\$ 10,000 each aggregating to US\$ 100 million.

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

Authorised	Amount (Rs. in 000)
105,000,000 Equity Shares of Rs. 10 each	1,050,000
43,000,000 14% Non-Cumulative Redeemable Preference Shares of Rs. 10 each	430,000
Total	1,480,000
Issued, Subscribed and Paid-up	
19,36,388 Equity Shares of Rs. 10 each, fully paid up	19,364
21,500,000 14% Non-Cumulative Redeemable Preference Shares of Rs. 10 each fully paid up	215,000
Total	234,364

Siti Cable is a wholly owned subsidiary of ZTL

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

Authorised	Amount
2,000,000 Equity Shares of Rs. 10 each	20,000,000
Total	20,000,000
Issued, Subscribed and Paid-up	
1,000,070 Equity Shares of Rs. 10 each, fully paid up	10,000,700
Total	10,000,700

Post March, 31, 2005 the authorized and issued share capital of ZNL has increased. Currently the authorized share capital is Rs. 200,000,000 (Rupees Twenty Crores Only) comprising of 20,000,000 (Two Crores) equity shares of Rs. 10 (Rupees Ten Only) each. The issued, subscribed and paid up share capital currently stands at Rs. 198,500,000 (Rupees Nineteen Crores Equity Five Lacs Only) being 19,850,000 (One Crore Ninety Eight Lacs Fifty Thousand) equity shares of Rs. 10 (Rupees Ten Only) each. ZTL owns 33.12% in ZNL

- 2.4 The share capital structure of Wire & Wireless as on March 29, 2006 is as under:

Authorised	Amount
50,000 Equity Shares of Rs. 10 each	500,000
Total	500,000
Issued, Subscribed and Paid-up	
50,000 Equity Shares of Rs. 10 each, fully paid up	500,000
Total	500,000

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

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

PART II

RESTRUCTURING OF NEWS BUSINESS UNDERTAKING AND CAPITAL REORGANISATION OF ZNL

4. VESTING OF THE NEWS BUSINESS UNDERTAKING

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

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

- 4.2 On the Scheme becoming effective, the investments in the equity share capital of ZNL as appearing in the books of accounts of ZTL shall stand cancelled. The cancellation which amounts to reduction of shares capital of ZNL, shall be effected as an integral part of the Scheme itself and as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital, and the Order of the Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act confirming such reduction.

5. CAPITAL REORGANISATION OF ZNL AND DISCHARGE OF CONSIDERATION BY ZNL

5.1 Split of Equity Share Capital of ZNL

- 5.1.1 The current paid-up share capital of ZNL is Rs. 19,85,00,000 divided into 1,98,50,000 Equity Shares of Rs. 10 each.
- 5.1.2 Upon or before the Scheme becoming operative, the paid-up capital of ZNL shall be reorganized to Rs. 19,85,00,000 divided into 19,85,00,000 Equity Shares of Re. 1 each fully paid-up.

5.2 Entitlement of shares in ZNL

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

"137 (One Hundred Thirty Seven Only) fully paid up equity shares of **Re. 1** each of ZNL for every 100 (One Hundred) equity shares of **Re. 1** each held in ZTL".

- 5.2.2 If on the record Date the Foreign institutional investors (FIIs) hold more than 32% equity share capital in ZTL, than such class of FIIs holding more than 0.5% shareholding in ZTL of such other class of FIIs as the Board of ZTL deem fit, would be proportionately allotted Preference Share in ZTL, for such excess holding in lieu of their entitlement for equity shares as follows:

"1,781 fully paid up preference shares of **Re. 1** (Rupee One only) each of ZTL shall be issued and allotted for every 100 (One Hundred) equity shares of **Re. 1** each in ZTL by the respective FIIs (hereinafter referred to as "Preference Shares").

The terms of Preference Shares to be issued by ZNL are annexed herewith as Schedule I

5.3 Capital Reduction in ZNL

- 5.3.1 Upon the Scheme becoming effective, the fully paid-up equity share capital of ZNL after giving effect to the cancellation of investments as per clause 4.2 and the entitlement of shares as per clause 5.2.1, shall be reduced as follows:

"The reduction shall be effected by canceling 67 equity shares of **Re. 1** each fully paid-up for every 100 equity shares of **Re. 1** each fully paid-up held in ZNL."

- 5.3.2 Such reduction of equity share capital of ZNL as provided in this Clause shall be effected as a part of the Scheme, as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital, and the Order of the Court sanctioning the Scheme shall be deemed to be an Order Section 102 of the Act confirming such reduction of equity share capital of ZNL.

5.4 Issuance of Equity Shares

ZNL shall without any application or deed, issue and allot equity Shares. Credited as fully paid- up to the members of ZTL holding fully paid-up equity shares in ZTL and whose names appear in the register of members of ZTL on the Record Date or such of their respective heirs, executors, administrators or other successors in title as may be recognized by the Board of Directors of ZTL, as per the entitlement in clause 5.2 and as reduced by the capital reduction detailed in clause 5.3, which shall be as under:

"45.21 fully paid equity of **Re. 1** each of ZNL shall be issued and allotted for every 100 equity shares of **Re. 1** each held in ZTL."

- 5.5 No coupons shall be issued in respect of fractional entitlements, if any, by ZNL, to the members of ZTL at the time of issue and allotment of Equity and Preference Shares under Clause 5.2 and 5.4. The Board of Directors of ZNL shall consolidate all fractional entitlements, if any, arising due to the demerger of the News Business Undertaking and allot Equity and preference Shares in lieu thereof to a director or such other authorized representative (s) as the board of directors of ZNL shall appoint in this behalf, who shall hold the equity and Preference Shares issued in ZNL, in trust on behalf of the members entitled to fractional entitlement with the express understanding that such director(s) or other authorized representative(s) shall sell the same in the market at such time or times and at such price or prices and to such person or persons, as it/he/they may deem fit, and pay to ZNL, the net sale proceeds thereof, whereupon ZNL shall distribute such net sale proceeds, subject to taxes, if any, to the members in proportion to their respective fractional, entitlements. The Board of Directors of ZNL, if it deems necessary, in the interests of allottees, approve such other method in this

behalf as it may, in its absolute discretion, deem fit.

- 5.6. The Equity Shares to be issued to the members of ZTL as above shall be subject to the Memorandum and Articles of Association of ZNL and shall rank *pari passu* with the existing equity shares of ZNL in all respects including dividends.
- 5.7. The Equity and Preference Shares shall be issued in dematerialized form to those shareholders who hold shares of ZTL in dematerialized form, in to the account in which ZTL shares are held or such other account as is intimated by the shareholders to ZTL and/or its Registrar before the Record Date. All those shareholders who hold shares of ZTL in physical form shall also have the option to receive the Equity and Preference Shares, as the case may be in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to ZTL and/or its Registrar before the Record Date. Otherwise, they would be issued Equity and Preference Shares as the case may be, in physical form.
- 5.8. ZNL shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of Equity and Preference Shares to the members of ZTL under the Scheme.
- 5.9. The new Equity and Preference Shares of ZNL shall be listed on all the stock exchanges on which the shares of ZTL are listed as on the Effective Date.
- 5.10. In the event of their being any pending share transfer, whether lodged or outstanding, of any shareholder of ZTL, the Board of Directors or any committee thereof of ZTL shall be empowered even subsequent to the Effective Date, to effectuate such transfer as if such changes in the registered holder were operative from the Effective Date, in order to remove any difficulties arising to the transfer of shares after the Scheme becomes effective.
- 5.11. The issue and allotment of Equity and Preference Shares to the members of ZTL, as provided in this Scheme, shall be deemed to be made in compliance with the procedure laid down under Section 81(1A) and any other provisions of the Act.
- 5.12. As a part of this Composite Scheme and to comply with the regulatory requirements, Foreign Promoters of ZTL will transfer their appropriate holdings in ZNL to the Indian Promoters. Subject to obtaining the requisite approvals, the above transfer will be effected after the Record Date but before the listing of the equity shares issued by ZNL pursuant to the Scheme.

6. ACCOUNTING TREATMENT

6.1 IN THE BOOKS OF ZNL

- 6.1.1 ZNL shall, upon the arrangement in Part II of this Scheme becoming operative, record all the assets and liabilities of the News Business Undertaking, vested in it pursuant to this Scheme, at their respective book values.
- 6.1.2 The inter-corporate deposits/loans and advances outstanding between ZNL and the News Business Undertaking of ZTL will stand cancelled and there shall be no further obligation/ outstanding in that behalf;
- 6.1.3 The value of net assets of the News Business Undertaking of ZTL transferred to ZNL under Part II of this Scheme, as adjusted against the face value of the Equity and Preference shares issued under clauses 5.2 and 5.4 above and the face value of the equity shares of ZNL cancelled pursuant to clause 4.2 and 5.3 above shall be adjusted in the Profit & Loss account of ZNL.

6.2 IN THE BOOKS OF ZTL

- 6.2.1 The deficit arising on account of transfer of net assets of the News Business Undertaking to ZNL and on account of the cancellation of investment, inter corporate deposits/loans and advances in ZNL will be adjusted against the Securities Premium Account of ZTL.
- 6-2.2 The application and reduction of the securities premium account, as per clause 6.2.1 above, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and the order of the Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act confirming the reduction.

PART III

CAPITAL REORGAINISATION OF WIRE & WIRELESS AND RESTRUCTURING OF CABLE BUSINESS DEMERGED UNDERTAKING

7. REORGANISATION OF EQUITY SHARE CAPITAL OF WIRE & WIRELESS

- 7.1 The paid-up capital of Wire & Wireless in Rs. 500,000 divided into 50,000 Equity Shares of Rs. 10 each.
- 7.2 Upon or before the scheme becoming operative, the existing paid-up capital of Wire & Wireless shall be reorganized to Rs. 500,000 divided into 500,000 Equity Shares of Re.1 each fully paid-up.

8. VESTING OF THE CABLE BUSINESS DEMERGED UNDERTAKINGS

Upon the coming into effect of this Scheme and with effect from the Appointed Date and subjects to the provisions of this Scheme, the entire Cable Business Demerged Undertakings shall, pursuant to the provisions of Section 391 to 394 and other relevant provisions of the Act, without any further act, instrument of deed, be transferred to vest in or be deemed to be transferred to and vested in Wire & Wireless, as a going concern, so as to vest in Wire & Wireless all the rights, title and interest of ZTL and Siti Cable therein, subject to subsisting charges and pledges, if any.

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

9. CONSIDERATION

- 9.1 Upon coming into effect of the Scheme, and in consideration for the transfer of the Cable Business Demerged Undertakings in Wire & Wireless, Wire & Wireless shall, without any application or deed, issue and allot shares, credited as fully paid up, to the extent

indicated below, to the members of ZTL and Siti Cable whose names appear in the register of members of ZTL and Siti Cable, on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of ZTL and Siti Cable in the following proportion viz.:

(a) For equity shareholders of ZTL

"1 (One) fully paid up equity share of Re. 1 (Rupees One Only) each of Wire & Wireless shall be issued and allotted for every 2 (Two) equity shares of Re. 1 each held in ZTL (hereinafter referred to as "Equity Shares")

(b) For equity shareholders of Siti Cable i.e. ZTL

"1 (One) fully paid up preference share of Re. 1 each of Wire & Wireless shall be issued and allotted for every 1,000 (One Thousand) equity shares of Re. 10 each held in Siti Cable.

(c) For preference shareholders of Siti Cable i.e. ZTL

"1 (One) fully paid up preference share of Re. 1 each of Wire & Wireless shall be issued and allotted for every 1,000 (One Thousand) preference shares of Re. 10 each held in Siti Cable.

The terms of Preference Shares to be issued by Wire & Wireless are annexed herewith as Schedule II.

- 9.2 No coupons shall be issued in respect of fractional entitlements, if any, by Wire & Wireless, to the members of ZTL and Siti Cable at the time of issue and allotment of Equity and Preference Shares under Clause 9.1. The board of directors of Wire & Wireless shall consolidate all fractional entitlements, if any, arising due to the demerger of the Cable Business Demerged Undertakings and allot Equity and Preference Shares and in lieu thereof to a director or such other authorized representative(s) as the board of directors of Wire & Wireless shall appoint in this behalf, who shall hold the Equity and Preference Shares issued in Wire & Wireless, in trust on behalf of the members entitled to fractional entitlements with the express understanding that such director(s) or other authorized representative (s) shall sell the same in the market at such time or times and at such price or prices and to such person or persons, as it/he/they may deem fit, and pay to Wire & Wireless, the net sale proceeds thereof, whereupon Wire & Wireless shall distribute such net sale proceeds, subject to taxes, if any, to the members in proportion to their respective fractional entitlements. The Board of Directors of Wire & Wireless, if it deems necessary, in the interests of allottees, approve such other method in this behalf as it may, in its absolute discretion, deem fit.
- 9.3 The Equity and Preference Shares to be issued to the members of ZTL and Siti Cable under Clause 9.1 shall be subject to the Memorandum and Articles of Association of Wire & Wireless and shall rank *pari passu* with the existing shares of Wire & Wireless in all respect including dividends.
- 9.4 The Equity and Preference Shares shall be issued in dematerialized form to those shareholders who hold shares of ZTL and Siti Cable in dematerialized form, in to the account in which ZTL and Siti Cable shares are held or such other account as is intimated by the shareholders to ZTL and / or its Register and to Siti Cable before the Record Date. All those shareholders who hold shares of ZTL and Siti Cable in physical form shall also have the option to receive the Equity and Preference Shares in dematerialized form, provided the details of their account with the Depository Participant are intimated in writing to ZTL and/or the Registrar and to Siti Cable before the Record Date. Otherwise, they would be issued Equity and Preference Shares in physical form.

- 9.5 Wire & Wireless shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of Equity and Preference Shares to the members of ZTL and Siti Cable under the Scheme.
- 9.6 The new Equity Shares of Wire & Wireless shall be listed on all the stock exchanges on which the shares of ZTL are listed as on the Effective Date,
- 9.7 In the event of their being any pending share transfer, whether lodged or outstanding, of any shareholders of ZTL, the Board of Directors or any committee thereof of ZTL shall be empowered even subsequent to the Effective Date, to effectuate such transfer as if such changes in the registered holder were operative from the Effective Date, in order to remove any difficulties arising to the transfer of shares after the Scheme becomes effective.
- 9.8 This issue and allotment of Equity and Preference Shares to the members of ZTL and Siti Cable, as provided in this Scheme, shall be deemed to be made in compliance with the procedure laid down under Section 81(1A) and any other provisions of the Act.
- 9.9 As a part of this Composite Scheme and to comply with the regulatory requirements, the Foreign Promoters of ZTL will transfer their appropriate part of their holdings in Wire & Wireless to the Indian Promoters. Subject to obtaining of requisite approvals, the above transfer will be effected after the Record Date but before the listing of the equity shares issued by Wire & Wireless pursuant to the Scheme.

10. ACCOUNTING TREATMENT

10.1 In the Books of Wire & Wireless

- 10.1.1 Wire & Wireless shall upon the arrangement in Part III of this Scheme becoming operative, record all the assets and liabilities of the Cable Business Demerged Undertakings, vested in it pursuant to the Scheme, at their respective book values,
- 10.1.2 The value of net assets of the Cable Business Demerged Undertakings of ZTL and Siti Cable transferred to Wire & Wireless under Part III of this Scheme, as adjusted against the face value of the Equity and Preference Shares issued under clause 9.1 above shall be adjusted in the Profit & Loss Account of Wire & Wireless.

10.2 In the Books of Siti Cable

- 10.2.1 As a part of the Composite Scheme of Arrangement and pursuant to issuance of Preference Shares of Wire and Wireless as per clause 9.1 above, the Preference Shares of Siti Cable will get cancelled.
- 10.2.2 The deficit arising on transfer of the net assets of the Cable Business Undertaking of Siti Cable to Wire & Wireless, shall be adjusted against the credit arising on account of cancellation of Preference Shares, balance lying in Share Application Money Account and balance, if any, shall be debited/credited to the Profit and Loss Account of Siti Cable.
- 10.2.3 The reduction in the Preference Share Capital, as per clause 10.2.1 above, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and the order of the Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act confirming the reduction.

10.3 In the Books of ZTL

- 10.3.1 The deficit arising on transfer of the net assets of the Cable Business Undertaking of ZTL to Wire & Wireless and after adjusting the appreciation and/or diminution, if and to the extent considered necessary by the Board of Directors of ZTL, in the value of certain of its assets whether fixed or current or investments, as the Appointed Date in the books of ZTL, shall be adjusted against the Securities Premium Account of ZTL.
- 10.3.2 The application and reduction of the Securities Premium Account, as per clause 10.3.1 above, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.

11. TRANSFER OF INVESTMENTS IN APLAB FROM SITI CABLE TO ZTL

- 11.1 As an Integral element of Part III of the Scheme, investments made by Siti Cable in Aplan Limited would be transferred to ZTL at the values appearing in the books of Siti Cable.
- 11.2 As a consideration for the above transfer, the amount of advances outstanding from ZTL to Siti Cable will get adjusted to the extent of consideration.

PART IV

GENERAL CLAUSES

12. TRANSACTIONS BETWEEN THE APPOINTED DATE AND EFFECTIVE DATE

- 12.1 During the period between the Appointed Date and the Effective Date:
- i) ZTL and Siti Cable shall be deemed to have held and stood possessed of, and shall hold and stand possessed of, the assets and liabilities of the respective Demerged Undertakings for and on account of, and in trust for, ZNL and Wire & Wireless, as the case may be;
 - ii) All the profits or income accruing or arising to ZTL and Siti Cable, including dividends, or expenditure or losses arising or incurred by ZTL and Siti Cable on account of the respective Demerged Undertakings, shall for all purposes be treated and deemed to accrue as the profits or income or expenditure or losses (as the case may be) of ZTL and Wire & Wireless, as the case may be; and
 - iii) ZTL and Siti Cable shall not utilize the profits or income, if any, relating to the respective Demerged Undertakings for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of ZNL and Wire & Wireless, as the case may be.
- 12.2 As and from the date of acceptance of this Scheme by the Board of Directors of ZTL and Siti Cable and the Board of Directors of ZNL and Wire & Wireless and till the Effective Date, ZTL and Siti Cable shall not alienate, charge, mortgage, encumber or otherwise deal with the assets of the respective Demerged Undertakings or any part thereof without the prior written concurrence of the Board of Directors ZNL and Wire & Wireless, as the case may be.

13. STAFF, WORKMEN & EMPLOYEES

- 13.1 On the Scheme becoming operative, all staff, workmen and employees relatable to the Demerged Undertakings in service on the Effective Date shall be deemed to have become staff, workmen and employees of ZNL and Wire & Wireless, as the case may be, with effect from the Appointed Date without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with ZNL and Wire & Wireless, as the case may be, shall not be less favorable than those applicable to them with reference to ZTL and Siti Cable, as the case may be, immediately preceding the transfer.
- 13.2 As far as the Provident Fund, Gratuity Fund, Superannuation Fund or any other special fund created or existing for the benefit of such permanent employees of the Demerged Undertakings are concerned, on and from the Effective Date, ZNL and Wire & Wireless, as the case may be, shall stand substituted for ZTL and Siti Cable, as the case may be for all the purposes whatsoever related to administration or operation of such Funds in accordance with provisions of such Funds according to the terms provided in the respective trust deeds or other documents. It is clarified that the services of such permanent employees of the Demerged undertakings will be treated as having been continuous and not interrupted for the purposes of such Funds.

14. LEGAL PROCEEDINGS

- 14.1 All legal proceeding of whatsoever nature by or against ZTL and Siti Cable pending and/or arising at the Appointed Date and relating to the Demerged Undertakings of ZTL and Siti Cable, as and from the Effective Date, shall be continued and enforced by or against ZNL or Wire & Wireless, as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against ZTL or Siti Cable, as the case may be.
- 14.2 After the Appointed Date, if any proceedings are taken against ZTL and Siti Cable in respect of the matters referred to in the sub-clause 14.1 above, they shall defend the same at the cost of ZNL or Wire & Wireless, as the case may be and ZNL or Wire & Wireless, as the case may be, shall reimburse and indemnify ZTL or Siti Cable, as the case may be, against all liabilities and obligations incurred by ZTL or Siti Cable in respect thereof.
- 14.3 ZNL and Wire & Wireless undertake to have all legal or other proceedings initiated by or against ZTL or Siti Cable, as the case may be, referred to in sub-clause 14.1 above, transferred into their respective names and to have the same continued, prosecuted and enforced by or against ZNL or Wire & Wireless, as the case may be, to the exclusion of ZTL and Siti Cable.

15. CONTRACTS, DEEDS, ETC.

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature relating to the Demerged Undertakings and to which ZTL or Siti Cable are parties and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of ZNL or Wire & Wireless, as the case may be, and may be enforced by or against ZNL or Wire & Wireless, as the case may be as fully and effectually as if, instead of ZTL or Siti Cable, ZNL or Wire & Wireless had been a party thereto from inception ZNL or Wire & Wireless shall enter into and/or issue and/or execute deeds, writings or confirmation or enter into any arrangements, confirmations or novations, in order to give formal effect to the provisions of this Scheme ZNL and Wire & Wireless shall be deemed to be authorized to

execute any deeds, writings or confirmations on behalf of ZTL or Siti Cable, as the case may be, and to implement or carry out all formalities required on the part of ZTL or Siti Cable to give effect to the provisions of this Part IV of the Scheme.

16. SAVING OF CONCLUDED TRANSACTIONS & PROCEEDINGS

The transfer of and vesting of the Demerged Undertakings under Clause 4 and 8 above and the continuance of proceedings by or against ZNL or Wire & Wireless, as the case may be, under Clause 14 above shall not affect any transaction or proceedings already concluded by ZTL or Siti Cable in respect of the Demerged Undertakings on or after the Appointed Date till the Effective Date, to the end and intent that ZNL and Wire & Wireless, as the case may be, accepts and adopts all acts, deeds and things done and executed of ZTL or Siti Cable, as the case may be, in respect thereto as done and executed on behalf of itself.

PART V

GENERAL TERMS AND CONDITIONS

17. APPLICATION TO HIGH COURT OR SUCH OTHER COMPETENT AUTHORITY

ZTL, Siti Cable, ZNL and Wire & Wireless shall make applications/petitions under Section 391 to 394 and other applicable provisions of the Act to the High Court of Judicature at Bombay or such other appropriate authority for sanction of this Scheme.

18. ENHANCEMENT OF BORROWING LIMITS

Upon the coming into effect of this Scheme, the borrowings Limits of ZNL and Wire & Wireless, as the case may be, in terms of Section 293(1)(d) of the Act, shall without further act or deed stand enhanced by an amount equivalent to the authorized borrowing limits of ZTL or Siti Cable, as the case may be, such limits being incremental to the existing limits of ZNL and Wire & Wireless. These limits as enhanced may be increased from time to time by ZNL and Wire & Wireless, as the case may be, by obtaining the sanction of its shareholders in accordance with the provisions of the said Act.

19. MODIFICATION OR AMENDMENTS TO THE SCHEME

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

20. SCHEME CONDITIONAL ON APPROVAL / SANCTIONS

The Scheme is conditional upon and subject to the following :

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

21. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding Clause 20 not being obtained and/or the Scheme not being sanctioned by the High Court or such other competent authority and/or the order or orders not being passed as aforesaid before March 31, 2007 or such other date as the Board of Directors of ZTL may determine, the Scheme shall become null and void; and ZTL shall bear the entire cost, charges and expenses in connection with the Scheme unless otherwise mutually agreed.

22. COSTS, CHARGES & EXPENSES

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

Schedule - I TERMS AND CONDITIONS FOR ISSUE OF

Issuer	ZNL ZNL'S NEW PREFERENCE SHARES
Instrument	Non-Cumulative Redeemable Preference Shares
Face Value	Re. 1 per Preference Share
Coupon Rate	7.25% per annum Non-cumulative
Redemption	To be redeemed at the end of 2 years from the date of allotment
Call Option	ZNL will have an option to redeem the Preference Shares at any time after the end of 1 year from the date of allotment. ZNL upon exercise of such option or on redemption will pay the amount of the face value of the Preference Shares along with dividend accrued up to that date. ZNL's liability to the Preference Shareholders shall stand extinguished from the date of dispatch of the cheques/pay order for the redemption amount along with dividend, if any.

Schedule - II

**TERMS AND CONDITIONS FOR ISSUE OF WIRE &
WIRELESS' NEW PREFERNECE SHARES**

Issuer	Wire & Wireless
Instrument	Non-Cumulative Redeemable Preference Shares
Face Value	Re. 1 per Preference Share
Coupon Rate	7.25% per annum Non-cumulative
Redemption	To be redeemed at the end of 2 years from the date of allotment
Call Option	Wire & Wireless will have an option to redeem the Preference Shares at any time after the end of 1 year from the date of allotment, Wire & Wireless, upon exercise of such option or on redemption will pay the amount of the face value of the Preference Shares along with dividend accrued up to that date. Wire & Wireless' liability to the Preference Shareholders shall stand extinguished from the date of dispatch of the cheques/pay order for the redemption amount along with dividend, if any.