

**COMPOSITE SCHEME OF AMALGAMATION AND ARRANGEMENT  
UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER RELEVANT  
PROVISIONS OF THE COMPANIES ACT, 2013**

**BETWEEN**

**DEN NETWORKS LIMITED**

... Amalgamating Company 1/  
DEN

**AND**

**HATHWAY CABLE AND DATACOM LIMITED**

... Amalgamating Company 2/  
HCDL

**AND**

**TV18 BROADCAST LIMITED**

... Amalgamating Company 3/  
TV18

**AND**

**NETWORK18 MEDIA & INVESTMENTS LIMITED**

... Transferor Company/  
Amalgamated Company/  
Network18

**AND**

**MEDIA18 DISTRIBUTION SERVICES LIMITED**

... Transferee Company 1/  
Cable Co

**AND**

**WEB18 DIGITAL SERVICES LIMITED**

... Transferee Company 2/  
ISP Co

**AND**

**DIGITAL18 MEDIA LIMITED**

... Transferee Company 3/  
Digital Co

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

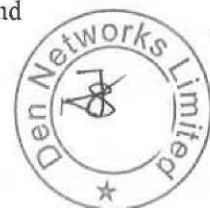


## PREAMBLE

- A. Brief overview of the companies**
- i. Den Networks Limited (“DEN” or “Amalgamating Company 1”)**
- (a) DEN is a public limited company incorporated under the Act with its registered office at 236, Okhla Industrial Estate, Phase-III, New Delhi - 110 020. The CIN of DEN is L92490DL2007PLC165673.
  - (b) The Board of DEN has, in its meeting held on February 17, 2020, approved shifting of the registered office of DEN to Mumbai and DEN is in the process of undertaking all necessary actions, as per the Act, to shift the registered office to Mumbai. Filing of the application and the petition pursuant to the Scheme by DEN will be made in the jurisdiction of the NCLT of the new registered office of DEN.
  - (c) DEN is engaged in the business of (i) providing cable television services as Multisystem Operators; and (ii) broadband services through wholly owned subsidiary.
  - (d) The equity shares of DEN are listed on the Stock Exchanges.
- ii. Hathway Cable and Datacom Limited (“HCDL” or “Amalgamating Company 2”)**
- (a) HCDL is a company incorporated under the Act with its registered office at “Rahejas”, 4th Floor, Corner of Main Avenue & V. P. Road, Santacruz (W), Mumbai - 400 054. The CIN of HCDL is L64204MH1959PLC011421.
  - (b) HCDL is engaged in the business of (i) wired broadband services; (ii) cable television services through its subsidiaries and joint ventures; and (iii) distribution of over the top services.
  - (c) The equity shares of HCDL are listed on the Stock Exchanges.
- iii. TV18 Broadcast Limited (“TV18” or “Amalgamating Company 3”)**
- (a) TV18 is a public limited company incorporated under the Act with its registered office at First Floor, Empire Complex 414, Senapati Bapat Marg, Lower Parel Mumbai - 400 013, Maharashtra. The CIN of TV18 is L74300MH2005PLC281753.
  - (b) TV18 is engaged in the media business and it broadcasts general news channels in Hindi, English and other regional languages and business news channels in Hindi, English and Gujarati and also broadcasts, through its subsidiaries, general entertainment channels in Hindi, English and other regional languages as well as factual entertainment channels.
  - (c) The equity shares of TV18 are listed on the Stock Exchanges.
- iv. Network18 Media & Investments Limited (“Network18” or “Transferor Company” or “Amalgamated Company”)**
- (a) Network18 is a public limited company incorporated under the Act with its registered office at First Floor, Empire Complex 414, Senapati Bapat Marg, Lower Parel Mumbai - 400 013, Maharashtra. The CIN of Network18 is L65910MH1996PLC280969.



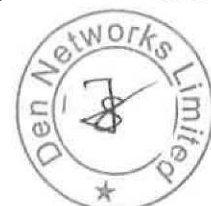
- (b) Network18 has presence in several media and entertainment businesses directly and through its subsidiaries like general news channels in Hindi, English and other regional languages, business news channels in Hindi, English and Gujarati, general entertainment channels in Hindi, English and other regional languages, factual entertainment channels, business of printing and publishing magazines, digital business, content creation and production business.
    - (c) The equity shares of Network18 are listed on the Stock Exchanges.
  - v. **Media18 Distribution Services Limited ("Cable Co" or "Transferee Company 1")**
    - (a) Cable Co is a public limited company incorporated under the Act with its registered office at Vrindavan, Shree Ram Mills Compound, GK Marg, Lower Parel, Mumbai, Maharashtra - 400013. The CIN of the Cable Co is U74999MH2020PLC336917.
    - (b) Cable Co is incorporated to carry on the business of setting up, acquiring, holding/ investing in and/or promoting various ventures *inter alia* relating to cable services encompassing distribution, relaying and transmission of signals.
    - (c) Cable Co is a wholly owned subsidiary of Network18.
  - vi. **Web18 Digital Services Limited ("ISP Co" or "Transferee Company 2")**
    - (a) ISP Co is a public limited company incorporated under the Act with its registered office at Vrindavan, Shree Ram Mills Compound, GK Marg, Lower Parel, Mumbai, Maharashtra - 400013. The CIN of the ISP Co is U74999MH2020PLC336907.
    - (b) ISP Co is incorporated to carry on the business of setting up, acquiring, holding/ investing in and promoting various ventures *inter alia* relating to the business of operating internet services, broadband services, ISDN services, leased line services and VSAT services.
    - (c) ISP Co is a wholly owned subsidiary of Network18.
  - vii. **Digital18 Media Limited ("Digital Co" or "Transferee Company 3")**
    - (a) Digital Co is a public limited company incorporated under the Act with its registered office at Vrindavan, Shree Ram Mills Compound, GK Marg, Lower Parel, Mumbai, Maharashtra - 400013. The CIN of the Digital Co is U72900MH2020PLC336906.
    - (b) Digital Co is incorporated to carry on the business of setting up, acquiring, holding/ investing in and /or promoting various ventures *inter alia* relating to the business of broadcasting, telecasting, relaying, transmitting or distributing digitally or in any other manner, any audio, video or other programmes or software.
    - (c) Digital Co is a wholly owned subsidiary of Network18.
- B. Overview of the Scheme**
- i. The Scheme provides for the following:
    - (a) the amalgamation of DEN, HCDL and TV18 with Network18 and the consequent issue of equity shares by Network18 to the shareholders of DEN, HCDL and TV18, respectively, with effect from the Appointed Date ("**Amalgamation**") and



- (b) subsequent to the Amalgamation and with effect from the Appointed Date, transfer of the Cable Business Undertaking, the ISP Business Undertaking and the Digital Business Undertaking from Network18 to the Cable Co, the ISP Co and the Digital Co respectively, each on a "going concern" basis.
- ii. This Scheme is divided into the following parts:
  - (a) **Part I** contains the definitions used in the Scheme, principles of interpretation pertaining to this Scheme and the capital structure of the Scheme Entities;
  - (b) **Part II** deals with the amalgamation of DEN, HCDL and TV18 into Network18;
  - (c) **Part III** deals with the transfer of the Cable Business Undertaking, the ISP Business Undertaking and the Digital Business Undertaking from Network18 to the Cable Co, the ISP Co and the Digital Co respectively, and matters incidental thereto; and
  - (d) **Part IV** deals with the general terms and conditions applicable to this Scheme.

**C. Rationale for the Scheme**

- i. Network18 and TV18 are under the sole control of Independent Media Trust, whose sole beneficiary is Reliance Industries Limited ("**Reliance**"). Den and HCDL are under the sole control of Digital Media Distribution Trust, whose sole beneficiary is a wholly owned subsidiary of Reliance. The Amalgamating Companies and Network18 are engaged in complementary businesses.
- ii. The Scheme seeks to restructure the broadcasting, digitalmedia, broadband and cable distribution businesses of the Scheme Entities and achieve consolidation under a single publicly listed company. This restructuring will enable the shareholders of the Amalgamating Companies and Network18 to diversify into broadcasting, digital, media, broadband and cable distribution business.
- iii. This Scheme will result in *inter alia* the following benefits:
  - (a) The restructuring shall create value-chain integration and render substantial economies of scale while also simplifying the corporate structure of the group by reducing the number of listed entities.
  - (b) The aggregation of a content powerhouse across news and entertainment (both linear and digital) and the country's largest cable distribution network under the same umbrella shall boost efficiency and exploit synergies, creating value for all stakeholders.
  - (c) An integrated media play shall further increase the breadth as well as depth of the group's consumer touch points and benefit from capturing entire subscription revenues within Network18 which was hitherto spread between broadcasting and distribution entities.
  - (d) The reorganization furthers the group strategy of building a media powerhouse that is agnostic across pipes, platforms and screens.





- (e) Further, each of the cable, broadband and digital businesses would operate under separate wholly owned subsidiaries thereby creating focused management and ring-fencing of risks.

## PART I

### DEFINITIONS, INTERPRETATION AND CAPITAL STRUCTURE

#### 1. Definitions

In this Scheme, unless the context or meaning otherwise requires (a) the terms defined in the introductory paragraphs and recitals shall have the same meanings throughout this Scheme and (b) the following words and expressions, wherever used (including in the recitals and the introductory paragraphs above), shall have the meanings set forth below:

- 1.1. **"Act"** means the Companies Act 2013, as amended from time to time, including the rules thereunder, and the Companies Act 1956 (only to the extent applicable);
- 1.2. **"Amalgamating Companies"** means DEN, HCDL and TV18, collectively;
- 1.3. **"Applicable Law"** or **"Law"** means any applicable statute, law, regulation, ordinance, rule, judgment, order, decree, clearance, approval from the concerned authority, directive, guideline, press note, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any Government Authority in effect in the Republic of India, as amended from time to time;
- 1.4. **"Appointed Date"** means February 1, 2020;
- 1.5. **"Assets"** shall have the meaning set out in Clause 18;
- 1.6. **"Board of Directors"** or **"Board"** in relation to each Scheme Entity, means the board of directors of such Scheme Entity, and shall include a committee of directors or any other person, authorised by such board of directors or such committee of directors duly constituted and authorised for the matters pertaining to this Scheme and/or any other matter relating thereto;
- 1.7. **"BSE"** means the BSE Limited;
- 1.8. **"Business Transfer Consideration"** shall have the meaning set out in Clause 23;
- 1.9. **"Cable Business"** means the cable television business of receiving, distributing, transmitting, and relaying to subscribers (primary point business) or to local cable operators (secondary point business), audio visual signals, including but not limited to signals received from satellite, terrestrial signals and operator generated signals;
- 1.10. **"Cable Co"** or **"Transferee Company 1"** shall have the meaning set out in paragraph A(v) of the Preamble;
- 1.11. **"Cable Business Undertaking"** means the business undertaking pertaining to the Cable Business of the Amalgamated Company, which shall be inclusive of but not limited to:
- (a) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present or future



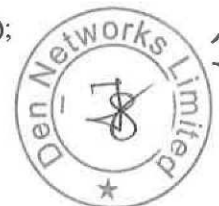
or contingent of whatsoever nature), whether situated in India or abroad, including, without limitation, all land, buildings, fixtures and structures thereon, all moveable property contained therein, stocks, current assets, investments of all kinds through any instrument, all investments in subsidiaries, joint ventures and other body corporates primarily engaged in the Cable Business, any cash or deposits, and bank accounts (including bank balances), contingent rights or benefits, receivables, advances or share application money or paid by or deemed to have been paid by or received by the Amalgamated Company, rights and benefits under any agreement, any benefits or rights available to or due to the Amalgamated Company, any reserves or funds, other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and all other interests of whatsoever nature, and wheresoever situated, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Amalgamated Company, and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Amalgamated Company, whether in India or abroad;

- (b) all permits, quotas, rights, privileges, entitlements, benefits or exemptions of any kind, industrial and other licences, whether from a governmental authority or third party, including from the Ministry of Information & Broadcasting, any bids, tenders, letters of intent, expressions of interest, consents, subsidies, privileges, income tax benefits and exemptions, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, and all other interests in connection with or pertaining to the Cable Business;
- (c) all employees of the Amalgamated Company primarily engaged in the Cable Business;
- (d) all debts, obligations, duties and liabilities, both present and future (including contingent liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, pertaining to the Cable Business;
- (e) all intellectual property and intellectual property rights (including any applications for the same) of any nature whatsoever, books, records, files, papers, product specifications, and process-related information, lists of present and former customers and suppliers, and any other customer or supplier related information, whether in physical or electronic form, pertaining to the Cable Business activities and operations of the Amalgamated Company; and
- (f) any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Cable Business shall be decided by the Board of the Amalgamated Company;

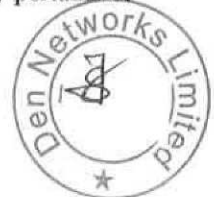
1.12. "CIN" means Corporate Identity Number;

1.13. "DEN" or "Amalgamating Company 1" shall have the meaning assigned to it in paragraph A(i) of the Preamble;

1.14. "DEN ESOP Schemes" shall have the meaning assigned to it in Clause 8(a);



- 1.15. **"Digital Business"** means the digital properties operated by Network18 – firstpost.com and news18.com, along with investments in e-Eighteen.com Limited and Big Tree Entertainment Private Limited;
- 1.16. **"Digital Co" or "Transferee Company 3"** shall have the meaning assigned to it in paragraph A(vii) of the Preamble;
- 1.17. **"Digital Business Undertaking"** means the business undertaking pertaining to the Digital Business of Network18, which shall be inclusive of but not limited to:
- (a) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature), whether situated in India or abroad, including, without limitation, all land, buildings, fixtures and structures thereon, all moveable property contained therein, stocks, current assets, investments of all kinds through any instrument, all investments in subsidiaries, joint ventures and other body corporates primarily engaged in the Digital Business, any cash or deposits, and bank accounts (including bank balances), contingent rights or benefits, receivables, advances or share application money or paid by or deemed to have been paid by or received by Network18, rights and benefits under any agreement, any benefits or rights available to or due to Network18, any reserves or funds, other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and all other interests of whatsoever nature, and wheresoever situated, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by Network18, and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by Network18, whether in India or abroad;
  - (b) all permits, quotas, rights, privileges, entitlements, benefits or exemptions of any kind, industrial and other licences, whether from a governmental authority or third party, any bids, tenders, letters of intent, expressions of interest, consents, subsidies, privileges, income tax benefits and exemptions, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, and all other interests in connection with or pertaining to the Digital Business;
  - (c) all employees of Network18 primarily engaged in the Digital Business;
  - (d) all debts, obligations, duties and liabilities, both present and future (including contingent liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, pertaining to the Digital Business;
  - (e) all intellectual property and intellectual property rights (including any applications for the same) of any nature whatsoever, books, records, files, papers, product specifications, and process-related information, lists of present and former customers and suppliers, and any other customer or supplier related information, whether in physical or electronic form, pertaining to Digital Business activities and operations of Network18; and
  - (f) any question that may arise as to whether a specified asset or liability pertains or



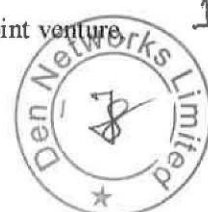
does not pertain to the Digital Business shall be decided by the Board of Network18;

- 1.18. **"Effective Date"** means the date on which the Scheme becomes effective in accordance with its terms, being the date which is later of (a) filing of the certified copies of the NCLT order approving the Scheme with the Registrar of Companies by the Scheme Entities; and (b) the receipt of approval from the Department of Telecommunications for the Scheme. References in this Scheme to date of 'coming into effect of this Scheme' or 'effectiveness of this Scheme' or 'Scheme coming into effect' shall mean the Effective Date;
- 1.19. **"Eligible Shareholder"** shall have the meaning assigned to it in Clause 7;
- 1.20. **"Employee Benefit Funds"** shall have the meaning assigned to it in Clause 22(b);
- 1.21. **"Encumbrance"** means any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same and the term **"Encumbered"** shall be construed accordingly;
- 1.22. **"Governmental Authority"** means (a) a national or state government, political subdivision thereof; (b) an instrumentality, board, commission, court, or agency, whether civilian or military, of any of the above, however constituted; and (c) a government-owned/ government-controlled association, organization in the Republic of India;
- 1.23. **"HCDL" or "Amalgamating Company 2"** shall have the meaning assigned to it in paragraph A(ii) of the Preamble;
- 1.24. **"Ind AS 103 Business Combinations"** shall have the meaning assigned to it in Clause 14(a);
- 1.25. **"INR" or "Rupees"** means the lawful currency of Republic of India;
- 1.26. **"ISP Business"** means the business of provision of broadband internet services and providing wired broadband services to end subscriber;
- 1.27. **"ISP Co" or "Transferee Company 2"** shall have the meaning assigned to it in paragraph A(vi) of the Preamble.
- 1.28. **"ISP Business Undertaking"** means the business undertaking pertaining to the ISP Business of the Amalgamated Company, which shall be inclusive of but not limited to:
- (a) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature), whether situated in India or abroad, including, without limitation, all land, buildings, fixtures and structures thereon, all moveable property contained therein, stocks, current assets, investments of all kinds through any instrument, all investments in subsidiaries, joint ventures and other body corporates primarily engaged in the ISP Business, any cash or deposits, and bank accounts (including bank balances), contingent rights or benefits, receivables



advances or share application money or paid by or deemed to have been paid by or received by the Amalgamated Company, rights and benefits under any agreement, any benefits or rights available to or due to the Amalgamated Company, any reserves or funds, other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and all other interests of whatsoever nature, and wheresoever situated, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Amalgamated Company, and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Amalgamated Company, whether in India or abroad;

- (b) all permits, quotas, rights, privileges, entitlements, benefits or exemptions of any kind, industrial and other licences, whether from a governmental authority or third party, including from the Department of Telecommunications, any bids, tenders, letters of intent, expressions of interest, consents, subsidies, privileges, income tax benefits and exemptions, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, and all other interests in connection with or pertaining to the ISP Business;
  - (c) all employees of the Amalgamated Company primarily engaged in the ISP Business;
  - (d) all debts, obligations, duties and liabilities, both present and future (including contingent liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, pertaining to the ISP Business;
  - (e) all intellectual property and intellectual property rights (including any applications for the same) of any nature whatsoever, books, records, files, papers, product specifications, and process-related information, lists of present and former customers and suppliers, and any other customer or supplier related information, whether in physical or electronic form, pertaining to ISP Business activities and operations of the Amalgamated Company; and
  - (f) any question that may arise as to whether a specified asset or liability pertains or does not pertain to the ISP Business shall be decided by the Board of the Amalgamated Company;
- 1.29. **"IT Act"** means the Income Tax Act, 1961 as amended from time to time, including the rules thereunder;
- 1.30. **"Net Proceeds"** shall have the meaning assigned to it in Clause 10(c);
- 1.31. **"Network18"** or **"Amalgamated Company"** or **"Transferor Company"** shall have the meaning assigned to it in paragraph A(iv) of the Preamble;
- 1.32. **"NCLT"** means the National Company Law Tribunal, Mumbai Bench;
- 1.33. **"NSE"** means the National Stock Exchange of India Limited;
- 1.34. **"Person"** means any individual (including in his capacity as trustee), entity, joint venture,



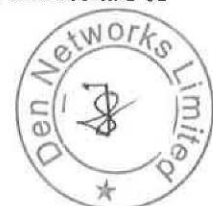


company, corporation, partnership (whether limited or unlimited), proprietorship or other enterprise (whether incorporated or not), Hindu undivided family, union, association of persons, government (central, state or otherwise), or any agency, department, authority or political subdivision thereof, and shall include their respective successors, successors-in-interest, and permitted assigns, and in case of an individual shall include his/her legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees and the beneficiary or beneficiaries from time to time;

- 1.35. **"Record Date"** means the date to be fixed by the Board of Network18 for the purpose of determining the equity shareholders of each of the Amalgamating Companies, to whom equity shares of Network18 will be allotted pursuant to this Scheme;
- 1.36. **"Registrar of Companies"** means the Registrar of Companies, Maharashtra at Mumbai having jurisdiction over the Scheme Entities;
- 1.37. **"Scheme" or "the Scheme" or "this Scheme"** means this Composite Scheme of Amalgamation and Arrangement in its present form or as amended or modified in accordance with the provisions hereof;
- 1.38. **"Scheme Entities"** means DEN, HCDL, TV18, Network18, Cable Co, ISP Co and Digital Co collectively;
- 1.39. **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.40. **"SEBI Circular"** means the circular issued by the SEBI, being circular ref. no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and any amendments thereof or modifications issued pursuant to Regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 1.41. **"Stock Exchanges"** mean the BSE and the NSE collectively;
- 1.42. **"Transferee Companies"** mean the Cable Co, the ISP Co and the Digital Co collectively;
- 1.43. **"Transferred Business Undertakings"** means the Cable Business Undertaking, the ISP Business Undertaking and the Digital Business Undertaking as the case may be;
- 1.44. **"Trustee"** shall have the meaning assigned to it in Clause 10(b); and
- 1.45. **"TV18" or "Amalgamating Company 3"** shall have the meaning assigned to it in paragraph A(iii) of the Preamble.

## **2. Interpretation**

- 2.1 All terms used but not defined in this Scheme shall, unless contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act or any statutory modification or re-enactment thereof for the time being in force or any legislation which replaces the Act.
- 2.2 References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.
- 2.3 The headings herein shall not affect the construction of this Scheme.



2.4 Unless the context otherwise requires:

- (a) the words “including”, “include” or “includes” shall be interpreted in a manner as though the words “without limitation” immediately followed the same;
- (b) any document or agreement includes a reference to that document or agreement as varied, amended, supplemented, substituted, novated, or assigned, from time to time, in accordance with the provisions of such a document or agreement;
- (c) the words “other”, “or otherwise” and “whatsoever” shall not be construed ejusdem generis or be construed as any limitation upon the generality of the preceding words or matters specifically referred to;
- (d) the singular shall include the plural and vice versa, and references to one gender include all genders;
- (e) references to any Scheme Entity shall, unless repugnant to the meaning thereof, include its successors-in-interest and permitted assigns;
- (f) in addition to the terms defined under Clause 1, certain terms are defined elsewhere in this Scheme and wherever such terms are used in this Scheme, they shall have the meaning assigned to them; and
- (g) references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative body (whether having separate legal personality or not).

### 3. Share Capital

3.1 The share capital structure of DEN as on December 31, 2019 is as under:

<b>A. Authorised Share Capital</b>	<b>Amount in INR</b>
50,00,00,000 equity shares of Rs. 10 each	500,00,00,000
<b>Total</b>	<b>500,00,00,000</b>

<b>B. Issued and Subscribed Share Capital*</b>	<b>Amount in INR</b>
47,72,23,845 equity shares of Rs. 10 each	477,22,38,450
<b>Total</b>	<b>477,22,38,450</b>

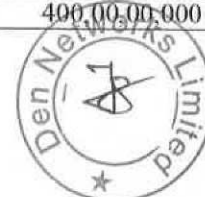
*\*includes 4,57,931 equity shares issued to DNL Employees Welfare Trust of INR 10 each*

<b>C. Paid-up Share Capital</b>	<b>Amount in INR</b>
47,72,23,845 equity shares of Rs. 10 each	477,22,38,450
<b>Total</b>	<b>477,22,38,450</b>

The equity shares of DEN are listed on the Stock Exchanges. There has been no change in the issued, subscribed and paid-up share capital of DEN subsequent to December 31, 2019.

3.2 The share capital structure of HCDL as on December 31, 2019 is as under:

<b>A. Authorised Share Capital</b>	<b>Amount in INR</b>
199,90,00,000 equity shares of INR 2 each	399,80,00,000
2,00,000 preference shares of INR 10 each	20,00,000
<b>Total</b>	<b>400,00,00,000</b>





<b>B. Issued and Subscribed Share Capital</b>	<b>Amount in INR</b>
177,01,04,500 equity shares of INR 2 each	3 54,02,09,000
<b>Total</b>	<b>3 54,02,09,000</b>

<b>C. Paid-up Share Capital</b>	<b>Amount in INR</b>
1,77,01,04,500 equity shares of INR 2 each	3 54,02,09,000
<b>Total</b>	<b>3 54,02,09,000</b>

The equity shares of HCDL are listed on the Stock Exchanges. There has been no change in the issued, subscribed and paid-up share capital of HCDL subsequent to December 31, 2019.

3.3 The share capital structure of TV18 as on December 31, 2019 is as under:

<b>A. Authorised Share Capital</b>	<b>Amount in INR</b>
6,76,05,00,000 equity shares of INR 2 each	13,52,10,00,000
<b>Total</b>	<b>13,52,10,00,000</b>

<b>B. Issued Share Capital</b>	<b>Amount in INR</b>
1,71,44,09,196 equity shares of INR 2 each	342,88,18,392
<b>Total</b>	<b>342,88,18,392</b>

<b>C. Subscribed and Paid-up Share Capital</b>	<b>Amount in INR</b>
171,43,60,160 Equity Shares of Rs. 2/- each	342,87,20,320
Add: 49,036 Forfeited Equity Shares	24,518
<b>Total</b>	<b>342,87,44,838</b>

The equity shares of TV18 are listed on the Stock Exchanges. There has been no change in the issued, subscribed and paid-up share capital of TV18 subsequent to December 31, 2019.

3.4 The share capital structure of Network18 as on December 31, 2019 is as under:

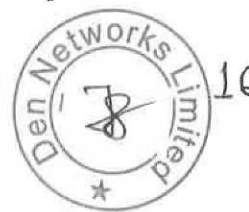
<b>A. Authorised Share Capital</b>	<b>Amount in INR</b>
5,16,98,40,000 equity shares of INR 5 each	25,84,92,00,000
1,55,00,000 preference shares of INR 10 each	15,50,00,000
11,00,000 preference shares of INR 100 each	11,00,00,000
1,05,00,000 preference shares of INR 200 each	210,00,00,000
<b>Total</b>	<b>28,21,42,00,000</b>

<b>B. Issued and Subscribed Share Capital</b>	<b>Amount in INR</b>
1,04,69,48,519 equity shares of INR 5 each	523,47,42,595
<b>Total</b>	

<b>C. Paid-up Share Capital</b>	<b>Amount in INR</b>
1,04,69,48,519 equity shares of INR 5 each	523,47,42,595
<b>Total</b>	<b>523,47,42,595</b>

The equity shares of Network18 are listed on the Stock Exchanges. There has been no change in the issued, subscribed and paid-up share capital of Network18 subsequent to December 31, 2019.

3.5 The share capital structure of the Cable Co as on January 31, 2020 is as under:



<b>A. Authorised Share Capital</b>	<b>Amount in INR</b>
1,00,000 equity shares of INR 10 each	10,00,000
<b>Total</b>	10,00,000

<b>B. Issued and Subscribed Share Capital</b>	<b>Amount in INR</b>
10,000 equity shares of INR 10 each	1,00,000
<b>Total</b>	1,00,000

<b>C. Paid-up Share Capital</b>	<b>Amount in INR</b>
10,000 equity shares of INR 10 each	1,00,000
<b>Total</b>	1,00,000

The equity shares of the Cable Co are not listed on any stock exchange.

3.6 The share capital structure of the ISP Co as on January 31, 2020 is as under:

<b>A. Authorised Share Capital</b>	<b>Amount in INR</b>
1,00,000 equity shares of INR 10 each	10,00,000
<b>Total</b>	10,00,000

<b>B. Issued and Subscribed Share Capital</b>	<b>Amount in INR</b>
10,000 equity shares of INR 10 each	1,00,000
<b>Total</b>	1,00,000

<b>C. Paid-up Share Capital</b>	<b>Amount in INR</b>
10,000 equity shares of INR 10 each	1,00,000
<b>Total</b>	1,00,000

The equity shares of the ISP Co are not listed on any stock exchange.

3.7 The share capital structure of the Digital Co as on January 31, 2020 is as under:

<b>A. Authorised Share Capital</b>	<b>Amount in INR</b>
1,00,000 equity shares of INR 10 each	10,00,000
<b>Total</b>	10,00,000

<b>B. Issued and Subscribed Share Capital</b>	<b>Amount in INR</b>
10,000 equity shares of INR 10 each	1,00,000
<b>Total</b>	1,00,000

<b>C. Paid-up Share Capital</b>	<b>Amount in INR</b>
10,000 equity shares of INR 10 each	1,00,000
<b>Total</b>	1,00,000

The equity shares of the Digital Co are not listed on any stock exchange.

#### 4. Date of Taking Effect

The Scheme as set out herein in its present form or with any modifications, as may be approved or imposed or directed by the NCLT or any other statutory authority, or modified as per Clause 33, shall become effective from the Appointed Date as specified herein, and shall become operative from the Effective Date.



## PART II

### AMALGAMATION OF DEN, HCDL AND TV18 INTO NETWORK18

#### Section 1 - Transfer

5. Upon the coming into effect of this Scheme with effect from the Appointed Date, the Amalgamating Companies shall stand amalgamated into Network18. Accordingly, all the assets, investments, properties, approvals, licenses, consents, registrations, rights, powers, debts, liabilities, duties and obligations of the Amalgamating Companies shall be transferred to, and stand vested in or be deemed to have been vested in, Network18, on a going concern basis, without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the assets, investments, properties, rights, powers, debts, liabilities, duties and obligations of Network18 by virtue of and in the manner provided in this Scheme.

#### Section 2 Issue of shares of Network18

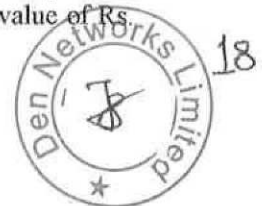
6. The provisions of this Section 2 of this Part II of this Scheme shall operate notwithstanding anything to the contrary in this Scheme or in any other instrument, deed or writing.

7. Record Date

The Board of Directors of Network18 shall determine the Record Date for determining the shareholders of each of the Amalgamating Companies who are eligible to receive equity shares of Network18 in terms of this Scheme. On determination of the Record Date, the Amalgamating Companies shall provide to Network18, a list of their respective shareholders (including his / her / its legal heirs, executors or successors as the case may be) as on such Record Date ("**Eligible Shareholders**").

8. Reduction of share-capital of DEN pursuant to cancellation of the shares held by the employee trust of DEN

- (a) DEN had adopted an employee stock option scheme in 2010 and another employee stock option scheme – plan B in 2014 ("**DEN ESOP Schemes**"). The Board of DEN has discontinued the DEN ESOP Schemes as (i) there are no outstanding options (whether vested or unvested) under the DEN ESOP Schemes; and (ii) the Board does not propose to grant any new stock options to its employees. Accordingly, the equity shares of DEN held by the DNL Employee Welfare Trust shall, without any further application, act, instrument or deed, be automatically cancelled as part of the Scheme. Further, the DNL Employee Welfare Trust shall, without any further application, act, instrument or deed, stand dissolved automatically and all its assets and liabilities shall vest in DEN, as the settlor of the DNL Employee Welfare Trust, or its successors. Without prejudice to the above, DEN and/or Network18 shall, wherever necessary, enter into and/or execute dissolution deed or any other document as it may deem necessary for dissolution of the DNL Employee Welfare Trust.
- (a) Upon the Scheme becoming effective, the paid-up equity share capital of DEN shall stand reduced from INR 477,22,38,450/- (INR Four Hundred Seventy Seven Crores Twenty Two Lakhs Thirty Eight Thousand Four Hundred and Fifty only) divided into 47,72,23,845 (Forty Seven Crores Seventy Two Lakhs Twenty Three Thousand Eight Hundred and Forty Five only) equity shares of face value of Rs





10/- each to INR 476,76,59,140/- (INR Four Hundred Seventy Six Crores Seventy Six Lakhs Fifty Nine Thousand One Hundred and Forty only) divided into 47,67,65,914 (Forty Seven Crores Sixty Seven Lakhs Sixty Five Thousand Nine Hundred and Fourteen only) equity shares of face value of INR 10/- each. The aforesaid reduction of capital shall be effected by selective cancellation and extinguishment of 4,57,931 (Four Lakhs Fifty Seven Thousand Nine Hundred and Thirty one) fully paid-up equity shares of face value of INR 10/- each held in trust by DNL Employee Welfare Trust, without any pay out. Such reduction of capital of DEN shall take effect prior to the Record Date and prior to the issue of equity shares by Network18 in accordance with Clause 9(a) below.

9. Issue of new equity shares

Upon coming into effect of the Scheme and in consideration of the Amalgamation, Network18 shall without any further application, act, instrument or deed:

- (a) issue and allot 191 (one hundred and ninety-one) fully paid-up equity shares, free from all Encumbrances, of face value of INR 5 each in Network18 for every 100 (one hundred) fully paid-up equity shares of face value of INR 10 each held by the Eligible Shareholder of DEN;
- (b) issue and allot 78 (seventy-eight) fully paid-up equity shares, free from all Encumbrances, of face value of INR 5 each in Network18 for every 100 (one hundred) fully paid-up equity shares of face value of INR 2 each held by the Eligible Shareholder of HCDL; and
- (c) issue and allot 92 (ninety-two) fully paid-up equity shares, free from all Encumbrances, of face value of INR 5 each in Network18 for every 100 (one hundred) fully paid-up equity shares of face value of INR 2 each held by the Eligible Shareholder of TV18.

10. Issue mechanics and other relevant provisions

- (a) Subject to Applicable Laws, the equity shares of Network18 that are to be issued in terms of this Scheme shall be issued in dematerialised form. The register of members maintained by Network18 and, or, other relevant records, whether in physical or electronic form, maintained by Network18, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of Network18) be updated to reflect the issue of equity shares in terms of this Scheme. The shareholders of the Amalgamating Companies shall provide such confirmation, information and details as may be required by Network18 to enable it to issue the aforementioned equity shares.
- (b) For the purpose of the allotment of equity Shares of Network18 pursuant to this Scheme, in the event any Eligible Shareholder holds equity shares of any Amalgamating Company in physical form, Network18 shall issue the corresponding equity shares in dematerialised form to a trustee nominated by the Board of Network18 ("Trustee") who shall hold these equity shares in trust for the benefit of such Eligible Shareholder. The equity shares of Network18 held by the Trustee for the benefit of the Eligible Shareholder shall be transferred to the respective Eligible Shareholder once such Eligible Shareholder provides details of his/her/its demat account to the Trustee, along with such other documents as may be required by the Trustee. The respective Eligible Shareholders shall have all the rights of shareholders of Network18, including the right to receive dividend, voting



rights and other corporate benefits, pending the transfer of equity shares from the Trustee. All costs and expenses incurred in this respect shall be borne by Network18.

- (c) For the purpose of the allotment of equity shares of Network18 pursuant to this Scheme, in case any Eligible Shareholder's holding in the respective Amalgamating Company is such that the Eligible Shareholder becomes entitled to a fraction of an equity share of Network18, Network18 shall not issue fractional shares to such Eligible Shareholder but shall consolidate all such fractions and issue consolidated equity shares to the Trustee, who shall hold such equity shares, with all additions or accretions thereto, in trust for the benefit of the Eligible Shareholders to whom they belong for the specific purpose of selling such equity shares in the market at such price or prices and at such time or times as the Trustee may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) ("**Net Proceeds**") to the Eligible Shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from the Net Proceeds shall be rounded off to the next Rupee. It is clarified that any such distribution shall take place only on the sale of all the equity shares of Network18 pertaining to the fractional entitlements.
- (d) The equity shares to be issued by Network18 in respect of any equity share of any Amalgamating Company which are held in abeyance under the provisions of the Act or otherwise shall, pending settlement of dispute by order of a court of law or otherwise, be held in abeyance by Network18.
- (e) The equity shares of Network18 issued in terms of this Scheme will be listed and admitted to trading on the Stock Exchanges. The equity shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing / trading are given by the Stock Exchanges.

**11. Cancellation of the shares held by Network18 in DEN and TV18**

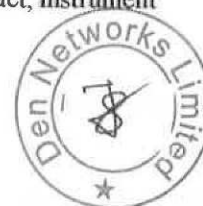
Simultaneous with the issuance of the equity shares of Network18, in accordance with this Scheme, the existing issued and paid up equity share capital of DEN and TV18, as held by Network18, shall, without any further application, act, instrument or deed, be automatically cancelled.

**12. Savings of concluded transactions**

The transfer of assets, liabilities and business to, and the continuance of proceedings by or against Network18 as envisaged in this Part II shall not affect any transaction or proceedings already concluded by any Amalgamating Company or Network18 on or before the Appointed Date and after the Appointed Date till the Effective Date. To that end and intent Network18 accepts and adopts all acts, deeds and things done and executed by any Amalgamating Company in respect thereto as done and executed on behalf of itself.

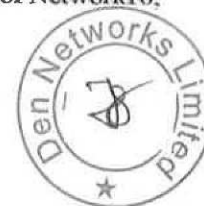
**13. Inter-se Transactions**

Notwithstanding anything contained herein, with effect from the Appointed Date, all inter-se transactions between Network18 and Amalgamating Companies (excluding Transferred Business Undertakings) and within Amalgamating Companies (excluding Transferred Business Undertakings) shall be considered as intra-party transactions and on the coming into effect of this Scheme, the same shall stand cancelled without any further act, instrument or deed.



14. Accounting Treatment in the books of Network18

- (a) Upon the effectiveness of this Scheme and with effect from the Appointed Date, Network18 shall account for the amalgamation in its books as per the applicable accounting principles prescribed under Appendix C to Indian Accounting Standard (Ind AS) 103 "Business Combinations" prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS 103 Business Combinations");
- (b) Network18 shall upon the Scheme coming into effect and with effect from the Appointed Date, record the assets, liabilities and reserves, if any, of (i) TV18 vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the consolidated financial statements of Network18; and (ii) DEN and HCDL vested in it pursuant to this Scheme, at their respective carrying values thereof and in the same form as appearing in the financial statements of DEN and HCDL;
- (c) The identity of the reserves of the Amalgamating Companies shall be preserved and Network18 shall record the reserves of the Amalgamating Companies in the same form and at the same values as they appear in the consolidated financial statements of Network18/ financial statements of DEN and HCDL as applicable;
- (d) Pursuant to the Amalgamation, the inter-company transactions and balances between Network18 and Amalgamating Companies (excluding Transferred Business Undertakings) and within Amalgamating Companies (excluding Transferred Business Undertakings) shall stand cancelled and there shall be no further obligation in that behalf;
- (e) No adjustments are being made to reflect fair values, or recognize any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies;
- (f) The value of investments held by Network18 in DEN and TV18 shall stand cancelled pursuant to the Amalgamation;
- (g) The issue and allotment of equity shares in Network18 to the Eligible Shareholders shall be recorded at nominal value;
- (h) The difference between (i) the face value of the new shares issued and allotted pursuant to Clause 9; (ii) the carrying amount of the investments cancelled pursuant to Clause 14(f) on the one hand; and the net of assets, liabilities and reserves of the Amalgamating Companies acquired and recorded by Network18 in terms of Clause 14(b) shall be adjusted in Capital Reserve;
- (i) While recording the assets of the Amalgamating Companies, Network18 would record in its books, the amount of Goodwill as reflecting in its consolidated financial statements to the extent to which it pertains to the investment held in the Amalgamating Companies, if any;
- (j) In case of any difference in accounting policy between the Amalgamating Companies and Network18, the accounting policies followed by Network18 will prevail and the difference shall be adjusted in the Revenue Reserves of Network18; and



- (k) In addition, Network18 shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

15. Tax Treatment

- (a) Part II of this Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the IT Act and other relevant provisions of the IT Act. 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 a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act and other relevant provisions of the IT Act.
- (b) On or after the Effective Date, Network18 is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the IT Act (including for the purpose of re-computing minimum alternative tax, and claiming other tax benefits), goods and services tax laws and other tax laws, and to claim refunds and/or credits for taxes paid (including tax on book profits, minimum alternative tax credit and foreign tax credit), and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme notwithstanding that the period of filing/revising such returns/forms may have lapsed and period to claim refund/credit also elapsed upon this Scheme becoming effective.
- (c) All tax assessment proceedings/appeals (including application and proceedings in relation to advance ruling) of whatsoever nature by or against the Amalgamating Companies pending and/or arising on or after the Appointed Date shall be continued and/or enforced until the Effective Date as desired by Network18. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against Network18 in the same manner and to the same extent as it would or might have been continued and enforced by or against the Amalgamating Companies. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the Amalgamation or anything contained in the Scheme.
- (d) Any tax liabilities including but not limited to liabilities under the IT Act, foreign tax credit, tax treaties, Customs Act 1962, goods and services tax laws or other applicable laws/regulations dealing with taxes/duties/levies allocable or related to the business of the Amalgamating Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Network18. Any surplus in the provision for taxation/duties/levies account including advance tax and tax deducted at source as on the date immediately preceding the Appointed Date will also be transferred to the account of Network18.
- (e) Any refund including but not limited to refund under the IT Act, foreign taxes, Customs Act 1962, goods and services tax laws or other applicable laws/regulations dealing with taxes/duties/levies allocable or related to the business of the Amalgamating Companies due to the Amalgamating Companies consequent to the assessment made on the Amalgamating Companies and for which no credit is





taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by Network18.

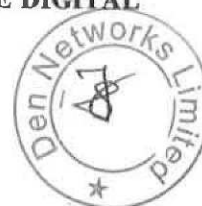
- (f) All taxes including income-tax, minimum alternate tax, foreign taxes, custom duty, goods and service tax, etc. paid or payable by the Amalgamating Companies in respect of their operations and/or the profits of the business before the Appointed Date, shall be on account of the Amalgamating Companies and, in so far as it relates to the tax payment (including, without limitation, income-tax, minimum alternate tax, custom duty, goods and service tax, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Amalgamating Companies in respect of their profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by Network18 and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by the Amalgamating Companies/Network18 on payables to Network18/Amalgamating Companies on account of inter-se transactions which has been deemed not to be accrued, shall be deemed to be advance taxes paid by Network18 and shall, in all proceedings, be dealt with accordingly.
- (g) Obligation for deduction of tax at source on any payment made by or to be made by the Amalgamating Companies including but not limited to obligation under the IT Act, Wealth-tax Act, 1957, customs law, goods and service tax law or other applicable laws/regulations dealing with taxes/duties/levies shall be made or deemed to have been made and duly complied with by Network18.
- (h) Without prejudice to the generality of the above, all benefits, incentives, losses, credit for tax including on book profits, accumulated losses, credits (including, without limitation income tax, minimum alternate tax credit, goods and service tax credit, etc.) to which the Amalgamating Companies are entitled to in terms of Applicable Laws, shall be available to and vest in Network18 on and after the Appointed Date, even if such credits have not been availed off in the books as on the date of transfer. Also, Network18 will be entitled to avail goods and service tax credit after the Appointed Date in respect of all duties/taxes where the documents are in the name of the Amalgamating Companies. Further, licenses issued to the Amalgamating Companies by any regulatory authorities including DGFT license, if any, and all benefits and tax credits, if any, associated with it shall stand transferred to Network18 upon the Scheme becoming effective.
- (i) Network18 shall be entitled to claim deduction under section 43B of the IT Act in respect of unpaid liabilities of each of the Amalgamating Companies transferred to Network18 pursuant to this Scheme to the extent not claimed by the Amalgamating Companies, as and when the same are paid subsequent to the Appointed Date.

**16. Dissolution of the Amalgamating Companies**

Upon the coming into effect of this Scheme and with effect from Appointed Date, each Amalgamating Company shall stand dissolved without winding-up and without any further act or deed.

**PART III**

**TRANSFER OF THE CABLE BUSINESS UNDERTAKING, THE ISP BUSINESS UNDERTAKING AND THE DIGITAL BUSINESS UNDERTAKING FROM THE AMALGAMATED COMPANY TO THE CABLE CO, THE ISP CO AND THE DIGITAL CO**



## Section 1 - Business transfer

### 17. Business transfer

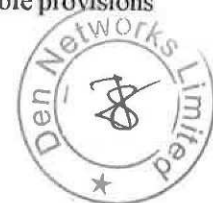
Upon the Scheme becoming effective, with effect from the Appointed Date:

- (a) the Cable Business Undertaking in its entirety shall, without any further act, instrument, deed or thing, be transferred from the Amalgamated Company and stand vested in the Cable Co, on a going concern basis;
- (b) the ISP Business Undertaking in its entirety, shall, without any further act, instrument, deed or thing, be transferred from the Amalgamated Company and stand vested in the ISP Co, on a going concern basis; and
- (c) the Digital Business Undertaking in its entirety shall, without any further act, instrument, deed or thing, be transferred from the Amalgamated Company and shall stand vested in the Digital Co, on a going concern basis.

### 18. Transfer of Assets

Without prejudice to the generality of Clause 17 above, upon the Scheme coming into effect and at all times with effect from the Appointed Date, the assets, estate, properties, rights, approvals, licenses, consents, registrations, claims, title, interest and authorities including accretions and appurtenances of the Cable Business Undertaking, the ISP Business Undertaking and the Digital Business Undertaking ("Assets") shall stand transferred to and vested in the Cable Co, the ISP Co and the Digital Co, respectively, in the following manner, unless specifically otherwise provided under the Scheme:

- (a) all Assets, which are movable or immovable in nature, whether freehold or leasehold and all documents/ instruments of title, rights and easements, or contracts or arrangements in relation thereto, the same may, upon coming into effect of this Scheme, be so transferred or deemed to be so transferred to the respective Transferee Companies and shall become the assets of the respective Transferee Companies, along with any Encumbrances thereto, and the title to the assets will be deemed to have been vested accordingly without requiring any deed or instrument of conveyance pursuant to the provisions of Sections 230 to 232 and/or other applicable provisions of the Act and shall upon such transfer become the property of, and an integral part of, such Transferee Companies. Each Transferee Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Person, as the case may be, that the said assets stand transferred to and vested in such Transferee Company and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;
- (b) without prejudice to what is stated in Clause 18(a) above, all approvals, permissions, registrations, rights, privileges, entitlements, benefits or exemptions of any kind, whether from a governmental authority or third party, in relation to the Cable Business, the ISP Business and the Digital Business shall, upon the coming into effect of the Scheme, be transferred or deemed to be so transferred to the respective Transferee Companies without requiring any deed, matter or thing pursuant to the provisions of Sections 230 to 232 and/or other applicable provisions of the Act; and



- (c) without prejudice to what is stated in Clause 18(a) above, the Amalgamated Company, the Amalgamating Companies (as applicable) and the Transferee Companies shall execute such documents/ instruments or do all such acts and deeds, including filing of necessary particulars and/or modification of charge with the Registrar of Companies to give formal effect to the above Clauses, if required.

19. Transfer of Contracts, Deeds, etc.

- (a) Without prejudice to the generality of Clause 18 above, the contracts forming part of the Cable Business Undertaking, the ISP Business Undertaking and the Digital Business Undertaking shall stand transferred to and vested in the Cable Co, the ISP Co and the Digital Co, respectively. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence.
- (b) Without prejudice to what is stated in Clause 19(a) above, the respective Transferee Companies shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

20. Transfer of Liabilities

Without prejudice to the generality of Clause 18 above, all the liabilities of the Cable Business Undertaking, the ISP Business Undertaking and the Digital Business Undertaking shall stand transferred to and vested in the Cable Co, the ISP Co and the Digital Co, respectively, in the following manner:

- (a) all the liabilities pertaining to the Cable Business Undertaking, the ISP Business Undertaking and the Digital Business Undertaking shall, to the extent they are outstanding on the Effective Date, without any further act or deed become liabilities of the Cable Co, the ISP Co and the Digital Co respectively and all rights, powers, duties and obligations in relation thereto shall stand transferred to, vested in, and shall be exercised by or against the Cable Co, the ISP Co or the Digital Co, as the case may be, as if they have incurred such liabilities;
- (b) the liabilities not related to the Cable Business Undertaking, the ISP Business Undertaking and the Digital Business Undertaking shall remain liabilities of Network18;
- (c) without prejudice to the provisions of the foregoing Clauses, all such other deeds, instruments, documents and/or writings shall be executed/entered into and/or all such acts and deeds shall be undertaken as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the applicable registrar of companies to give formal effect to the provisions of this Clause, if required;
- (d) it is expressly clarified that, save as mentioned in this Scheme, no other terms or conditions of the liabilities of the Cable Business Undertaking, the ISP Business Undertaking and the Digital Business Undertaking are modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication; and
- (e) subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause shall operate, notwithstanding anything to the contrary contained in any instrument deed or



writing or the terms of sanction or issue or any security document, all of which instruments, deeds, and writings and the terms of sanction or issue of any security document shall stand modified and / or superseded by the foregoing provisions.

21. Transfer of litigations etc.

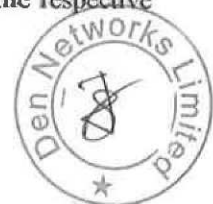
- (a) All suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) in relation to the Transferred Business Undertakings, pending on the Effective Date, shall be continued and/or enforced by or against the respective Transferee Companies as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Transferee Companies respectively.
- (b) All litigations not related to the Cable Business Undertaking, the ISP Business Undertaking and the Digital Business Undertaking shall continue with Network18.
- (c) Upon the Scheme becoming effective, all such documents shall be executed/entered into, as may be necessary to give formal effect to the provisions of this Clause.

22. Transfer of Employees

- (a) Upon the coming into effect of this Scheme, all employees engaged primarily in the Transferred Business Undertakings shall, become employees of the respective Transferee Companies, on terms and conditions not less favourable than those on which they are engaged in the Transferred Business Undertakings and without any interruption of or break in service. For the purpose of payment of any compensation, gratuity and other terminal benefits to such employees, the past services of such employees and such benefits to which the employees are entitled shall also be taken into account, and paid (as and when payable), by the Transferee Companies.
- (b) Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created, funded or contributed for the employees of the Transferred Business Undertakings are concerned (collectively referred to as the "**Employee Benefit Funds**"), the Employee Benefit Funds (including the aggregate of all the contributions made to such Employee Benefit Funds for the benefit of the employees, accretions thereto and the investments made by the Employee Benefit Funds in relation to the employees) shall be transferred to the respective Transferee Companies and shall be held for the benefit of the concerned employees.
- (c) In relation to those employees of the Transferred Business Undertakings in respect of which contributions have been made to the government provident fund or other employee benefit fund, the respective Transferee Companies shall stand substituted for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such funds, bye laws, etc. in respect of such employees, such that all the rights, duties, powers and obligations in relation to such funds shall become those of the respective Transferee Companies.

**Section 2 - Consideration and Other Matters**

23. Consideration



The Transferor Company shall transfer the Transferred Business Undertakings to the respective Transferee Companies for a lump sum consideration equal to the net worth of the respective Transferred Business Undertakings, as computed under Section 50B of the IT Act ("**Business Transfer Consideration**"). The Business Transfer Consideration shall be discharged by the Transferee Companies to the Transferor Company by issue of securities to the Transferor Company. The Board of the Transferee Companies and Network18 shall mutually determine the terms and conditions of the securities to be issued.

24. Accounting Treatment

(a) *Treatment in the books of Network18*

Upon Part III of this Scheme becoming effective, with effect from the Appointed Date, Network18 shall account for the transfer of the respective Transferred Business Undertakings in its books in accordance with the following principles:

- i. Network18 shall derecognize the carrying values of the tangible assets, intangible, investments, financial liabilities, other assets and liabilities pertaining to the respective Transferred Business Undertakings in accordance with the applicable accounting standards;
- ii. Network18 shall recognize the consideration received from the respective Transferee Companies;
- iii. The difference between consideration received and carrying value of the net assets transferred shall be adjusted in Capital Reserve of Network18; and
- iv. In addition, Network18 shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

(b) *Treatment in the books of the Transferee Companies*

Upon Part III of this Scheme becoming effective, the Transferee Companies shall account for the acquisition of the respective Transferred Business Undertaking in their books of accounts with effect from the Appointed Date in accordance with Ind AS 103 Business Combinations:

- i. The assets (including investments), liabilities and reserves of the respective Transferred Business Undertaking transferred to and vested in the Transferee Companies pursuant to this Scheme shall be recorded at the respective carrying values thereof and in the same form as appearing in the books of Network18;
- ii. All inter-corporate deposits / loans and advances / balances pertaining to the Transferred Business Undertakings, will stand cancelled in the respective Transferee Companies;
- iii. no adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies;
- iv. The difference between the consideration discharged by the Transferee



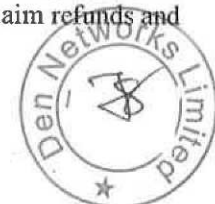


Companies and the value of the net assets of the respective Transferred Business Undertakings shall be adjusted in the capital reserve of the respective Transferee Companies; and

- v. In addition, the Transferee Companies shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

25. Tax Treatment

- (a) Upon Part III of the Scheme becoming effective and with effect from the Appointed Date, all taxes and duties payable by Network18 (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, states sales tax laws, Central Sales Tax Act, 1956, VAT/service tax, goods and services tax laws and all other applicable laws), accruing and relating to the Transferred Business Undertakings, including but not limited to advance tax payments, tax deducted at source, minimum alternate tax, any refund and claims, which may arise after the Appointed Date and which relate to a period on or after Appointed Date shall, for all purposes, be treated as advance tax payments, tax deducted at source, minimum alternate tax or refunds and claims, as the case may be, of the respective Transferee Companies. However, it is clarified that, all taxes and duties payable by Network18 (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, states sales tax laws, Central Sales Tax Act, 1956, value added taxes/service tax, goods and services tax laws and all other applicable laws), accruing and relating to the Transferred Business Undertakings, including but not limited to advance tax payments, tax deducted at source, minimum alternate tax, any refund and claims existing on the Appointed Date and which may arise after the Appointed Date but which relate to a period before the Appointed Date shall, for all purposes, be treated as advance tax payments, tax deducted at source, minimum alternate tax or refunds and claims, as the case may be, of Network18.
- (b) Upon Part III of the Scheme becoming effective, all unutilized credits and exemptions and other statutory benefits, including in respect of income tax (including but not limited to tax deducted at source, tax collected at source, advance tax, minimum alternate tax credit etc.), cenvat, customs, value added tax, sales tax, service tax, goods and services tax, etc. relating to the Transferred Business Undertakings to which Network18 is entitled to, which may arise on or after the Appointed Date and which relate to a period on or after the Appointed Date, shall be available to and vest in the respective Transferee Companies, without any further act or deed. However, it is clarified that all unutilized credits and exemptions and other statutory benefits, including in respect of income tax (including but not limited to tax deducted at source, tax collected at source, advance tax, minimum alternate tax credit etc.), cenvat, customs, value added tax, sales tax, service tax, goods and services tax, etc. relating to the Transferred Business Undertakings to which Network18 is entitled to, existing on the Appointed Date and which may arise after the Appointed Date but which relate to a before the Appointed Date shall be available to and remain with Network18.
- (c) Upon Part III of the Scheme being effective, Network18 and the Transferee Companies are expressly permitted to revise their financial statements and returns, along with prescribed forms, filings and annexures under the IT Act (including for the purpose of re-computing minimum alternative tax, and claiming other tax benefits), goods and services tax laws and other tax laws, and to claim refunds and



/ or credits for taxes paid (including tax on book profits, minimum alternative tax credit and foreign tax credit), and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme notwithstanding that the period of filing / revising such returns / forms may have lapsed and period to claim refund / credit also elapsed upon this Scheme becoming effective.

- (d) The Board of Directors of Network18 and the Transferee Companies shall be empowered to determine if any specific tax liability or any tax proceeding relates to the Transferred Business Undertakings and whether the same would be transferred to the respective Transferee Companies.
- (e) Any refund under the tax laws due to Network18 pertaining to the Transferred Business Undertakings consequent to the assessments made on Network18 and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by Network18.
- (f) Network18 may be entitled to various incentive schemes and pursuant to the Scheme, it is declared that the benefits under all such schemes and policies pertaining to the Transferred Business Undertakings shall stand transferred to and vested in the respective Transferee Companies and all benefits, entitlements and incentives of any nature whatsoever including benefits under the income tax, excise, sales tax, service tax, goods and services tax, exemptions, concessions, remissions, subsidies and other incentives in relation to the Transferred Business Undertakings, to the extent statutorily available, shall be claimed by the respective Transferee Companies.
- (g) The Transferee Companies shall be entitled to claim deduction under section 43B of the IT Act in respect of unpaid liabilities transferred to it as part of the Transferred Business Undertakings to the extent not claimed by Network18, as and when the same are paid subsequent to the Appointed Date.

**26. Saving of Concluded Transactions:**

Nothing in the Scheme shall affect any transaction or proceeding already concluded by Network18 in respect of the Transferred Business Undertakings. To that end and intent, the respective Transferee Companies shall accept and adopt all acts, deeds and things done and executed by Network18 in regard to the Transferred Business Undertakings as if it is done and executed by the respective Transferee Companies themselves.

**PART IV**

**GENERAL TERMS AND CONDITIONS**

**27. Amendment to the Memorandum of Association of Network18 and increase in Share Capital of Cable Co, ISP Co, the Digital Co and Network18**

- (a) Upon the Scheme becoming effective, without any further act, instrument or deed or payment of stamp duty and fees to Registrar of Companies, the authorized share capital of Network18 shall automatically stand increased by the aggregate authorized share capital of each of the Amalgamating Companies.
- (b) Upon the Scheme becoming effective, 2,00,000 (two lakh) preference shares of INR 10 (Rupees ten) each of HCDL, 1,55,00,000 (one crore fifty five lakhs) preference





shares of INR 10 each of Network18, 11,00,000 (eleven lakh) preference shares of INR 100 each of Network18 and 1,05,00,000 (one crore five lakhs) preference shares of INR 200 each of Network18 shall be reclassified into equity shares of face value of INR 5 each of Network18 and the existing capital clause of Network18 shall stand replaced as under:

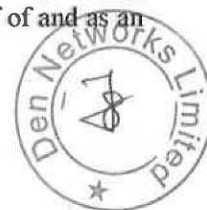
*"The Authorised Share Capital of the Company is Rs. 5073,52,00,000/-/- (Rupees five thousand seventy-three crore fifty-two lakh only) divided into 1014,70,40,000 (one thousand fourteen crore seventy lakh forty thousand only) equity shares of face value of Rs. 5/- each"*

- (c) The stamp duties and fees (including registration fee) paid on the authorized share capital of the Amalgamating Companies shall be utilized and applied to the increased authorized share capital of Network18 and there would be no requirement for any further payment of stamp duty and/or fee (including registration fee) by Network18 for increase in the authorized share capital to that extent.
- (d) The consent of the shareholders of Network18 to this Scheme shall also be deemed to be the consent of such shareholders for the purposes of increasing the authorised share capital of Network18 and re-classifying the preference share capital into equity share capital and no further resolution under Section 13, Section 14, Section 61 and Section 64 or any other applicable provisions of the Act, would be required to be separately passed.
- (e) The issued, subscribed and paid-up share capital of the Cable Co, the ISP Co, the Digital Co and Network18 shall stand suitably increased consequent upon the issuance of shares, if any, for discharge of the Business Transfer Consideration in accordance with this Scheme. It is clarified that no special resolution under Section 42, Section 55, and Section 62 of the Act shall be required to be passed by Cable Co, the ISP Co, the Digital Co and Network18 separately in a general meeting for issue of shares under this Scheme.

## 28. Conduct of business

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

- (a) each of the Amalgamating Companies shall, carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for and on account of, and in trust for, Network18;
- (b) all profits and income accruing or arising to the Amalgamating Companies, and losses and expenditure arising or incurred by them (including taxes, if any, accruing or paid in relation to any profits or income), shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of Network18;
- (c) any of the rights, powers, authorities or privileges exercised by the Amalgamating Companies, shall be deemed to have been exercised for and on behalf of, and in trust for and as an agent of Network18. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Amalgamating Companies, shall be deemed to have been undertaken for and on behalf of and as an agent for Network18; and



- (d) all taxes (including, without limitation, income tax, sales tax, service tax, value added taxes, goods and service taxes, etc.) paid or payable by the Amalgamating Companies, shall be on account of Network18 and, insofar as it relates to the tax payment (including, without limitation, income tax, sales tax, service tax, value added taxes, goods and service taxes, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Amalgamating Companies, the same shall be deemed to be the corresponding item paid by Network18, and, shall, in all proceedings, be dealt with accordingly.

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

- (a) Network18 shall with respect to the Transferred Business Undertakings, carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for and on account of, and in trust for, the respective Transferee Companies;
- (b) all profits and income accruing or arising to Network18, and losses and expenditure arising or incurred by them (including taxes, if any, accruing or paid in relation to any profits or income) with respect to the Transferred Business Undertakings, shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the respective Transferee Companies;
- (c) any of the rights, powers, authorities or privileges exercised by Network18 with respect to the Transferred Business Undertakings, shall be deemed to have been exercised for and on behalf of, and in trust for and as an agent of the respective Transferee Companies. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Network18 with respect to the Transferred Business Undertakings, shall be deemed to have been undertaken for and on behalf of and as an agent for the respective Transferee Companies; and
- (d) all taxes (including, without limitation, income tax, sales tax, service tax, value added taxes, goods and service taxes, etc.) paid or payable by Network18 with respect to the Transferred Business Undertaking, shall be on account of the respective Transferee Companies and, insofar as it relates to the tax payment (including, without limitation, income tax, sales tax, service tax, value added taxes, goods and service taxes, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by Network18 with respect to the Transferred Business Undertaking, the same shall be deemed to be the corresponding item paid by the respective Transferee Companies, and, shall, in all proceedings, be dealt with accordingly.

**29. Scheme Conditional on Approvals / Sanctions**

- (a) The effectiveness of the Scheme is conditional upon and subject to:
- (i) the Amalgamating Companies and Network18 having received a 'no objection' and / or 'observation' letter from the Stock Exchanges in terms of the SEBI Circular;
- (ii) approval of the shareholders of Amalgamating Companies and Network18 through e-voting and/or any other mode as may be required under any Applicable Law and the SEBI Circular. The Scheme is conditional upon Scheme being approved by the public shareholders through e-voting in terms of para 9 (a) of part I of Annexure I of SEBI Circular No.



CFD/DIL3/CIR/2017/21 dated March 10, 2017 and the Scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;

- (iii) this Scheme being approved by the respective requisite majorities of the various classes of shareholders and/or creditors (where applicable) of each Scheme Entity as required under the Act and the requisite orders of the NCLT being obtained;
  - (iv) the sanction of this Scheme by the NCLT under Sections 230 to 232 and Section 66 of the Act, and other applicable provisions, if any of the Act;
  - (v) approval of this Scheme by the concerned regulatory and governmental authorities, including the Department of Telecommunications; and
  - (vi) such other approvals and sanctions as may be required by Applicable Law in respect of this Scheme being obtained.
- (b) On the approval of this Scheme by the respective requisite majorities of the shareholders of each Scheme Entity as required under Applicable Law, such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the amalgamation set out in this Scheme, related matters and this Scheme itself.

**30. Withdrawal of Scheme**

- (a) The Boards of the Scheme Entities shall be entitled to withdraw this Scheme prior to the Effective Date.
- (b) The Boards of the Scheme Entities shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme could have adverse implications on the combined entity post-merger by absorption.

**31. Applications**

Each Scheme Entity shall with all reasonable dispatch make application(s) under Sections 230 to 232 and other applicable provisions of the Act to the NCLT for sanctioning this Scheme and for dissolution of the Amalgamating Companies without winding up, as applicable.

**32. Resolutions**

- (a) Upon the coming into effect of this Scheme, the resolutions, if any, of the Amalgamating Companies, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of Network18 and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by Network18 and shall constitute the aggregate of the said limits in Network18.
- (b) Upon the coming into effect of this Scheme, the limits of Network18 in terms of Section 180(1)(c) and Section 186(2) of the Act shall be deemed, without any



further act or deed, to have been enhanced by the aggregate limits of the Amalgamating Companies pursuant to the Scheme, such limits being incremental to the existing limits of Network18, with effect from the Appointed Date.

33. Modifications to the Scheme

- (a) On behalf of each Scheme Entity, the Board of the respective Scheme Entities may, acting jointly, make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate or which may be necessary to solve all difficulties that may arise for carrying out this Scheme and do all acts, deeds and things necessary for putting this Scheme into effect. The Board of the respective Scheme Entities may, acting jointly, consent to any conditions or limitations that the NCLT or any other Governmental Authority may deem fit to direct or impose.
- (b) For the purposes of giving effect to this Scheme or to any modification thereof, the Boards of the Scheme Entities may, acting jointly, give such directions including directions for settling any question of doubt or difficulty that may arise and such directions shall be binding on all Scheme Entities, in the same manner as if the same were specifically incorporated in this Scheme.

34. Provisions related to the Transferred Business Undertakings

- (a) In the event any part of the Transferred Business Undertakings intended to be transferred does not get transferred to the respective Transferee Company(ies), Network18 and the Transferee Company(ies) undertake to take all necessary steps, and execute all necessary documents, to ensure the transfer of such part of the Transferred Business Undertakings thereof to the applicable Transferee Company forthwith without any further consideration. Network18 and the Transferee Company agree that, pending such transfer, Network18 shall hold such part of the Transferred Business Undertakings in trust for the respective Transferee Company, and shall put in place necessary arrangements to allow such Transferee Company to enjoy the benefit of the same without incurring monetary obligations for such actions.
- (b) Network18 and the Transferee Companies may in any manner at any time, determine jointly whether any asset, liability, employee, legal or other proceedings pertains to the Transferred Business Undertakings or not, on the basis of any evidence that they may deem relevant for this purpose.

35. Facilitation Provision

- (a) Each Scheme Entity may give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation hereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent security holders of the respective companies), or to review the position relating to the satisfaction of various conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under law).
- (b) Upon the Scheme becoming effective, the Board of Network18 may decide to transfer the securities held by Network18, whether received under this Scheme or otherwise, to reorganize the corporate structure under Network18. Network18 and



the Transferee Companies and may also, with effect from Appointed Date, identify any expense or provision or impairment or goodwill arising pursuant to amalgamation/restructuring/arrangement or reversal of provision for the preparation of standalone or consolidated financial statements of Network18 and the Transferee Companies on or at any time after Appointed Date and adjust the net debit or credit upon such transfer or adjustment in the capital reserve.

36. Government dues, Tax demands, and refunds for the Transferred Business Undertakings

Network18 undertakes that all refunds of payments made to government authorities, tax and levies relating to the Transferred Business Undertakings that relate to the period after the Appointed Date and have been received by Network18 after the Appointed Date shall always belong to the applicable Transferee Company and Network18 shall immediately notify the applicable Transferee Company of such refund and reimburse the amount so received (net of reasonable costs of recovery, if any).

Similarly, each of the Transferee Companies undertakes that all government dues, taxes, demands, levies and other liabilities paid or payable by Network18 in relation to the Transferred Business Undertakings that relate to the period prior to the Appointed Date shall be on account of the applicable Transferee Company and (i) in the event Network18 has made such payment, the applicable Transferee Company shall reimburse the amount so paid to Network18; and (ii) in the event Network18 has not made such payment, the applicable Transferee Company shall pay, contest, settle, etc. such demand to the tax authorities or other government authorities, directly without any liability or recourse to Network18.

37. Costs

All costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of in relation to or in connection with the Scheme and incidental to the completion of transactions contemplated under this Scheme shall be borne and paid by each Scheme Entity in such proportion as may be mutually agreed between them.



**Fair Equity Share Exchange Ratio Report**  
**in relation to the**  
**Proposed Scheme of Amalgamation & Arrangement**

**February 2020**



**& Associates**

Chartered Accountants

**MSKA & Associates**  
**Chartered Accountants**  
Floor 3, Enterprise Centre, Nehru Road  
Near Domestic Airport, Vile Parle (E)  
Mumbai - 400099





To

February 17, 2020

The Board of Directors  
Network18 Media & Investments Limited  
First Floor, Empire Complex  
414, Senapati Bapat Marg, Lower Parel  
Mumbai - 400013, Maharashtra

The Board of Directors  
DEN Networks Limited  
236, Okhla Industrial Estate, Phase-III  
New Delhi - 110020, Delhi

Dear Sir(s)/ Madam(s),

**Sub: Fair Equity Share Exchange Ratio in relation to the Proposed Scheme of Amalgamation & Arrangement**

We, MSKA & Associates, Chartered Accountants ('MSKA' or 'We' or 'Us'), have been appointed vide letter dated January 08, 2020 to recommend the fair equity share exchange ratio for the proposed amalgamation of DEN Networks Limited ('DEN' or 'Amalgamating Company') into Network18 Media & Investments Limited ('Network18' or 'the Company').

We are pleased to present herewith our report on the same.

Thanking you,

For MSKA & Associates  
Chartered Accountants  
Firm Reg. No. 105047W

*Sunil Kumar Saini*



Sunil Kumar Saini

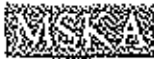
Partner

Membership No: 503604

UDIN: 20503604AAAAAQ9643







MSKA & Associates  
Chartered Accountants

## Table of Contents

1. Brief Background of the Scheme of Amalgamation & Arrangement	4
2. Brief Background of the Companies	5
3. Exclusions and Limitations	6
4. Sources of Information	10
5. Procedures Adopted	11
6. Valuation Approaches	12
7. Basis of Fair Equity Share Exchange Ratio	16
8. Conclusion	17



37

1. Brief Background of the Scheme of Amalgamation & Arrangement
  - 1.1. Network18, DEN, Hathway Cable and Datacom Limited ('Hathway'), TV18 Broadcast Limited ('TV18 Broadcast'), Media18 Distribution Services Limited ('Cable Co'), Web18 Digital Services Limited ('ISP Co'), Digital18 Media Limited ('Digital Co') and their respective shareholders and creditors are entering into a scheme of arrangement (the 'Scheme') that inter alia provides for the amalgamation of DEN, Hathway and TV18 Broadcast into Network18 ('Proposed Amalgamation').
  - 1.2. The 'Appointed Date' for the Proposed Amalgamation has been determined as February 1, 2020.
  - 1.3. The Scheme will comply with the provisions of sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013, along with the applicable provisions of Securities and Exchange Board of India ('SEBI'), if any.
  - 1.4. Further, post the Proposed Amalgamation and with effect from the Appointed Date, Network18 shall transfer:
    - Its cable business undertaking including all cable investments to the Cable Co;
    - Its ISP business undertaking including all ISP investments to the ISP Co; and
    - Its digital business undertaking including investments to the Digital Co
  - 1.5. We have been appointed to determine and recommend the fair equity share exchange ratio for the proposed amalgamation of DEN into Network18 (together referred to as 'the Companies').



>>>This space has been intentionally left blank>>>

## 2. Brief Background of the Companies

### Network18

- 2.1. Network18, incorporated on February 16, 1996, is listed on National Stock Exchange of India ('NSE') and BSE Limited ('BSE'). BSE and NSE are together referred to hereinafter as the 'Stock Exchanges'. Network18 has presence in several media and entertainment businesses directly and through its subsidiaries like general news channels in Hindi, English and other regional languages, business news channels in Hindi, English and Gujarati, general entertainment channels in Hindi, English and other regional languages, factual entertainment channels, business of printing and publishing magazines, digital business, content creation and production business and digital commerce business.

- 2.2. The issued, subscribed and paid-up equity share capital of Network18 as at December 31, 2019 stood at INR 523.5 Cr, comprising of 1,04,69,48,519 equity shares of face value INR 5.0 each, and the summarized shareholding pattern as on December 31, 2019 is as follows:

Shareholder Category	No. of Equity Shares	Holding %
I. Promoter and Promoter Group	78,52,11,389	75.0%
II. Public	26,17,37,130	25.0%
<b>Total</b>	<b>1,04,69,48,519</b>	<b>100.0%</b>

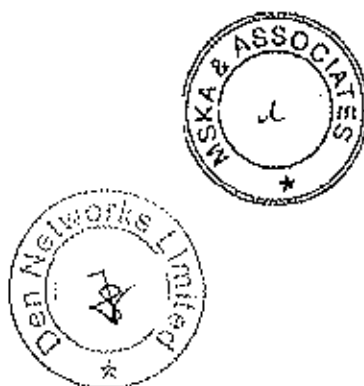
### DEN

- 2.3. DEN, incorporated on July 10, 2007, is listed on the Stock Exchanges. DEN is engaged in the business of (i) cable television services including, as multisystem operators and (ii) cable broadband services through wholly owned subsidiary.
- 2.4. The issued equity share capital of DEN as at December 31, 2019 stood at INR 477.2 Cr, and subscribed and paid-up equity share capital is INR 476.8 Cr comprising of 47,72,23,845 equity shares of face value INR 10.0 each, and the summarized shareholding pattern as on December 31, 2019 is as follows:

Shareholder Category	No. of Equity Shares	Holding %
I. Promoter and Promoter Group	41,29,45,000	86.6%
II. Public	6,38,20,914	13.4%
III. Shares Held by Employee Trust	4,57,931	0.1%
<b>Total</b>	<b>47,72,23,845</b>	<b>100.0%</b>

### 3. Exclusions and Limitations

- 3.1. Our report is subject to the limitations detailed hereinafter. This report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- 3.2. This report, its contents, and the analysis herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement, (ii) the report date and (iii) are based on the unaudited financial statements of the Companies as at December 31, 2019. The management of the Companies have represented that the business activities of the Companies have been carried out in the normal and ordinary course between December 31, 2019 and the Report date and that no material changes have occurred in their respective operations and financial position between December 31, 2019 and the Report date.
- 3.3. This report and the information contained herein are intended for providing select information and only in connection with the purpose mentioned above or for sharing with shareholders, Regional Directors, Registrar of Companies, National Company Law Tribunal, Merchant Bankers (for the purpose of fairness opinion), SEBI, Stock Exchanges and office of other regulatory or statutory authorities. It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without our written consent. In the event, the companies or their management or their representatives intend to extend the use of this report beyond the purpose mentioned earlier in the report, with or without our consent, we will not accept any responsibility to any other party to whom this report may be shown or who may acquire a copy of the report.
- 3.4. The scope of our assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by us during the course of our work. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence or legal title search of the assets or liabilities of the Companies or any of its subsidiaries or associated companies and have considered them at the value as disclosed by the Companies in their regulatory filings or in submissions, oral or written, made to us.
- 3.5. In rendering this report, we have not provided legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof.



- 3.6. Any matters related to legal title and ownership are outside the purview and scope of this valuation exercise. Further, no legal advice regarding the title and ownership of the subject property has been obtained while conducting this valuation exercise. Valuation may be significantly influenced by adverse legal, title or ownership, encumbrance issues.
- 3.7. This report is based on the information received from the sources mentioned herein and discussions with the representatives of the Companies. We have assumed that no information has been withheld that could have influenced the purpose of our report.
- 3.8. We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us, we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the companies. Nothing has come to our knowledge to indicate that the material provided to us was mis-stated or incorrect or would not afford reasonable grounds upon which to base our report.
- 3.9. During the course of our work, we have relied upon the certain opinion documents made available by the management and representatives of the Companies. Though we have reviewed it, we have not independently verified the same. As these opinions/assumptions require the exercise of judgment and are subject to uncertainties, there can be no assurance that these assumptions are accurate.
- 3.10. For the present valuation exercise, we have also relied upon information available in the public domain; however, the accuracy and timeliness of the same has not been independently verified by us.
- 3.11. In addition, we do not take any responsibility for any changes in the information used by us to arrive at our conclusion as set out here in which may occur subsequent to the date of our report or by virtue of fact that the details provided to us are incorrect or inaccurate.
- 3.12. Further, this report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to us or used by us up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this report and the assumptions made in preparing this report and we shall not be obliged to update, revise or reaffirm this report if the information provided to us changes.





- 3.13. We have considered relevant valuation approaches based on our analysis. Any transaction price may however be significantly different and would depend on the negotiating ability and motivations of the respective buyers and sellers in the transaction.
- 3.14. Our scope is limited to the purposes stated hereinabove. The Report should not be construed as, our opinion or certifying the compliance of the Proposed Arrangement with the provisions of any law including the Companies Act 2013, taxation related laws, capital market related laws, any accounting, taxation or legal implications or issues arising from the Proposed Arrangement.
- 3.15. Valuation is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is therefore no indisputable single value. While we have provided an assessment of the value based on an analysis of information available to us and within the scope of our engagement, others may place a different value on this business.
- 3.16. This Report does not look into the business/commercial reasons behind the Proposed Arrangement nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Arrangement as compared with any other alternative business transaction or any other alternatives, whether or not such alternatives could be achieved or are available.
- 3.17. Further this Report does not in any manner address the prices at which the equity shares of the Companies will trade following the announcement of the Scheme and we express no opinion or recommendation as to how the shareholders of the Companies should vote at any shareholders' meeting to be held in connection with the Proposed Arrangement.
- 3.18. Whilst all reasonable care has been taken to ensure that the factual statements in the report are accurate; neither us, nor any of our partners, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this report. We are not liable to any party in relation to the issue of this report.



3.19. MSKA owes responsibility to only the Boards of Directors of Network18 and DEN with reference to terms of engagement letter and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other to Network18 and DEN. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the companies involved, their directors, employees or agents. In no circumstances shall the liability of a Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this report shall not exceed the fees paid to such Valuer in respect of the fees charged by it for these services.

3.20. The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by Network18 and DEN (or its representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, for recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). We have no obligation to update this report.

3.21. A draft of this report was shared with the Companies, prior to finalization of report, (excluding the recommended fair equity share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/omission are avoided in the report.



<<this space is intentionally left blank>>



#### 4. Sources of Information

4.1. For the purpose of undertaking this valuation exercise, we have relied on the following sources of information provided by the management representatives of the Companies:

- Detailed business profile and information of current business operations of DEN and Network18 & its subsidiaries and associates;
- Audited financial statements of DEN and Network18 & its subsidiaries and associates for the financial years ('FY') ended March 31, 2018 and March 31, 2019;
- Limited review financial statements of DEN and Network18 for nine months period ended December 31, 2019 which are submitted to stock exchange(s);
- Latest shareholding pattern as at December 31, 2019 of DEN and Network18.
- Relevant data, representation and information provided to us by the representatives of DEN and Network18 either in written or oral form or in form of soft copy;
- Information provided by leading database sources (proprietary databases subscribed by us or our network firm), market research reports and other published data (including the Stock Exchanges);
- Draft Scheme of Amalgamation & Arrangement; and
- Management Representation Letter addressed to MSKA.



<<this space is intentionally left blank>>

## 5. Procedures Adopted

5.1. In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial information;
- Obtained data available in public domain;
- Undertook industry analysis such as researching publicly available market data including economic factors and industry trends that may impact the valuation;
- Detailed analysis of Comparable Companies for each business;
- Discussion (physical/over call) with the management to understand the business and fundamental factors that could affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance;
- Selection of valuation methodology/(ies) based on analysis of available information and data considering ICAI Valuation Standards (2018);
- Determined the fair equity share exchange ratio based on the selected methodology.

For the purpose of arriving at the valuation of the Companies/businesses we have considered the valuation base as 'Fair Value' and the premise of value is 'Going Concern Value'. Any change in the valuation base, or the premise could have significant impact on our valuation exercise, and therefore, this report.



<<this space is intentionally left blank>>



## 6. Valuation Approaches

- 6.1. It is pertinent to note that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the companies/businesses, and other factors which generally influence the valuation of the companies, its businesses and assets.
- 6.2. The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, analysis of businesses, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.
- 6.3. The Report Date is valuation date ('Valuation Date'). For valuation exercise, market parameters have been considered up to and including February 14, 2020.



<<this space is intentionally left blank>>





6.4. There are three internationally accepted approach/approaches as per Valuation Standards 2018 issued by ICAI to valuation:

- (a) "Market" Approach
- (b) "Cost" Approach
- (c) "Income" Approach

Market Approach

Under the Market Approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies. The Market Approach generally reflects the investors' perception about the true worth of the company.

Market Price ('MP') Method

Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the trading. The market value reflects the investors' perception about the true worth of the company.

Equity shares of the Companies are traded on BSE & NSE. In the present case, the share price of the Companies on the NSE has been considered, as the trading volumes are higher at NSE as compared to BSE. The formula provided in Regulation 164 (1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ('ICDR') has been used for arriving at the value per equity share of the Companies under the market price Method. This method has been adopted even though shares of two Companies are infrequently traded since we could not adopt the other methods of valuation for reasons set out in the notes under the tables at 8.1.

The market price is considered as higher of following:

- (a) average of the weekly high and low of the volume weighted average price during the 26 weeks preceding February 15, 2020; and
- (b) average of weekly high and low of the volume weighted average price during the 2 weeks preceding February 15, 2020.

Comparable Companies Multiples ('CCM') Method

This valuation approach is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. The value is determined on the basis of multiples derived from valuations of comparable companies, as manifest in the stock market valuations of listed companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

#### Comparable Transactions Multiples ('CTM') Method

The valuation is undertaken on the basis of multiples derived from valuations of similar transactions in the industry in the near history. Relevant multiples have to be chosen carefully and adjusted for differences between the circumstances. This valuation approach is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.

We have not used CCM or CTM methods for this valuation as:

- (1) (a) there are few listed comparable companies in India, valuation multiple of which could have been considered for CCM method. However, either there have been notable impact on the market prices of these companies due to non-business reasons or they are dominated by regional content, unlike the Companies; and (b) we did not find comparable transactions in India, in recent past, for which adequate information was available in public domain.
- (2) we did not consider it appropriate to use international comparable companies/transaction multiples due to lack of identical comparable companies/ transactions having variance on account size, geography, nature of business, nature of transactions, corporate structure, industry / company specific issues etc.
- (3) trailing 12 months revenues of some of the Companies were not at normative level due to industry specific issues.
- (4) EBITDA of some of the Companies is negative/not normative due to company/industry specific issues.

#### Cost Approach

The Cost Approach is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset.

#### Net Asset Value ('NAV') Method

The NAV method under cost approach, consider the assets and liabilities, including intangible assets and contingent liabilities. The net assets, after reducing the dues to the preference shareholders, if any, represent the value of the company or firm.

This valuation approach is mainly used in case where the assets base dominates earnings capability. A scheme of amalgamation would normally be proceeded with, on the assumption that the companies amalgamate as going concerns and an actual realization of the operating assets is not contemplated. In a going concern scenario, the relative earning power, as reflected under the

Income and Market approaches, is of greater importance to the basis of amalgamation, with the values arrived at on the net asset basis being of limited relevance.

Therefore, NAV Method under 'Cost Approach' has not been considered since the net asset value does not reflect the intrinsic value of the business in a "going concern scenario".

#### Income Approach

The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow (DCF) Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.

#### Discounted Cash Flow ('DCF') Method

Under the DCF method, the business is valued by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The Free Cash Flows to Firm ('FCFF') represent the cash available for distribution to the owners as well as lenders of the business and the Free Cash Flows to Equity ('FCFE') represent the cash available for distribution to the owners of the business. The free cash flows to firm are discounted by the Weighted Average Cost of Capital ('WACC') and the free cash flows to equity are discounted by the Cost of Equity ('Ke'). The WACC or Ke, based on an optimal vis-à-vis actual capital structure, is an appropriate rate of discount to calculate the present value of the future cash flows as it considers risk of the firm.

The perpetuity (terminal) value is calculated based on the business's potential for further growth beyond the explicit forecast period. The "Constant Growth Model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.

The discounting factor (rate of discounting the future cash flows) reflects not only the time value of money, but also the risk associated with the business's future operations. The Business/Enterprise Value (aggregate of the present value of explicit period and terminal period cash flows) so derived, is further reduced by the value of debt, if any, (net of cash and cash equivalents) to arrive at value to the owners of the business.

DCF Method under the Income Approach has not been considered as these Companies are listed on Stock Exchanges and information related to the future profit and loss account, balance sheet and cash flows is price sensitive and not made available to us.



**7. Basis of Fair Equity Share Exchange Ratio**

- 7.1. The basis of the fair equity share exchange ratio for the Proposed Amalgamation would have to be determined after taking into consideration all the factors and methods mentioned hereinabove and to arrive at a final value for the shares of each company. It is, however, important to note that in doing so, we are not attempting to arrive at the absolute values of the Companies, but at their relative values to facilitate the determination of the fair equity share exchange ratio.
- 7.2. We have independently applied methods discussed above, as considered appropriate, and arrived at their assessment of value per share of the Companies. To arrive at the consensus on the fair equity share exchange ratio for the Proposed Amalgamation, rounding off have been done in the values.



<<<This space has been intentionally left blank>>>

## 8. Conclusion

8.1. We have used Market Price Method as discussed above, for determination of fair equity share exchange ratio for the proposed amalgamation of DEN into Network18:

Valuation Approach	Valuation Method	DEN		Network18	
		Value Per Share (INR)	Weights	Value Per Share (INR)	Weights
Income Approach	DCF Method <sup>1</sup>	NA	NA	NA	NA
Market Approach	MP Method	53.7	100%	28.1	100%
Market Approach	CCM Method <sup>2</sup>	NA	NA	NA	NA
Cost Approach	NAV Method <sup>3</sup>	NA	NA	NA	NA
Value Per Share		53.7		28.1	
Exchange Ratio (no. of shares) (Rounded Off)		100		191	

NA= Not Adopted/Not Applicable

1. Discounted Cash Flow Method under the Income Approach has not been considered as all the Companies are listed on the Stock Exchanges and information related to future profit and loss account, balance sheet and cash flows is price sensitive and not made available to us.
2. We have not used CCM or CTM methods for this valuation as:
  - (1) (a) there are few listed comparable companies in India, valuation multiple of which could have been considered for CCM method. However, either there have been notable impact on the market prices of these companies due to non-business reasons or they are dominated by regional content, unlike the Companies; and (b) we did not find comparable transactions in India, in recent past, for which adequate information was available in public domain; and
  - (2) we did not consider it appropriate to use international comparable companies/ transaction multiples due to lack of identical comparable companies/ transactions having variance on account size, geography, nature of business, nature of transactions, corporate structure, industry / company specific issues etc.
  - (3) trailing 12 months revenues of some of the Companies were not at normative level due to industry specific issues; and
  - (4) EBITDA of some of the Companies is negative/not normative due to company/industry specific issues.
3. NAV Method under 'Cost Approach' has not been considered since the net asset value does not reflect the intrinsic value of the business in a "going concern scenario".





8.2. Therefore, following is the fair equity share exchange ratio:

- 191 equity shares of Network18 (of INR 5/- each, fully paid up) for every 100 equity shares held in DEN (of INR 10/- each fully paid up) for the proposed amalgamation.

Respectfully submitted,

For MSKA & Associates  
Chartered Accountants  
Firm Reg. No. 105047W

*Sunil Kumar Saini*



Sunil Kumar Saini

Partner

Membership No: 503604

UDIN: 20503604AAAAAQ9643

Date: February 17, 2020

**Fair Equity Share Swap Ratio Report  
in relation to the  
'Proposed Scheme of Amalgamation & Arrangement'**

**February 2020**



Ref. No.: LM/Feb173/2020

February 17, 2020

To,

The Board of Directors  
**Network18 Media & Investments Limited**  
First Floor, Empire Complex  
414, Senapati Bapat Marg, Lower Parel  
Mumbai - 400013, Maharashtra

The Board of Directors  
**DEN Networks Limited**  
236, Okhla Industrial Estate, Phase-III  
New Delhi - 110020, Delhi

Dear Sir(s)/ Madam(s),

**Sub: Fair Equity Share Swap Ratio Report in relation to the Proposed Scheme of Amalgamation & Arrangement**

We, BDO Valuation Advisory LLP ('BDO India' or 'We' or 'Us'), have been appointed vide letter dated January 08, 2020 to recommend the fair equity share swap ratio for the proposed amalgamation.

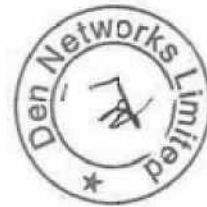
We are pleased to present herewith our report on the same.

Regards,

For **BDO Valuation Advisory LLP**  
IBBI No.: IBBI/RV-E/02/2019/103



**Lata R Gujar More**  
IBBI No. IBBI/RV/06/2018/10488  
Partner



## 1. Brief Background of the Scheme of Amalgamation & Arrangement

- 1.1. Network18 Media & Investments Limited ('Network18'), DEN Networks Limited ('DEN'), Hathway Cable and Datacom Limited ('Hathway'), TV18 Broadcast Limited ('TV18'), Media18 Distribution Services Limited ('Cable Co' or 'Media 18'), Web18 Digital Services Limited ('ISP Co' or 'Web18'), Digital18 Media Limited ('Digital Co' or 'Digital18') and their respective shareholders and creditors are entering into a scheme of arrangement (the 'Scheme') that inter alia provides for the amalgamation of DEN, Hathway and TV18 Broadcast into Network18 ('Proposed Amalgamation').
- 1.2. The 'Appointed Date' for the Proposed Amalgamation has been determined as February 1, 2020.
- 1.3. The Scheme will comply with the provisions of section 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013, along with the applicable provisions of Securities and Exchange Board of India ('SEBI'), if any.
- 1.4. Further, post the Proposed Amalgamation and with effect from the Appointed Date, Network18 shall transfer its:
- Cable business undertaking including all cable investments to the Media18;
  - ISP business undertaking including all ISP investments to the Web18; and
  - Digital business undertaking including investments to the Digital18.

## 2. Terms of Engagement

- 2.1. We have been appointed to determine and recommend the fair equity share swap ratio for the proposed amalgamation of DEN into Network18 (collectively referred to as 'the Companies').



<<<This space has been intentionally left blank>>>

### 3. Brief Background of the Companies

- 3.1. Network18 is a media and entertainment company listed on National Stock Exchange of India ('NSE') and BSE Limited ('BSE'). Network18 has presence in several media and entertainment businesses directly and through its subsidiaries like general news channels in Hindi, English and other regional languages, business news channels in Hindi, English and Gujarati, general entertainment channels in Hindi, English and other regional languages, factual entertainment channels, business of printing and publishing magazines, digital business, content creation and production business and digital commerce business.
- 3.2. The issued, subscribed and paid-up equity share capital of Network18 as at December 31, 2019 stood at INR 523.5 Cr, comprising of 1,04,69,48,519 equity shares of face value INR 5.0 each.
- 3.3. The summarized shareholding pattern of Network18 as on the December 31, 2019 is as follows:

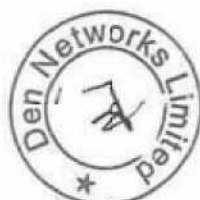
Shareholder Category	No. of Equity Shares	% Holding
I. Promoter and Promoter Group	78,52,11,389	75.0%
II. Public	26,17,37,130	25.0%
<b>Total</b>	<b>1,04,69,48,519</b>	<b>100.0%</b>

Source: BSE

- 3.4. DEN, incorporated on July 10, 2007, is listed on NSE and BSE. DEN is engaged in the business of (i) cable television services including, as multisystem operators and (ii) cable broadband services through wholly owned subsidiary.
- 3.5. The issued equity share capital of DEN as at December 31, 2019 stood at INR 477.2 Cr and subscribed and paid-up equity share capital was INR 476.8 Cr, comprising of 47,72,23,845 equity shares of face value INR 10.0 each.
- 3.6. The summarized shareholding pattern of DEN as on December 31, 2019 is as follows:

Shareholder Category	No. of Equity Shares	% Holding
I. Promoter and Promoter Group	41,29,45,000	86.6%
II. Public	6,38,20,914	13.4%
III. Shares Held by Employee Trust	4,57,931	0.1%
<b>Total</b>	<b>47,72,23,845</b>	<b>100.0%</b>

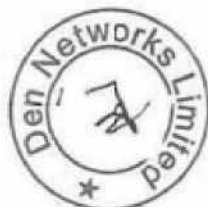
Source: BSE





#### 4. Exclusions and Limitations

- 4.1. Our report is subject to the limitations detailed hereinafter. This report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- 4.2. This report, its contents, and the analysis herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement, (ii) the report date and (iii) are based on the unaudited financial statements of the Companies as at December 31, 2019. The management of the Companies have represented that the business activities of the Companies have been carried out in the normal and ordinary course between December 31, 2019 and the Report date and that no material changes have occurred in their respective operations and financial position between December 31, 2019 and the Report date.
- 4.3. This report and the information contained herein are intended for providing select information and only in connection with the purpose mentioned above or for sharing with shareholders, Regional Directors, Registrar of Companies, National Company Law Tribunal, and office of other regulatory or statutory authorities. It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without our written consent. In the event, the companies or their management or their representatives intend to extend the use of this report beyond the purpose mentioned earlier in the report, with or without our consent, we will not accept any responsibility to any other party to whom this report may be shown or who may acquire a copy of the report.
- 4.4. The scope of our assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by us during the course of our work. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence or legal title search of the assets or liabilities of the Companies or any of its subsidiaries or associated companies and have considered them at the value as disclosed by the Companies in their regulatory filings or in submissions, oral or written, made to us.
- 4.5. In rendering this report, we have not provided legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof.
- 4.6. Any matters related to legal title and ownership are outside the purview and scope of this valuation exercise. Further, no legal advice regarding the title and ownership of the subject property has been obtained while conducting this valuation exercise. Valuation may be significantly influenced by adverse legal, title or ownership, encumbrance issues.
- 4.7. This report is based on the information received from the sources mentioned herein and discussions with the representatives of the Companies. We have assumed that no information has been withheld that could have influenced the purpose of our report.



- 4.8. We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us, we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the companies. Nothing has come to our knowledge to indicate that the material provided to us was mis-stated or incorrect or would not afford reasonable grounds upon which to base our report.
- 4.9. During the course of our work, we have relied upon the certain opinion documents made available by the management and representatives of the Companies. Though we have reviewed it, we have not independently verified the same. As these opinions/assumptions require the exercise of judgment and are subject to uncertainties, there can be no assurance that these assumptions are accurate.
- 4.10. For the present valuation exercise, we have also relied upon information available in the public domain; however, the accuracy and timeliness of the same has not been independently verified by us.
- 4.11. In addition, we do not take any responsibility for any changes in the information used by us to arrive at our conclusion as set out here in which may occur subsequent to the date of our report or by virtue of fact that the details provided to us are incorrect or inaccurate.
- 4.12. Further, this report is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to us or used by us up to, the date hereof. Subsequent developments in the aforementioned conditions may affect this report and the assumptions made in preparing this report and we shall not be obliged to update, revise or reaffirm this report if the information provided to us changes.
- 4.13. We have considered relevant valuation approaches based on our analysis. Any transaction price may however be significantly different and would depend on the negotiating ability and motivations of the respective buyers and sellers in the transaction.
- 4.14. Our scope is limited to the purposes stated hereinabove. The Report should not be construed as, our opinion or certifying the compliance of the Proposed Arrangement with the provisions of any law including the Companies Act 2013, taxation related laws, capital market related laws, any accounting, taxation or legal implications or issues arising from the Proposed Arrangement.
- 4.15. Valuation is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is therefore no indisputable single value. While we have provided an assessment of the value based on an analysis of information available to us and within the scope of our engagement, others may place a different value on this business.

- 4.16. This Report does not look into the business/commercial reasons behind the Proposed Arrangement nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Arrangement as compared with any other alternative business transaction or any other alternatives, whether or not such alternatives could be achieved or are available.
- 4.17. Further this Report does not in any manner address the prices at which the equity shares of the Companies will trade following the announcement of the Scheme and we express no opinion or recommendation as to how the shareholders of the Companies should vote at any shareholders' meeting to be held in connection with the Proposed Arrangement.
- 4.18. Whilst all reasonable care has been taken to ensure that the factual statements in the report are accurate, neither us, nor any of our partners, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this report. We are not liable to any party in relation to the issue of this report.
- 4.19. BDO India owes responsibility to only the Boards of Directors of Network18 and DEN with reference to terms of engagement letter and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to Network18 and DEN. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the companies involved, their directors, employees or agents. In no circumstances shall the liability of a Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this report shall not exceed the fees paid to such Valuer in respect of the fees charged by it for these services.
- 4.20. The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by Network18 and DEN (or its representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). We have no obligation to update this report.
- 4.21. A draft of this report was shared with the Companies, prior to finalization of report, (excluding the recommended fair equity share swap ratio) as part of our standard practice to make sure that factual inaccuracy/omission are avoided in the report.



## 5. Sources of Information

5.1. For the purpose of undertaking this valuation exercise, we have relied on the following sources of information provided by the management representatives of the Company:

- Detailed business profile and information of current business operations of DEN and Network18 & its subsidiaries and associates;
- Audited financial statements of DEN and Network18 & its subsidiaries and associates for the financial years ('FY') ended March 31, 2018 and March 31, 2019;
- Limited review financial statements of DEN and Network18 for nine months period ended December 31, 2019 which are submitted to stock exchange(s);
- Latest shareholding pattern as at December 31, 2019 of DEN and Network18.
- Relevant data, representation and information provided to us by the representatives of DEN and Network18 either in written or oral form or in form of soft copy;
- Information provided by leading database sources (proprietary databases subscribed by us or our network firm), market research reports and other published data (including the Stock Exchanges);
- Draft Scheme of Amalgamation & Arrangement; and
- Management Representation Letter addressed to BDO India.



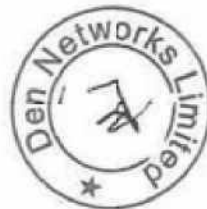
<<<This space has been intentionally left blank>>>

## 6. Procedures Adopted

6.1. In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial information;
- Obtained data available in public domain;
- Undertook industry analysis such as researching publicly available market data including economic factors and industry trends that may impact the valuation;
- Detailed analysis of Comparable Companies for each business;
- Discussion (physical/over call) with the management to understand the business and fundamental factors that could affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance;
- Selection of valuation methodology/(ies) as per internationally accepted valuation methodologies;
- Determined the fair equity share swap ratio based on the selected methodology.

For the purpose of arriving at the valuation of the Companies/businesses we have considered the valuation base as 'Fair Value' and the premise of value is 'Going Concern Value'. Any change in the valuation base, or the premise could have significant impact on our valuation exercise, and therefore, this report.



<<<This space has been intentionally left blank>>>

## 7. Valuation Approaches

- 7.1. It is pertinent to note that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the companies/businesses, and other factors which generally influence the valuation of the companies, its businesses and assets.
- 7.2. The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, analysis of businesses, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.
- 7.3. It may be noted that BDO Valuation Advisory LLP is enrolled with IOV Registered Valuers Foundation, which has recommended to follow IVS for undertaking valuation. We have given due cognizance to the same in carrying out the valuation exercise.
- 7.4. We have considered the International Valuation Standards issued by International Valuation Standards Council ('IVS').
- 7.5. The Report Date is valuation date ('Valuation Date'). For valuation exercise, market parameters have been considered up to and including February 14, 2020.
- 7.6. There are three generally accepted approaches to valuation:
- (a) "Cost" Approach
  - (b) "Income" Approach
  - (c) "Market" Approach

Within these three basic approaches, several methods may be used to estimate the value. An overview of these approaches is as follows:

### Cost Approach

#### Summation Method

The summation method, also referred to as the underlying asset method, is typically used for investment companies or other types of assets or entities for which value is primarily a factor of the values of their holdings.





This valuation approach is mainly used in case where the assets base dominates earnings capability. A scheme of amalgamation would normally be proceeded with, on the assumption that the companies amalgamate as going concerns and an actual realization of the operating assets is not contemplated. The operating assets have therefore been considered at book values. In a going concern scenario, the relative earning power, as reflected under the Income and Market approaches, is of greater importance to the basis of amalgamation, with the values arrived at on the net asset basis being of limited relevance. Therefore, we have not considered Cost approach for valuation since the cost approach does not reflect the intrinsic value of the business in a "going concern scenario".

#### **Income Approach**

The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.

#### **Discounted Cash Flow Method**

Under the Discounted Cash Flow ('DCF') method, the value of the undertaking is based on expected cash flows for future, discounted at a rate, which reflects the expected returns and the risks associated with the cash flows as against its accounting profits. The value of the undertaking is determined as the present value of its future free cash flows.

Free cash flows are discounted for the explicit forecast period and the perpetuity value thereafter. Free cash flows represent the cash available for distribution to both, the owners and creditors of the business.

Discount rate is the Weighted Average Cost of Capital ('WACC'), based on an optimal vis-à-vis actual capital structure. It is appropriate rate of discount to calculate the present value of future cash flows as it considers equity-debt risk and also debt-equity ratio of the firm.

The perpetuity (terminal) value is calculated based on the business's potential for further growth beyond the explicit forecast period. The "constant growth model" is applied, which implies an expected constant level of growth (for perpetuity) in the cash flows over the last year of the forecast period.

The discounting factor (rate of discounting the future cash flows) reflects not only the time value of money, but also the risk associated with the business's future operations.

The Business/Enterprise Value so derived, is further reduced by value of debt, if any, (net of cash and cash equivalents) to arrive at value to the owners of business. The surplus assets / non-operating assets are also adjusted.



In case of free cash flows to equity, the cash available for distribution to owners of the business is discounted at the Cost of Equity and the value so arrived is the Equity Value before surplus/ non-operating assets. The surplus assets / non-operating assets are further added to arrive at the Equity Value.

DCF Method under the Income Approach has not been considered as these Companies are listed on Stock Exchanges and information related to the future profit and loss account, balance sheet and cash flows is price sensitive and not made available to us.

#### **Market Approach**

Under the Market approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies. The Market approach generally reflects the investors' perception about the true worth of the company.

##### **i. Market Price Method**

Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the trading. The market value reflects the investors' perception about the true worth of the company.

Equity shares of the Companies are traded on BSE & NSE. In the present case, the share price of the Companies on the NSE has been considered, as the trading volumes are higher at NSE as compared to BSE. The Pricing Formula provided in Regulations 164 (1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ('ICDR') has been considered for arriving at the value per equity share of the Companies under the market price Method. This method has been adopted even though shares of both the Companies are infrequently traded since we could not adopt the other methods of valuation for reasons set out in the notes under the tables at 10.1.

The market price is considered as higher of following:

- (a) average of the weekly high and low of the volume weighted average price during the 26 weeks preceding February 15, 2020; or
- (b) average of weekly high and low of the volume weighted average price during the 2 weeks preceding February 15, 2020.

##### **ii. Comparable Companies Multiple Method**

Under the Comparable Companies Multiple ('CCM') method, the value is determined on the basis of multiples derived from valuations of comparable companies, as manifest through stock market



valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

To the value of the business so arrived, adjustments need to be made for the value of contingent assets/liabilities, surplus Asset and dues payable to preference shareholders, if any, in order to arrive at the value for equity shareholders.

### **iii. Comparable Transactions Multiple Method**

Under the Comparable Transactions Multiple ('CTM') method, the value of a company can be estimated by analyzing the prices paid by purchasers of similar companies under similar circumstances. This is a valuation method where one will be comparing recent market transactions in order to gauge current valuation of target company. Relevant multiples have to be chosen carefully and adjusted for differences between the circumstances. This valuation approach is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation.

We have not used CCM or CTM methods for this valuation as:

(1) (a) there are few listed comparable companies in India, valuation multiple of which could have been considered for CCM method. However, either there have been notable impact on the market prices of these companies due to non-business reasons or they are dominated by regional content, unlike the Companies; and (b) we did not find comparable transactions in India, in recent past, for which adequate information was available in public domain.

(2) we did not consider it appropriate to use international comparable companies/transaction multiples due to lack of identical comparable companies/transactions having variance on account size, geography, nature of business, nature of transactions, corporate structure, industry/company specific issues etc.

(3) trailing 12 months revenues of some of the companies were not at normative level due to industry specific issues.

(4) EBITDA of some of the companies is negative/not normative due to company/industry specific issues.



## 8. Basis of Fair Equity Share Swap Ratio

- 8.1. The basis of the fair equity share swap ratio for the Proposed Amalgamation would have to be determined after taking into consideration all the factors and methods mentioned hereinabove and to arrive at a final value for the shares of each company. It is, however, important to note that in doing so, we are not attempting to arrive at the absolute values of the Companies, but at their relative values to facilitate the determination of the fair equity share swap ratio.
- 8.2. We have independently applied methods discussed above, as considered appropriate, and arrived at their assessment of value per share of the Companies. To arrive at the consensus on the fair equity share swap ratio for the Proposed Amalgamation, rounding off have been done in the values.

## 9. Major factors that were considered during the valuation

- 9.1. The equity shares of the Companies are listed;
- 9.2. Share price of the Companies; and
- 9.3. Key operating/ financial parameters of the Companies.



<<<This space has been intentionally left blank>>>

## 10. Conclusion

10.1. We have used the Market Price Method as discussed above and arrived at the recommended fair equity share swap ratio for the Proposed Amalgamation of DEN into Network18 as follows:

Valuation Approach	Valuation Method	DEN		Network18	
		Value Per Share (INR)	Weights	Value Per Share (INR)	Weights
Income Approach	DCF Method <sup>1</sup>	NA	NA	NA	NA
Market Approach	MP Method	53.7	100%	28.1	100%
Market Approach	CCM Method <sup>2</sup>	NA	NA	NA	NA
Cost Approach	NAV Method <sup>3</sup>	NA	NA	NA	NA
Value Per Share		53.7		28.1	
Swap Ratio (Rounded Off)		100		191	

NA= Not Adopted/Not Applicable

1. *Discounted Cash Flow Method under the Income Approach has not been considered as the Companies are listed on the Stock Exchanges and information related to future profit and loss account, balance sheet and cash flows is price sensitive and not made available to us.*
2. *We have not used CCM or CTM methods for this valuation as:*
  - (1) *(a) there are few listed comparable companies in India, valuation multiple of which could have been considered for CCM method. However, either there have been notable impact on the market prices of these companies due to non-business reasons or they are dominated by regional content, unlike the Companies; and (b) we did not find comparable transactions in India, in recent past, for which adequate information was available in public domain; and*
  - (2) *we did not consider it appropriate to use international comparable companies/ transaction multiples due to lack of identical comparable companies/ transactions having variance on account size, geography, nature of business, nature of transactions, corporate structure, industry / company specific issues etc.*
  - (3) *trailing 12 months revenues of some of the companies were not at normative level due to industry specific issues; and*
  - (4) *EBITDA of some of the companies is negative/not normative due to company/industry specific issues.*
3. *NAV Method under 'Cost Approach' has not been considered since the net asset value does not reflect the intrinsic value of the business in a "going concern scenario"*



**10.2. Therefore, the following is the recommended Fair Equity Share Swap Ratio:**

- 191 equity shares of Network18 (of INR 5/- each, fully paid up) for every 100 equity shares held in DEN (of INR 10/- each fully paid up) for the proposed amalgamation.



<<<This space has been intentionally left blank>>>







**REPORT OF THE AUDIT COMMITTEE OF DEN NETWORKS LIMITED**  
**RECOMMENDING THE COMPOSITE SCHEME OF AMALGAMATION AND**  
**ARRANGEMENT**

**Members:**

Mr. Ajaya Chand (Chairman of the Audit Committee);  
Dr. Archana Hingorani;  
Mr. Saurabh Sancheti;

**In Attendance:**

Mr. Jatin Mahajan - Company Secretary and Compliance Officer;

**Invitees:**

Mr. S N Sharma - Chief Executive Officer;  
Mr. Satyendra Jindal - Chief Financial Officer;

1. The draft Composite Scheme of Amalgamation and Arrangement between Network18 Media & Investments Limited (Network18), Den Networks Limited (the Company), Hathway Cable and Datacom Limited (HCDL), TV18 Broadcast Limited (TV18), (the Company, HCDL and TV18 collectively referred as Amalgamating Companies), Media18 Distribution Services Limited (Transferee Company 1), Web18 Digital Services Limited (Transferee Company 2) and Digital18 Media Limited (Transferee Company 3) and their respective shareholders and creditors (Scheme) pursuant to Section 230 to 232 read with Section 66 of the Companies Act, 2013, was placed before the Audit Committee for its recommendation to the Board of Directors, in terms of the Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time (SEBI Circular) issued by the Securities and Exchange Board of India (SEBI). The report of the Audit Committee is made in order to comply with requirements of the SEBI Circular and after considering following necessary documents:

- (a) Draft Composite Scheme of Amalgamation and Arrangement;
- (b) Valuation Report prepared by M/s. MSKA & Associates, Chartered Accountants dated February 17, 2020 and M/s. BDO Valuation Advisory LLP, Independent Registered Valuer dated February 17, 2020;
- (c) Fairness Opinion prepared by ICICI Securities Limited, Independent Merchant Banker dated February 17, 2020; and



**DEN Networks Limited**

CIN: L92490DL2007PLC165673

Registered Office: 236, Okhla Industrial Estate, Phase-III, New Delhi - 110 020

Landline: +91 11 40522200 || Facsimile: +91 11 40522203 || E-mail: den@denonline.in || www.dennetworks.com

2. The Committee noted that the Scheme, *inter alia*, provides for the amalgamation of the Company with Network18 with Appointed Date being February 1, 2020
3. The Committee also noted that the effectiveness of the Scheme was *inter alia* conditional upon and subject to approval from the shareholders of the Company, and other entities involved in the Scheme, the approval of the BSE Limited, the National Stock Exchange of India Limited, the SEBI, the Hon'ble National Company Law Tribunal, the Department of Telecommunications and any other regulatory approvals as may be required.
4. A detailed presentation was made to the Audit Committee by Valuers elaborating on the valuation aspects of the proposed Scheme.
5. The Committee noted that the share exchange ratio for the Amalgamation of the Company with Network18 is as follows:
  - Network18 will issue and allot to each Eligible Shareholder of the Company, equity shares in Network18, in the ratio of 191 Equity Shares of the face value of Rs. 5 each (credited as fully paid up) of Network18 for every 100 equity shares of the face value of Rs. 10 each (credited as fully paid-up) held by such shareholder in the Company.

**Recommendation of the Audit Committee**

6. In light of foregoing and taking into consideration, *inter alia*, the Valuation Report and Fairness Opinion, the Audit Committee recommends the draft Scheme for favourable consideration by the Board of Directors.

Date: February 17, 2020

Place: Mumbai

  
Chairman of the Audit Committee



54

**DEN Networks Limited**

CIN: L92490DL2007PLC165673

Registered Office: 236, Okhla Industrial Estate, Phase-III, New Delhi - 110 020

Landline: +91 11 40522200 || Facsimile: +91 11 40522203 || E-mail: den@denonline.in || www.denetworks.com

February 17, 2020

To,

**The Board of Directors,  
Den Networks Limited**  
236, Okhla Industrial Estate,  
Phase-III, New Delhi - 110 020

**Sub: Fairness opinion on the Share Swap Ratio in relation to the Composite Scheme of Amalgamation and Arrangement involving the merger of Den Networks Limited into Network18 Media & Investments Limited**

In terms of our engagement letter dated February 03, 2020 with Den Networks Limited ("DEN" / "Company"), DEN has requested ICICI Securities ("I-Sec") to provide a fairness opinion on the 'Share Swap Ratio' in relation to proposed amalgamation of DEN into Network18 Media & Investments ("Network18") under the composite scheme of Amalgamation and Arrangement involving Network18, TV18 Broadcast Limited ("TV18"), DEN, Hathway Cable and Datacom Limited ("HCDL"), Digital18 Media Limited, Media18 Distribution Services Limited, Web18 Digital Services Limited and their respective shareholders and creditors ("Scheme").

**BACKGROUND, PURPOSE AND USE OF THIS FAIRNESS OPINION**

We understand that the management of DEN is considering the Scheme in terms of which DEN would be amalgamated into Network18. The appointed date ("Appointed Date") for the Scheme has been determined as February 1, 2020. As a consideration for the amalgamation, all shareholders of DEN, as of a record date to be determined by the Board of DEN and / or Network18 ("Record Date"), shall receive new equity shares of Network18, in accordance with the Share Swap Ratio determined and recommended by an independent valuer. DEN, in terms of the Scheme and upon the Scheme coming into effect, shall stand dissolved without winding up and without any further act or deed.

DEN has engaged MSKA & Associates Chartered Accountants ("Independent Valuer") to determine and recommend the share swap ratio in terms of the requirements of SEBI CFD/DIL3-CIR/2017/21 dated March 10, 2017, as amended from time to time ("SEBI Circular"). In this connection, we have been requested by DEN to render an opinion on whether the Share Swap Ratio determined and recommended by the Independent Valuer vide their report dated February 17, 2020 is fair and reasonable to the shareholders of DEN from the financial point of view.

As per Independent Valuer's recommendation, under the Scheme, the equity shareholders of DEN, as of the Record Date, will receive one hundred ninety one (191) fully paid up equity shares of Network18 with the face value of Rs. Five (5) each for every hundred (100) fully paid up equity shares of DEN with the face value of Rs. Ten (10) each.

SEBI Registration - BSM26011174  
CIN No - 107120X4189415100241

**ICICI Securities Limited**  
Registered Office:  
ICICI Centre, 15, T. Park Road,  
Chandigarh, Mumbai 400 026, India  
Tel: (01 22) 22189 2460/70  
Fax: (01 22) 2282 6589



Website Address: [www.icicisecurities.com](http://www.icicisecurities.com)



We shall also be providing fairness opinion to the Board of Directors of the TV18 and HCL in relation to the Scheme.

This fairness opinion is being issued in terms of the SEBI Circular and is intended only for the sole use and information of DEN, and only in connection with the Scheme including for the purpose of obtaining judicial and regulatory approvals for the Scheme. We are not responsible in any way to any other person / party for any decision of such person or party based on this fairness opinion. Any person / party intending to provide finance / invest in the shares / business of any of the companies involved in the Scheme or their subsidiaries / joint ventures / associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is hereby notified that any reproduction, copying or otherwise quoting of this fairness opinion or any part thereof, other than in connection with the Scheme as aforesaid can be done only with our prior permission in writing. We acknowledge that this fairness opinion will be shared to the extent as may be required, with National Company Law Tribunal, BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE" and together with the BSE, the "Stock Exchanges"), advisors of DEN in relation to the Scheme, as well as with other relevant statutory or regulatory authorities.

#### SOURCES OF INFORMATION

In arriving at our opinion set forth below, we have relied on:

- (a) Discussions (including oral) and the draft and final valuation report of the Independent Valuer;
- (b) Discussions (including oral) with management of each of DEN and Network18 regarding the Scheme;
- (c) Audited financial statements of DEN and Network18 for the years ended March 31, 2019 and March 31, 2018;
- (d) Limited review financial statements of DEN and Network18 for the nine months ended December 31, 2019;
- (e) Limited reviewed Summary financials (Revenue, EBITDA, PAT and Net Debt) for the nine months ended December 31, 2019 for the subsidiaries;
- (f) Market data / trading data of DEN and Network18 from the Stock Exchanges;
- (g) Market data of the comparable companies and businesses from Bloomberg;
- (h) Draft Scheme; and
- (i) Other relevant information and documents for the purpose of this engagement

#### SCOPE LIMITATIONS

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

Our work does not constitute an audit, due diligence or certification of the historical financial statements in relation to each of DEN and Network18 including their respective working results or businesses referred. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this fairness opinion.



Our analysis and results are specific to the purpose of the exercise of giving our fairness opinion on the Share Swap Ratio. It may not be valid for any other purpose or if provided on behalf of any other entity.

Our analysis and results are also specific to the date of this fairness opinion and based on information as at February 14, 2020. An exercise of this nature involves consideration of various factors. This fairness opinion is issued on the understanding that each of DEN and Network18 have drawn our attention to all the matters which may have an impact on our opinion or on the Share Swap Ratio for the Scheme, including any significant changes that have taken place or are likely to take place in the financial position or businesses subsequent to the Appointed Date. We have no responsibility to update this fairness opinion for events and circumstances occurring after this date.

In the course of the present exercise, we were provided with both written and verbal information, including financial data. The terms of our engagement were such that we were entitled to rely upon the information provided without detailed inquiry. Also, we assume that the management of each of DEN and Network18, has not omitted any relevant and material factors for the purposes of the work which we have undertaken in connection with this fairness opinion.

We shall have no obligation to verify the accuracy or completeness of any information or express any opinion or offer any form of assurance regarding the accuracy or completeness of such information and shall not assume any liability therefor. We assume no responsibility whatsoever for any errors in the information furnished to us and their impact on the present exercise.

We express no opinion whatsoever and make no recommendation at all to the shareholders or secured or unsecured creditors of each of DEN and Network18, as to how they should vote at their respective meetings held in connection with the Scheme. We do not express and should not be deemed to have expressed any views on any other term of the Scheme. We also express no opinion and accordingly accept no responsibility with respect to the market prices at which the equity shares of DEN and Network18 would trade following the announcement of the Scheme or as to their financial performance following the consummation of the Scheme. We also express no opinion on the likely market price of Network18 post the consummation of the Scheme.

No investigation has been made with respect to the claim to title of assets of each of DEN and Network18 for the purpose of this exercise and the same has been assumed to be valid. We have not placed any individual value on the assets of each of DEN and Network18 and have also not considered any liens or encumbrances on the same. Further we have not opined and accordingly do not take responsibility whatsoever for matters of a legal nature. Also we are not opining on matters related to taxation. This fairness opinion should not be construed as a certification regarding the compliance of the Scheme with the provisions of any law including Companies Act, tax laws and capital market related laws or as regards any legal implications or issues arising from the Scheme.

In the ordinary course of business, ICICI Securities Limited and its affiliates is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of ICICI Securities Limited may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Scheme.



In the circumstances, having regard to all relevant factors and on the basis of information and explanations given to us, we are of the opinion on the date hereof, that the proposed Share Swap Ratio for the Scheme, as recommended by Independent Valuer is fair and reasonable from the financial point of view.

Yours faithfully,

For ICICI Securities Limited



Anurag Verma

Vice President, Investment Banking

ICICI Securities, Mumbai

Date: February 17, 2020





### Format of holding of specified securities

1 Name of Entity:

**Media18 Distribution Services Limited (Transferee Company 1)**

2 Scrip Code/Name of Scrip/Class of Security :

Equity Shares

3 Share Holding Pattern Filed under Regulation 31(1)(b)

**As on February 1, 2020 (Pre-Scheme)(Without PAN)**

	Particulars	Yes	No
1	Whether the *Listed Entity has issued any partly paid up shares?		NO
2	Whether the *Listed Entity has issued any Convertible Securities or Warrants?		NO
3	Whether the *Listed Entity has any shares against which depository receipts are issued?		NO
4	Whether the *Listed Entity has any shares in locked-in?		NO
5	Whether any shares held by promoters are pledge or otherwise encumbered?		NO
6	Whether the *Listed Entity has issued any Differential Voting Rights?		NO
7	Whether the *listed entity has any significant beneficial owner?	YES	



Table I - Summary Statement holding of specified securities

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialize d form (XIV)		
								Number of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)	
								Class X (Equity)	Class Y	Total									
(A)	Promoter & Promoter Group	7*	10000	0	0	10000	100.00	10000	0	10000	100.00	0	100.00	0	0.00	0	0.00	0	
(B)	Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0.00	0
(C)	Non Promoter-Non Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0.00	0
	<b>Total</b>	<b>7*</b>	<b>10000</b>	<b>0</b>	<b>0</b>	<b>10000</b>	<b>100.00</b>	<b>10000</b>	<b>0</b>	<b>10000</b>	<b>100.00</b>	<b>0</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	

\* Includes 6 Nominee Shareholders holding 1 equity share each on behalf of Network18 Media &amp; Investments Limited.



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

(A)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of Total Voting rights			No.(a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class X(Equity)	Class Y	Total								
(1)	Indian																	
(a)	Individuals/Hindu undivided Family																	
(b)	Central Government/ State Government(s)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
(c)	Financial Institutions/ Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
(d)	Any Other (specify)																	
	<b>Bodies Corporate</b>																	
	Network18 Media & Investments Limited	1	9994	0	0	9994	99.94	9994	0	9994	99.94	0	99.94	0	0.00	0	0	0.00
	Nominee Shareholders of Network18 Media & Investments Limited	6	6	0	0	6	0.06	6	0	6	0.06	0	0.06	0	0.00	0	0	0.00
	<b>Sub-Total (A)(1)</b>																	
	<b>Foreign</b>																	
	Individuals (Non- Resident Individuals/Foreign Individuals)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
	Government	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
	Institutions	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
	Foreign Portfolio Investor	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
	Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
	<b>Sub-Total (A)(2)</b>																	
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	7	10000	0	0	10000	100	10000	0	10000	100	0	100	0	0	0	0	0

Note :

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.



Table III - Statement showing shareholding pattern of the Public shareholder

(B)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			Total as a % of Total Voting rights	No. of Shares Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)/(X) as a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)
								Class X(Equity)	Class Y	Total				No.(a)	As a % of total Shares held (b)	No. (Not applicable) (a)	As a % of total Shares held (Not applicable) (b)	
(1)	<b>Institutions</b>																	
(a)	Mutual Funds/UTI	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(b)	Venture Capital Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(c)	Alternate Investment Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(e)	Foreign Portfolio Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(f)	Financial Institutions/ Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(g)	Insurance Companies	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(h)	Provident Funds/ Pension Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(i)	Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	<b>Sub-Total (B)(1)</b>																	
(2)	<b>Central Government/ State Government(s)/ President of India</b>	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	<b>Sub-Total (B)(2)</b>																	
(3)	<b>Non-Institutions</b>																	
(a)	Individuals - i) Individual shareholders holding nominal share capital up to Rs. 2 lakhs.*	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(b)	NBFCs registered with RBI	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(c)	Employee Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(e)	Any Other (specify)																	
	<b>Sub-Total (B)(3)</b>																	
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0



**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

(C)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)	Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)			
								Number of Voting Rights						Total as a % of Total Voting rights	No.		As a % of total Shares held	No. (Not applicable)	As a % of total Shares held (Not applicable)
								Class X	Class Y	Total									
(1)	Custodian/DR Holder	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0		
(a)	Name of DR Holder (if available)																		
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)																		
(a)	Name (abc...)																		
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0		

**Note**

- (1) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available,  
(2) NA denotes " Not Applicable"



**Table V- Statement showing details of significant beneficial owners (SBOs)**

Sr. No	Details of the Significant Beneficial Owner(SBO) (I)		Details of the registered owner (II)		Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*: (III)					Date of creation / acquisition of significant beneficial interest# (IV)
	Name	Nationality	Name	Nationality	Shares (%)	Voting rights (%)	Rights on distributable (%) Dividend or any other Distribution	Exercise of control	Exercise of significant Influence	
1	Reliance Industries Limited	Indian	Network18 Media & Investments Limited#	Indian	10000	100	100	No	No	30.01.2020

# Includes 6 Nominee Shareholders holding 1 equity share each on behalf of Network18 Media & Investments Limited

\* In case the nature of the holding/ exercise of the right of a SBO falls under multiple categories specified under (a) to (e) under Column III, multiple rows for the same SBO shall be inserted accordingly for each of the categories.



### Format of holding of specified securities

- |   |   |  |
|---|---|--|
| 1 | Name of Entity:                                       | <b>Web18 Digital Services Limited (Transferee Company 2)</b> |
| 2 | Scrip Code/Name of Scrip/Class of Security :          | <b>Equity Shares</b>   |
| 3 | Share Holding Pattern Filed under Regulation 31(1)(b) | <b>As on February 1, 2020 (Pre-Scheme)(without PAN)</b>      |

	Particulars	Yes	No
1	Whether the *Listed Entity has issued any partly paid up shares?		NO
2	Whether the *Listed Entity has issued any Convertible Securities or Warrants?		NO
3	Whether the *Listed Entity has any shares against which depository receipts are issued?		NO
4	Whether the *Listed Entity has any shares in locked-in?		NO
5	Whether any shares held by promoters are pledge or otherwise encumbered?		NO
6	Whether the *Listed Entity has issued any Differential Voting Rights?		NO
7	Whether the *listed entity has any significant beneficial owner?	YES	





Table I - Summary Statement holding of specified securities

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialize d form (XIV)	
								Number of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class X (Equity)	Class Y	Total								
(A)	Promoter & Promoter Group	7*	10000	0	0	10000	100.00	10000	0	10000	100.00	0	100.00	0	0.00	0	0.00	0
(B)	Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(C)	Non Promoter-Non Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	<b>Total</b>	7*	10000	0	0	10000	100.00	10000	0	10000	100.00	0	100.00	0	0.00	0	0.00	0

\* Includes 6 Nominee Shareholders holding 1 equity share each on behalf of Network18 Media &amp; Investments Limited.



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

(A)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Class X (Equity)	Class Y	Total			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(1)	Indian																
(a)	Individuals/Hindu undivided Family																
(b)	Central Government/ State Government(s)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
(c)	Financial Institutions/ Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
(d)	Any Other (specify)																
	<b>Bodies Corporate</b>																
	Network18 Media & Investments Limited	1	9994	0	0	9994	99.94	9994	0	9994	99.94	0	99.94	0	0.00	0	0.00
	Nominee Shareholders of Network18 Media & Investments Limited	6	6	0	0	6	0.06	6	0	6	0.06	0	0.06	0	0.00	0	0.00
	<b>Sub-Total (A)(1)</b>																
	<b>Foreign</b>																
	Individuals (Non- Resident Individuals/Foreign Individuals)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	Government	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	Institutions	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	Foreign Portfolio Investor	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	<b>Sub-Total (A)(2)</b>																
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	7	10000	0	0	10000	100	10000	0	10000	100	0	100	0	0	0	0
	<b>Note :</b>																

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.



Table III - Statement showing shareholding pattern of the Public shareholder

(B)	Category & Name of the shareholders (I)	PAN (II)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)
									Class X(Equity)	Class Y	Total	Total as a % of Total Voting rights			No.(a)	As a % of total Shares held (b)	No. (Not applicable) (a)	As a % of total Shares held (Not applicable) (b)	
<b>(1)</b>	<b>Institutions</b>																		
(a)	Mutual Funds/UTI		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(b)	Venture Capital Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(c)	Alternate Investment Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(d)	Foreign Venture Capital Investors		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(e)	Foreign Portfolio Investors		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(f)	Financial Institutions/ Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(g)	Insurance Companies		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(h)	Provident Funds/ Pension Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(i)	Any Other (specify)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	<b>Sub-Total (B)(1)</b>																		
<b>(2)</b>	<b>Central Government/ State Government(s)/ President of India</b>		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	<b>Sub-Total (B)(2)</b>																		
<b>(3)</b>	<b>Non-institutions</b>																		
(a)	Individuals - i) Individual shareholders holding nominal share capital up to Rs. 2 lakhs.*		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(b)	NBFCs registered with RBI		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(c)	Employee Trusts		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(d)	Overseas Depositories (holding DRs) (balancing figure)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(e)	Any Other (specify)																		
	<b>Sub-Total (B)(3)</b>																		
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0



**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

(C)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)	Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)		
								Number of Voting Rights			Total as a % of Total Voting rights				No.	As a % of total Shares held		No. (Not applicable)	As a % of total Shares held (Not applicable)
								Class X	Class Y	Total									
(1)	Custodian/DR Holder		0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0		
(a)	Name of DR Holder (if available)																		
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)																		
(a)	Name (abc...)																		
	Total Non- Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)		0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0		

**Note**

- (1) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available,  
(2) NA denotes "Not Applicable"



**Table V- Statement showing details of significant beneficial owners (SBOs)**

Sr. No	Details of the Significant Beneficial Owner(SBO) (I)		Details of the registered owner (II)		Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*: (III)					Date of creation / acquisition of significant beneficial interest# (IV)
	Name	Nationality	Name	Nationality	Shares (%)	Voting rights (%)	Rights on distributable (%) Dividend or any other Distribution	Exercise of control	Exercise of significant Influence	
1	Reliance Industries Limited	Indian	Network18 Media & Investments Limited#	Indian	10000	100	100	No	No	30.01.2020

# Includes 6 Nominee Shareholders holding 1 equity share each on behalf of Network18 Media & Investments Limited

\* In case the nature of the holding/ exercise of the right of a SBO falls under multiple categories specified under (a) to (e) under Column III, multiple rows for the same SBO shall be inserted accordingly for each of the categories.



### Format of holding of specified securities

- |   |   |  |
|---|---|--|
| 1 | Name of Entity:                                       | Digital18 Media Limited (Transferee Company 3)   |
| 2 | Scrip Code/Name of Scrip/Class of Security :          | Equity Shares                                    |
| 3 | Share Holding Pattern Filed under Regulation 31(1)(b) | As on February 1, 2020 (Pre-Scheme)(without PAN) |

	Particulars	Yes	No
1	Whether the *Listed Entity has issued any partly paid up shares?		NO
2	Whether the *Listed Entity has issued any Convertible Securities or Warrants?		NO
3	Whether the *Listed Entity has any shares against which depository receipts are issued?		NO
4	Whether the *Listed Entity has any shares in locked-in?		NO
5	Whether any shares held by promoters are pledge or otherwise encumbered?		NO
6	Whether the *Listed Entity has issued any Differential Voting Rights?		NO
7	Whether the *listed entity has any significant beneficial owner?	YES	



Table I - Summary Statement holding of specified securities

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) =(IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialize d form (XIV)	
								Number of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class X (Equity)	Class Y	Total								
(A)	Promoter & Promoter Group	7*	10000	0	0	10000	100.00	10000	0	10000	100.00	0	100.00	0	0.00	0	0.00	0
(B)	Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(C)	Non Promoter-Non Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	<b>Total</b>	7*	10000	0	0	10000	100.00	10000	0	10000	100.00	0	100.00	0	0.00	0	0.00	0

\* Includes 6 Nominee Shareholders holding 1 equity share each on behalf of Network18 Media &amp; Investments Limited.



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

(A)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of Total Voting rights			No.(a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class X(Equity)	Class Y	Total								
(1)	Indian																	
(a)	Individuals/Hindu undivided Family																	
(b)	Central Government/ State Government(s)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
(c)	Financial Institutions/ Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
(d)	Any Other (specify)																	
	<b>Bodies Corporate</b>																	
	Network18 Media & Investments Limited	1	9994	0	0	9994	99.94	9994	0	9994	99.94	0	99.94	0	0.00	0	0	0.00
	Nominee Shareholders of Network18 Media & Investments Limited	6	6	0	0	6	0.06	6	0	6	0.06	0	0.06	0	0.00	0	0	0.00
	<b>Sub-Total (A)(1)</b>																	
	<b>Foreign</b>																	
	Individuals (Non- Resident Individuals/Foreign Individuals)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
	Government	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
	Institutions	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
	Foreign Portfolio Investor	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
	Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0	0.00
	<b>Sub-Total (A)(2)</b>																	
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>7</b>	<b>10000</b>	<b>0</b>	<b>0</b>	<b>10000</b>	<b>100</b>	<b>10000</b>	<b>0</b>	<b>10000</b>	<b>100</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note :

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.





Table III - Statement showing shareholding pattern of the Public shareholder

(B)	Category & Name of the shareholder (I)	Nos. of shareholder (II)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (IV)+(V)+ (VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)
								Class X(Equity)	Class Y	Total			No.(a)	As a % of total Shares held (b)	No. (Not applicable) (a)	As a % of total Shares held (Not applicable) (b)	
<b>(1)</b>	<b>Institutions</b>																
(a)	Mutual Funds/UTI	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
(b)	Venture Capital Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
(e)	Foreign Portfolio Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
(f)	Financial Institutions/ Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
(g)	Insurance Companies	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
(h)	Provident Funds/ Pension Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
(i)	Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
	<b>Sub-Total (B)(1)</b>																
<b>(2)</b>	<b>Central Government/ State Government(s)/ President of India</b>	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
	<b>Sub-Total (B)(2)</b>																
<b>(3)</b>	<b>Non-institutions</b>																
(a)	Individuals - i) Individual shareholders holding nominal share capital up to Rs. 2 lakhs.*	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
	ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
(b)	NBFCs registered with RBI	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
(c)	Employee Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
(e)	Any Other (specify)																
	<b>Sub-Total (B)(3)</b>																
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0



**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

(C)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)	Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)		
								Number of Voting Rights			Total as a % of Total Voting rights				No.	As a % of total Shares held		No. (Not applicable)	As a % of total Shares held (Not applicable)
								Class X	Class Y	Total									
(1)	Custodian/DR Holder	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0		
(a)	Name of DR Holder (if available)																		
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)																		
(a)	Name (abc...)																		
	Total Non- Promoter- Non Public Shareholding (C)= (C1)+(C)2)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0		

**Note**

- (1) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available,  
(2) NA denotes " Not Applicable"



**Table V- Statement showing details of significant beneficial owners (SBOs)**

Sr. No	Details of the Significant Beneficial Owner(SBO) (I)		Details of the registered owner (II)		Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*: (III)					Date of creation / acquisition of significant beneficial interest# (IV)
	Name	Nationality	Name	Nationality	Shares (%)	Voting rights (%)	Rights on distributable (%) Dividend or any other Distribution	Exercise of control	Exercise of significant Influence	
1	Reliance Industries Limited	Indian	Network18 Media & Investments Limited#	Indian	10000	100	100	No	No	30.01.2020

# Includes 6 Nominee Shareholders holding 1 equity share each on behalf of Network18 Media & Investments Limited

\* In case the nature of the holding/ exercise of the right of a SBO falls under multiple categories specified under (a) to (e) under Column III, multiple rows for the same SBO shall be inserted accordingly for each of the categories.



### Format of holding of specified securities

- 1 Name of Entity: **Media18 Distribution Services Limited (Transferee Company 1)**
- 2 Scrip Code/Name of Scrip/Class of Security : **Equity Shares**
- 3 Share Holding Pattern Filed under Regulation 31(1)(b) **Post Scheme (Without PAN)**

	Particulars	Yes	No
1	Whether the *Listed Entity has issued any partly paid up shares?		NO
2	Whether the *Listed Entity has issued any Convertible Securities or Warrants?		NO
3	Whether the *Listed Entity has any shares against which depository receipts are issued?		NO
4	Whether the *Listed Entity has any shares in locked-in?		NO
5	Whether any shares held by promoters are pledge or otherwise encumbered?		NO
6	Whether the *Listed Entity has issued any Differential Voting Rights?		NO
7	Whether the *listed entity has any significant beneficial owner?	YES	



**Table I - Summary Statement holding of specified securities**

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held** (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held ** (VII) =(IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities ** (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) ** (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) ** (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialize d form (XIV)	
								Number of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class X (Equity)	Class Y	Total								
(A)	Promoter & Promoter Group	7*	10000	0	0	10000	100.00	10000	0	10000	100.00	0	100.00	0	0.00	0	0.00	0
(B)	Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
(C)	Non Promoter-Non Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	<b>Total</b>	7*	10000	0	0	10000	100.00	10000	0	10000	100.00	0	100.00	0	0.00	0	0.00	0

\* Includes 6 Nominee Shareholders holding 1 equity share each on behalf of Network18 Media & Investments Limited.

\*\* The discharge of the consideration for the business transfer shall be in the form of securities and shall be determined by the board of Media18 in consultation with Network18 - Media18 shall continue to remain a wholly owned subsidiary of Network18 post the Scheme.



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

(A)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held * (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held* (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Voting Rights held in each class of securities* (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants)* (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)* (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)
								Number of Voting Rights		Total as a % of Total Voting rights			No.(a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class X(Equity)	Class Y								
(1)	Indian																
(a)	Individuals/Hindu undivided Family																
(b)	Central Government/ State Government(s)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
(c)	Financial Institutions/ Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
(d)	Any Other (specify)																
	<b>Bodies Corporate</b>																
	Network18 Media & Investments Limited	1	9994	0	0	9994	99.94	9994	0	9994	99.94	0	99.94	0	0.00	0	0.00
	Nominee Shareholders of Network18 Media & Investments Limited	6	6	0	0	6	0.06	6	0	6	0.06	0	0.06	0	0.00	0	0.00
	<b>Sub-Total (A)(1)</b>																
	<b>Foreign</b>																
	Individuals (Non- Resident Individuals/Foreign Individuals)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	Government	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	Institutions	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	Foreign Portfolio Investor	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	<b>Sub-Total (A)(2)</b>																
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	7	10000	0	0	10000	100	10000	0	10000	100	0	100	0	0	0	0

Note :-

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

\*The discharge of the consideration for the business transfer shall be in the form of securities and shall be determined by the board of Media18 in consultation with Network18 - Media18 shall continue to remain a wholly owned subsidiary of Network18 post the Scheme.



**Table III - Statement showing shareholding pattern of the Public shareholder**

(B)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)
								Class X(Equity)	Class Y	Total	Total as a % of Total Voting rights			No.(a)	As a % of total Shares held (b)	No. (Not applicable) (a)	As a % of total Shares held (Not applicable) (b)	
(1)	<b>Institutions</b>																	
	(a) Mutual Funds/UTI	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(b) Venture Capital Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(c) Alternate Investment Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(d) Foreign Venture Capital Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(e) Foreign Portfolio Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(f) Financial Institutions/ Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(g) Insurance Companies	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(h) Provident Funds/ Pension Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(i) Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	<b>Sub-Total (B)(1)</b>																	
(2)	<b>Central Government/ State Government(s)/ President of India</b>	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	<b>Sub-Total (B)(2)</b>																	
(3)	<b>Non-Institutions</b>																	
	(a) Individuals -	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	i) Individual shareholders holding nominal share capital up to Rs. 2 lakhs.*																	
	ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(b) NBFCs registered with RBI	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(c) Employee Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(d) Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(e) Any Other (specify)																	
	<b>Sub-Total (B)(3)</b>																	
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0



**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

(C)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)	Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)			
								Number of Voting Rights						Total as a % of Total Voting rights	No.		As a % of total Shares held	No. (Not applicable)	As a % of total Shares held (Not applicable)
								Class X	Class Y	Total									
(1)	Custodian/DR Holder		0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0		
(a)	Name of DR Holder (if available)																		
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)																		
(a)	Name (abc...)																		
	Total Non- Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)		0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0		

**Note**

- (1) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available,  
(2) NA denotes " Not Applicable"





**Table V- Statement showing details of significant beneficial owners (SBOs)**

Sr. No	Details of the Significant Beneficial Owner(SBO) (I)		Details of the registered owner (II)		Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*: (III)					Date of creation / acquisition of significant beneficial interest# (IV)
	Name	Nationality	Name	Nationality	Shares** (%)	Voting rights (%)	Rights on distributable (%) Dividend or any other Distribution	Exercise of control	Exercise of significant Influence	
1	Reliance Industries Limited	Indian	Network18 Media & Investments Limited#	Indian	10000	100	100	No	No	30.01.2020

# Includes 6 Nominee Shareholders holding 1 equity share each on behalf of Network18 Media & Investments Limited

\* In case the nature of the holding/ exercise of the right of a SBO falls under multiple categories specified under (a) to (e) under Column III, multiple rows for the same SBO shall be inserted accordingly for each of the categories.

\*\*The discharge of the consideration for the business transfer shall be in the form of securities and shall be determined by the board of Media18 in consultation with Network18

- Media18 shall continue to remain a wholly owned subsidiary of Network18 post the Scheme.



### Format of holding of specified securities

1 Name of Entity:

**Web18 Digital Services Limited (Transferee  
Company 2)**

2 Scrip Code/Name of Scrip/Class of Security :

Equity Shares

3 Share Holding Pattern Filed under Regulation 31(1)(b)

**Post Scheme (Without PAN)**

	Particulars	Yes	No
1	Whether the *Listed Entity has issued any partly paid up shares?		NO
2	Whether the *Listed Entity has issued any Convertible Securities or Warrants?		NO
3	Whether the *Listed Entity has any shares against which depository receipts are issued?		NO
4	Whether the *Listed Entity has any shares in locked-in?		NO
5	Whether any shares held by promoters are pledge or otherwise encumbered?		NO
6	Whether the *Listed Entity has issued any Differential Voting Rights?		NO
7	Whether the *listed entity has any significant beneficial owner?	YES	



**Table I - Summary Statement holding of specified securities**

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held** (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held ** (VII) =(IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities ** (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) ** (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) ** (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialize d form (XIV)	
								Number of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class X (Equity)	Class Y	Total								
(A)	Promoter & Promoter Group	7*	10000	0	0	10000	100.00	10000	0	10000	100.00	0	0.00	0	0.00	0	0	
(B)	Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	
(C)	Non Promoter-Non Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	
	<b>Total</b>	7*	10000	0	0	10000	100.00	10000	0	10000	100.00	0	0.00	0	0.00	0	0.00	

\* Includes 6 Nominee Shareholders holding 1 equity share each on behalf of Network18 Media & Investments Limited.

\*\* The discharge of the consideration for the business transfer shall be in the form of securities and shall be determined by the board of Web18 in consultation with Network18 - Web18 shall continue to remain a wholly owned subsidiary of Network18 post the Scheme.



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

(A)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held * (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held* (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Voting Rights held in each class of securities* (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants)* (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)* (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)
								Number of Voting Rights Class X(Equity)	Class Y	Total			No.(a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(1)	Indian																
(a)	Individuals/Hindu undivided Family																
(b)	Central Government/ State Government(s)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
(c)	Financial Institutions/ Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
(d)	Any Other (specify)																
	<b>Bodies Corporate</b>																
	Network18 Media & Investments Limited	1	9994	0	0	9994	99.94	9994	0	9994	99.94	0	99.94	0	0.00	0	0.00
	Nominee Shareholders of Network18 Media & Investments Limited	6	6	0	0	6	0.06	6	0	6	0.06	0	0.06	0	0.00	0	0.00
	<b>Sub-Total (A)(1)</b>																
	<b>Foreign</b>																
	Individuals (Non- Resident Individuals/Foreign Individuals)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	Government	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	Institutions	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	Foreign Portfolio Investor	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00
	<b>Sub-Total (A)(2)</b>																
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	7	10000	0	0	10000	100	10000	0	10000	100	0	100	0	0	0	0

Note :-

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

\*The discharge of the consideration for the business transfer shall be in the form of securities and shall be determined by the board of Web18 in consultation with Network18 - Web18 shall continue to remain a wholly owned subsidiary of Network18 post the Scheme.



Table III - Statement showing shareholding pattern of the Public shareholder

(B)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)
								Class X(Equity)	Class Y	Total	Total as a % of Total Voting rights			No.(a)	As a % of total Shares held (b)	No. (Not applicable) (a)	As a % of total Shares held (Not applicable) (b)	
(1)	<b>Institutions</b>																	
	(a) Mutual Funds/UTI	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(b) Venture Capital Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(c) Alternate Investment Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(d) Foreign Venture Capital Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(e) Foreign Portfolio Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(f) Financial Institutions/ Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(g) Insurance Companies	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(h) Provident Funds/ Pension Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(i) Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	<b>Sub-Total (B)(1)</b>																	
(2)	<b>Central Government/ State Government(s)/ President of India</b>	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	<b>Sub-Total (B)(2)</b>																	
(3)	<b>Non-Institutions</b>																	
	(a) Individuals -	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	i) Individual shareholders holding nominal share capital up to Rs. 2 lakhs.*																	
	ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(b) NBFCs registered with RBI	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(c) Employee Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(d) Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(e) Any Other (specify)																	
	<b>Sub-Total (B)(3)</b>																	
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0

**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

(C)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)	Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)		
								Number of Voting Rights						Total as a % of Total Voting rights	No. As a % of total Shares held		No. (Not applicable)	As a % of total Shares held (Not applicable)
								Class X	Class Y	Total								
(1)	Custodian/DR Holder	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0	
(a)	Name of DR Holder (if available)																	
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)																	
(a)	Name (abc...)																	
	Total Non- Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	

**Note**

- (1) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available,  
(2) NA denotes " Not Applicable"



**Table V- Statement showing details of significant beneficial owners (SBOs)**

Sr. No	Details of the Significant Beneficial Owner(SBO) (I)		Details of the registered owner (II)		Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*: (III)					Date of creation / acquisition of significant beneficial interest# (IV)
	Name	Nationality	Name	Nationality	Shares** (%)	Voting rights (%)	Rights on distributable (%) Dividend or any other Distribution	Exercise of control	Exercise of significant Influence	
1	Reliance Industries Limited	Indian	Network18 Media & Investments Limited#	Indian	10000	100	100	No	No	30.01.2020

# Includes 6 Nominee Shareholders holding 1 equity share each on behalf of Network18 Media & Investments Limited

\* In case the nature of the holding/ exercise of the right of a SBO falls under multiple categories specified under (a) to (e) under Column III, multiple rows for the same SBO shall be inserted accordingly for each of the categories.

\*\*The discharge of the consideration for the business transfer shall be in the form of securities and shall be determined by the board of Web18 in consultation with Network18 - Web18 shall continue to remain a wholly owned subsidiary of Network18 post the Scheme.



### Format of holding of specified securities

1 Name of Entity:

**Digital18 Media Limited (Transferee Company 3)**

2 Scrip Code/Name of Scrip/Class of Security :

Equity Shares

3 Share Holding Pattern Filed under Regulation 31(1)(b)

**Post Scheme(Without PAN)**

	Particulars	Yes	No
1	Whether the *Listed Entity has issued any partly paid up shares?		NO
2	Whether the *Listed Entity has issued any Convertible Securities or Warrants?		NO
3	Whether the *Listed Entity has any shares against which depository receipts are issued?		NO
4	Whether the *Listed Entity has any shares in locked-in?		NO
5	Whether any shares held by promoters are pledge or otherwise encumbered?		NO
6	Whether the *Listed Entity has issued any Differential Voting Rights?		NO
7	Whether the *listed entity has any significant beneficial owner?	YES	





**Table I - Summary Statement holding of specified securities**

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held** (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held ** (VII) =(IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities ** (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) ** (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) ** (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialize d form (XIV)	
								Number of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class X (Equity)	Class Y	Total								
(A)	Promoter & Promoter Group	7*	10000	0	0	10000	100.00	10000	0	10000	100.00	0	100.00	0	0.00	0	0.00	0
(B)	Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(C)	Non Promoter-Non Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	<b>Total</b>	7*	10000	0	0	10000	100.00	10000	0	10000	100.00	0	100.00	0	0.00	0	0.00	0

\* Includes 6 Nominee Shareholders holding 1 equity share each on behalf of Network18 Media & Investments Limited.

\*\* The discharge of the consideration for the business transfer shall be in the form of securities and shall be determined by the board of Digital18 in consultation with Network18 - Digital18 shall continue to remain a wholly owned subsidiary of Network18 post the Scheme.



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

(A)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held * (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held* (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Voting Rights held in each class of securities* (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants)* (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)* (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)	
								Number of Voting Rights					Total as a % of Total Voting rights	No.(a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class X(Equity)	Class Y	Total								
(1)	Indian																	
(a)	Individuals/Hindu undivided Family																	
(b)	Central Government/ State Government(s)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0
(c)	Financial Institutions/ Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0
(d)	Any Other (specify)																	
	<b>Bodies Corporate</b>																	
	Network18 Media & Investments Limited	1	9994	0	0	9994	99.94	9994	0	9994	99.94	0	99.94	0	0.00	0	0.00	0
	Nominee Shareholders of Network18 Media & Investments Limited	6	6	0	0	6	0.06	6	0	6	0.06	0	0.06	0	0.00	0	0.00	0
	<b>Sub-Total (A)(1)</b>																	
	<b>Foreign</b>																	
	Individuals (Non- Resident Individuals/Foreign Individuals)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0
	Government	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0
	Institutions	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0
	Foreign Portfolio Investor	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0
	Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0
	<b>Sub-Total (A)(2)</b>																	
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	7	10000	0	0	10000	100	10000	0	10000	100	0	100	0	0	0	0	0

Note :-

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

\*The discharge of the consideration for the business transfer shall be in the form of securities and shall be determined by the board of Digital18 in consultation with Network18 - Digital18 shall continue to remain a wholly owned subsidiary of Network18 post the Scheme.



Table III - Statement showing shareholding pattern of the Public shareholder

(B)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)		Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)
								Number of Voting Rights Class X(Equity)	Class Y	Total	Total as a % of Total Voting rights			No.(a)	As a % of total Shares held (b)	No. (Not applicable) (a)	As a % of total Shares held (Not applicable) (b)	
(1)	<b>Institutions</b>																	
	(a) Mutual Funds/UTI	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(b) Venture Capital Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(c) Alternate Investment Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(d) Foreign Venture Capital Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(e) Foreign Portfolio Investors	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(f) Financial Institutions/ Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(g) Insurance Companies	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(h) Provident Funds/ Pension Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(i) Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	<b>Sub-Total (B)(1)</b>																	
(2)	<b>Central Government/ State Government(s)/ President of India</b>	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	<b>Sub-Total (B)(2)</b>																	
(3)	<b>Non-Institutions</b>																	
	(a) Individuals -	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	i) Individual shareholders holding nominal share capital up to Rs. 2 lakhs.*																	
	ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(b) NBFCs registered with RBI	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(c) Employee Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(d) Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0
	(e) Any Other (specify)																	
	<b>Sub-Total (B)(3)</b>																	
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0



**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

(C)	Category & Name of the shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)(VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) as a % of (A+B+C2)	Number of Locked in shares(XII)	Number of Shares pledged or otherwise encumbered(XIII)		Number of equity shares held in dematerialized form (XIV)		
								Number of Voting Rights			Total as a % of Total Voting rights				No.	As a % of total Shares held		No. (Not applicable)	As a % of total Shares held (Not applicable)
								Class X	Class Y	Total									
(1)	Custodian/DR Holder	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0		
(a)	Name of DR Holder (if available)																		
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit Regulations, 2014)																		
(a)	Name (abc...)																		
	Total Non- Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0		

**Note**

- (1) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available,  
(2) NA denotes " Not Applicable"



**Table V- Statement showing details of significant beneficial owners (SBOs)**

Sr. No	Details of the Significant Beneficial Owner(SBO) (I)		Details of the registered owner (II)		Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*: (III)					Date of creation / acquisition of significant beneficial interest# (IV)
	Name	Nationality	Name	Nationality	Shares** (%)	Voting rights (%)	Rights on distributable (%) Dividend or any other Distribution	Exercise of control	Exercise of significant Influence	
1	Reliance Industries Limited	Indian	Network18 Media & Investments Limited#	Indian	10000	100	100	No	No	30.01.2020

# Includes 6 Nominee Shareholders holding 1 equity share each on behalf of Network18 Media & Investments Limited

\* In case the nature of the holding/ exercise of the right of a SBO falls under multiple categories specified under (a) to (e) under Column III, multiple rows for the same SBO shall be inserted accordingly for each of the categories.

\*\*The discharge of the consideration for the business transfer shall be in the form of securities and shall be determined by the board of Digital18 in consultation with Network18

- Digital18 shall continue to remain a wholly owned subsidiary of Network18 post the Scheme.

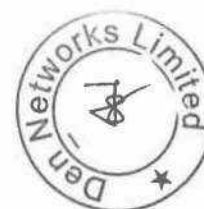


The financial details of companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: **MEDIA18 DISTRIBUTION SERVICES LIMITED (TRANSFEREE COMPANY 1)**

The Company has been incorporated on January 30, 2020, therefore, the financial details as required in the table below will not be applicable.

(Rs. in Crores)				
Particulars	Limited Review (Unaudited Financials for quarter ended September 30, 2019)	As per last Audited Financial Year (2018-19)	1 year prior to the last Audited Financial Year (2017-18)*	2 years prior to the last Audited Financial Year (2016-17)
Equity Paid up Capital				
Reserves and surplus				
Carry forward losses				
Net Worth				
Miscellaneous				
Secured Loans				
Unsecured Loans				
Fixed Assets			NA	
Income from Operations				
Total Income				
Total Expenditure				
Profit / ( Loss) before				
Profit / ( Loss) after Tax				
Cash profit / ( Loss)				
EPS ( In Rs.)				
Book value (In Rs.)				

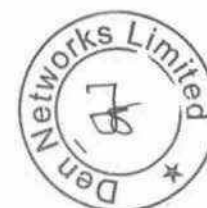


The financial details of companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: WEB18 DIGITAL SERVICES LIMITED (TRANSFeree COMPANY 2)

The Company has been incorporated on January 30, 2020, therefore, the financial details as required in the table below will not be applicable.

(Rs. in Crores)				
Particulars	Limited Review (Unaudited Financials for quarter ended September 30, 2019)	As per last Audited Financial Year (2018-19)	1 year prior to the last Audited Financial Year (2017-18)*	2 years prior to the last Audited Financial Year (2016-17)
Equity Paid up Capital				
Reserves and surplus				
Carry forward losses				
Net Worth				
Miscellaneous				
Secured Loans				
Unsecured Loans				
Fixed Assets			NA	
Income from Operations				
Total Income				
Total Expenditure				
Profit / ( Loss) before				
Profit / ( Loss) after Tax				
Cash profit / ( Loss)				
EPS ( In Rs.)				
Book value (In Rs.)				



The financial details of companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: DIGITAL18 MEDIA LIMITED (TRANSFeree COMPANY 3)

The Company has been incorporated on January 30, 2020, therefore, the financial details as required in the table below will not be applicable.

(Rs. in Crores)				
Particulars	Limited Review (Unaudited Financials for quarter ended September 30, 2019)	As per last Audited Financial Year (2018-19)	1 year prior to the last Audited Financial Year (2017-18)*	2 years prior to the last Audited Financial Year (2016-17)
Equity Paid up Capital				
Reserves and surplus				
Carry forward losses				
Net Worth				
Miscellaneous				
Secured Loans				
Unsecured Loans				
Fixed Assets			NA	
Income from Operations				
Total Income				
Total Expenditure				
Profit / ( Loss) before				
Profit / ( Loss) after Tax				
Cash profit / ( Loss)				
EPS ( In Rs.)				
Book value (In Rs.)				



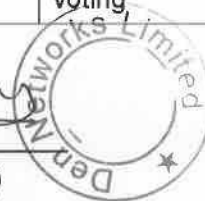



## Compliance Report to be submitted along with the draft scheme

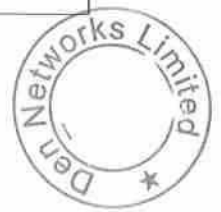
It is hereby certified that the draft composite scheme of Amalgamation and Arrangement involving DEN Networks Limited, Hathway Cable and Datacom Limited, TV18 Broadcast Limited, Media18 Distribution Services Limited, Web18 Digital Services Limited, Digital18 Media Limited and Network18 Media & Investments Limited does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and this circular, including the following:

Sr. No.	Reference	Particulars
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements
2	Regulation 11 of LODR Regulations	Compliance with securities laws
Requirements of this circular		
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges
(b)	Para (I)(A)(3)	Conditions for schemes of arrangement involving unlisted entities
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards
(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting

  
 (Jatin Mahajan)  
**Company Secretary**

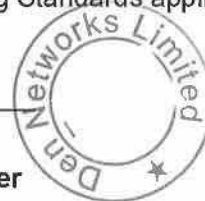


  
 (Sameer Manchanda)  
**Managing Director**



Certified that the transactions / accounting treatment provided in draft composite scheme of Amalgamation and Arrangement involving DEN Networks Limited, Hathway Cable and Datacom Limited, TV18 Broadcast Limited, Media18 Distribution Services Limited, Web18 Digital Services Limited, Digital18 Media Limited and Network18 Media & Investments Limited are in compliance with all the Accounting Standards applicable to a listed entity-Not Applicable

  
 (Satyendra Jindal)  
**Chief Financial Officer**



  
 (Sameer Manchanda)  
**Managing Director**



Date: 17<sup>th</sup> February, 2020

**DEN Networks Limited**

CIN: L92490DL2007PLC165673

Registered Office: 236, Okhla Industrial Estate, Phase-III, New Delhi - 110 020

Landline: +91 11 40522200 || Facsimile: +91 11 40522203 || E-mail: den@denonline.in || www.dennetworks.com