



SUN TV NETWORK LIMITED

Murasoli Maran Towers, 73, MRC Nagar Main Road, MRC Nagar, Chennai - 600 028, TamilNadu, India.
Tel : +91-44-4467 6767, Fax : +91-44-4067 6161 Email: tvinfo@sunnetwork.in
Website: www.suntv.in CIN.: L22110TN1985PLC012491

17th December, 2024

BSE Limited
Floor No. 25, P J Towers,
Dalal Street,
Mumbai - 400 001

National Stock Exchange of India Limited
Exchange Plaza Bandra
BandraKurla Complex, Bandra (E)
Mumbai - 400 051

Scrip Code: 532733, Scrip Id: SUNTV

Symbol: SUNTV, Series: EQ

Reg: Disclosure under Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosures Requirements), Regulations, 2015, read with Sub-Para 1.2 of Para A1 of Annexure I of Circular bearing number SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 issued by SEBI regarding the approval of Composite Scheme of Arrangement for Amalgamation.

Dear Sir(s) / Madam,

This is in furtherance to our letter dated 04th January 2024, we write to inform you that Hon'ble National Company Law Tribunal Division Bench (Court- I) Chennai have approved the Composite Scheme of Arrangement for Amalgamation between South Asia FM Limited and its Joint Ventures / Associate Companies under Sections 230 and 232 of the Companies Act, 2013 on 09th December 2024 and the said order was communicated to the Company on 17th December 2024

The copy of the Order as available on the website of the NCLT is enclosed herewith. The certified copy of the said order of NCLT is awaited.

Brief details of the amalgamated companies are as follows:

Amalgamation I

Amalgamation of Metro Digital Networks (Hyderabad) Private Limited, Deccan Digital Networks (Hyderabad) Private Limited and AV Digital Networks (Hyderabad) Private Limited with South Asia FM Limited.

Amalgamation II

Amalgamation of Digital Radio (Mumbai) Broadcasting Limited with Optimum Media Services Private Limited; Digital Radio (Delhi) Broadcasting Limited & South Asia Multimedia Private Limited with Pioneer Radio Training Services Private Limited; and Digital Radio (Kolkata) Broadcasting Limited with Asia Radio Broadcast Private Limited.



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Amalgamation III

Amalgamation of Optimum Media Services Private Limited, Pioneer Radio Training Services Private Limited and Asia Radio Broadcast Private Limited with South Asia FM Limited.

The final Amalgamated Company is South Asia FM Limited, Subsidiary of Sun TV Network Limited.

This is for your information and records.

For Sun TV Network Limited

R Ravi
Company Secretary & Compliance Officer

Encl: A/a



**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **09.12.2024** THROUGH VIDEO CONFERENCING

PRESENT: HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI. VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

APPLICATION NUMBER : CA(CAA)/19(CHE)/2024
PETITION NUMBER : CP(CAA)/37(CHE)/2024
NAME OF THE PETITIONER(S) : Metro Digital Networks Hyderabad Pvt
Ltd and Others
NAME OF THE RESPONDENTS :
UNDER SECTION : Sec 230-232 of CA, 2013

ORDER

Present: Ld. Counsel Shri. Ashwin Raman for the Petitioner / Applicant.
Vide separate order pronounced in Open Court, scheme is approved.
File be consigned to records.

Sd/-

(VENKATARAMAN SUBRAMANIAM)
MEMBER (TECHNICAL)

MG

Sd/-

(SANJIV JAIN)
MEMBER (JUDICIAL)



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH - I, CHENNAI**

CP(CAA)/37(CHE)2024 in CA(CAA)/19(CHE)/2024

(Under Sections 230 to 232 of the Companies Act, 2013)

In the matter of *Composite Scheme of Arrangement of*

METRO DIGITAL NETWORKS (HYDERABAD) PRIVATE LIMITED

CIN: U72200TG2005PTC048619

HAVING ITS REGISTERED OFFICE AT

No.10 HUNTERS ROAD,

CHOO LAI, VEPERY CHENNAI

PERAMBUR PURASWALKAM

TAMIL NADU INDIA, 600112

... Petitioner Company 1/Amalgamating Company 1

DECCAN DIGITAL NETWORKS (HYDERABAD) PRIVATE LIMITED

CIN: U72200TG2005PTC048589.

A COMPANY INCORPORATED UNDER COMPANIES

ACT. 1956. HAVING ITS REGISTERED OFFICE AT.

NO. 10 HUNTERS ROAD, CHOO LAI, VEPERY

CHENNAI, PERAMBUR PURASAWALKAM

TAMIL NADU INDIA, 600112

... Petitioner Company 2/Amalgamating Company 2

A.V. DIGITAL NETWORKS (HYDERABAD) PRIVATE LIMITED

CIN: U92111TG2005PTC048588,

A COMPANY INCORPORATED UNDER COMPANIES

ACT. 1956. HAVING ITS REGISTERED OFFICE AT.

NO. 10 HUNTERS ROAD, CHOO LAI, VEPERY

CHENNAI, PERAMBUR PURASAWALKAM

TAMIL NADU INDIA, 600112

... Petitioner Company 3/Amalgamating Company 3

DIGITAL RADIO (MUMBAI) BROADCASTING LIMITED

CIN; 1192111DL2000PLC107736

A COMPANY INCORPORATED UNDER COMPANIES

ACT. 1956. HAVING ITS REGISTERED OFFICE AT.

NO. 10 HUNTERS ROAD. CHOO LAI. VEPERY



CHENNAI. PERAMBUR PURASAWALKAM
TAMIL NADU. INDIA. 600007.

... Petitioner Company 4/Amalgamating Company 4

DIGITAL RADIO (DELHI) BROADCASTING LIMITED
CIN: U74140DL2000PLC107734.

A COMPANY INCORPORATED UNDER COMPANIES
ACT, 1956, HAVING ITS REGISTERED OFFICE AT.
NO. 10 HUNTERS ROAD, CHOOLAI, VEPERY
CHENNAI, PERAMBUR PURASAWALKAM
TAMIL NADU, INDIA, 600007.

... Petitioner Company 5/Amalgamating Company 5

SOUTH ASIA MULTIMEDIA PRIVATE LIMITED
CIN: U51909DL1996PTC078475,

A COMPANY INCORPORATED UNDER COMPANIES
ACT, 1956, HAVING ITS REGISTERED OFFICE AT.
NO. 10 HUNTERS ROAD, CHOOLAI, VEPETY
CHENNAI, PERAMBUR PURASAWALKAM
TAMIL NADU, INDIA, 600112.

... Petitioner Company 6/Amalgamating Company 6

DIGITAL RADIO (KOLKATA) BROADCASTING LIMITED
CIN: U74140DL2000PLC107732,

A COMPANY INCORPORATED UNDER COMPANIES
ACT, 1956, HAVING ITS REGISTERED OFFICE AT.
NO. 10 HUNTERS ROAD, CHOOLAI, VEPEIY
CHENNAI. PERAMBUR PURASAWALKAM
TAMIL NADU, INDIA, 600007

... Petitioner Company 7/Amalgamating Company 7

OPTIMUM MEDIA SERVICES PRIVATE LIMITED
CIN: U74899DL2005PTC143204,

A COMPANY INCORPORATED UNDER COMPANIES
ACT, 1956, HAVING ITS REGISTERED OFFICE AT.
NO. 10 HUNTERS ROAD, CHOOLAI, VEPERY
CHENNAI, PERAMBUR PURASAWALKAM
TAMIL NADU, INDIA, 600007.

... Petitioner Company 8/Amalgamating Company 8/



Amalgamated Company 1

PIONEER RADIO TRAINING SERVICES PRIVATE LIMITED

CIN: U80302DL2005PTC143205,

A COMPANY INCORPORATED UNDER COMPANIES
ACT, 1956, HAVING ITS REGISTERED OFFICE AT.
NO. 10 HUNTERS ROAD, CHOLAI, VEPERY
CHENNAI, PERAMBUR PURASAWALKAM
TAMIL NADU, INDIA, 600007.

*... Petitioner Company 9 / Amalgamating Company 9
Amalgamated Company 2*

ASIA RADIO BROADCAST PRIVATE LIMITED

CIN: U92131TN2005PTC058222.

A COMPANY INCORPORATED UNDER COMPANIES
ACT, 1956, HAVING ITS REGISTERED OFFICE AT.
NO. 10 HUNTERS ROAD, CHOLAI, VEPEIY^
CHENNAI, PERAMBUR PURASAWALKAM
TAMIL NADU, INDIA, 600112.

*... Petitioner Company 10 / Amalgamating Company 10
Amalgamated Company 3*

SOUTH ASIA FM LIMITED

CIN: U92131TN2005PLC057987,

A COMPANY INCORPORATED UNDER COMPANIES
ACT, 1956, HAVING ITS REGISTERED OFFICE AT,
MURASOLI MARAN TOWERS, 73
MRC NAGAR MAIN ROAD, MRC NAGAR
CHENNAI, TAMIL NADU, INDIA, 600028

... Petitioner Company 11 / Amalgamated Company

And

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS.

Order Pronounced on 09th December, 2024

CORAM

SANJIV JAIN, MEMBER (JUDICIAL)

VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)



For Petitioner(s) : Shri. Pawan Jhabakh, Advocate
For Regional Director : Avinash Krishnan Ravi, Advocate
For Official Liquidator: B.Palani along with Sreekumari

ORDER

1. The hearing of this Company Petition has been conducted through hybrid mode.
2. This is Petition filed by **Metro Digital Networks (Hyderabad) Private Limited** (hereinafter referred to as "Amalgamating Company 1" or "**Petitioner Company 1**") and **Deccan Digital Networks (Hyderabad) Private Limited** (hereinafter referred to as the "Amalgamating Company 2" or "**Petitioner Company 2**") and **A.V. Digital Networks (Hyderabad) Private Limited** (hereinafter referred to as the "Amalgamating Company 3" or "**Petitioner Company 3**") and **Digital Radio (Mumbai) Broadcasting Limited** (hereinafter referred to as the "Amalgamating Company 4" or "**Petitioner Company 4**") and **Digital Radio (Delhi) Broadcasting Limited** (hereinafter referred to as the "Amalgamating Company 5" or "**Petitioner Company 5**") and **South Asia Multimedia Private Limited** (hereinafter referred to as the "Amalgamating Company 6" or "**Petitioner Company 6**") and **Digital Radio (Kolkata) Broadcasting Limited** (hereinafter referred to as the



"Amalgamating Company 7" or "**Petitioner Company 7**") and **Optimum Media Services Private Limited** (hereinafter referred to as the "Amalgamating Company 8" or "Amalgamated Company 1" or "**Petitioner Company 8**") and **Pioneer Radio Training Services Private Limited** (hereinafter referred to as the "Amalgamating Company 9" or "Amalgamated Company 2" or "**Petitioner Company 9**") and **Asia Radio Broadcast Private Limited** (hereinafter referred to as the "Amalgamating Company 10" or "Amalgamated Company 3" or "**Petitioner Company 10**") and **South Asia FM Limited** (hereinafter referred to as the "**Amalgamated Company**" or "**Petitioner Company 11**") (together hereinafter referred to as Petitioner Companies) seeking orders/ direction under Section 230-232 of the Companies Act, 2013 read with Rules 3 and 5 of the Companies (Companies, Arrangements and Amalgamations) Rules, 2016 (as amended from time to time, hereinafter referred to as 'the Rules') and the National Company Law Tribunal Rules, 2016 (hereinafter referred to as the "NCLT Rules") in respect of the Composite Scheme of Amalgamation (hereinafter referred to as "the Scheme"). The Scheme is annexed as **Annexure A 1**



at “Page Nos. 133-176” of the Company Petition typeset i.e., CP/CAA/37/CHE/2024.

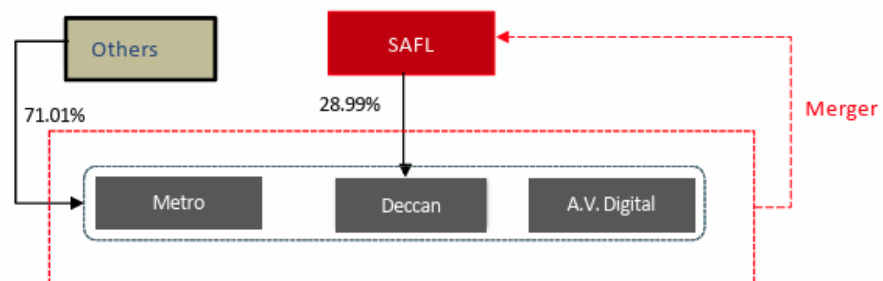
3. The Steps involved in the scheme as provided by the Petitioner Companies are reproduced below:

i) Amalgamation of Petitioner Company 1, Petitioner Company 2 and Petitioner Company 3, with and into Petitioner Company 11 (**Amalgamation I**);

- **Amalgamation I under Part III of this Scheme**

Amalgamation of Metro Digital Networks (Hyderabad) Private Limited (“Applicant Company 1”), Deccan Digital Networks (Hyderabad) Private Limited (“Applicant Company 2”) and A.V. Digital Networks (Hyderabad) Private Limited (“Applicant Company 3”) with South Asia FM Limited (“Applicant Company 11”)

Equity shares of SAFL will be issued as consideration to the shareholders of Applicant Company 1, 2 and 3.



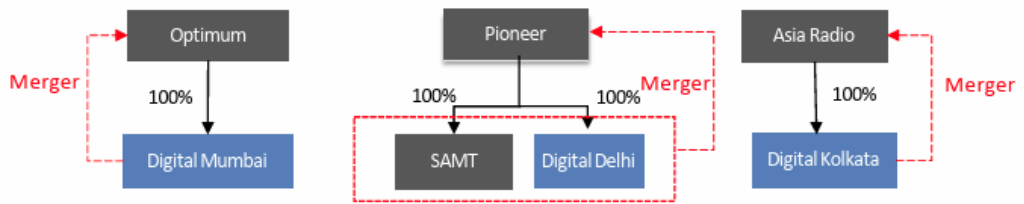
ii) Amalgamation of Petitioner Company 4 with and into Petitioner Company 8, Petitioner Company 5 & Petitioner Company 6 with and into Petitioner Company 9 and Petitioner Company 7 with and into Petitioner Company 10 (**Amalgamation II**) and



- **Amalgamation II under Part IV of this Scheme**

Amalgamation of Digital Radio (Mumbai) Broadcasting Limited (“Applicant Company 4”) with Optimum Media Services Private Limited (“Applicant Company 8”); Digital Radio (Delhi) Broadcasting Limited (“Applicant Company 5”) & South Asia Multimedia Private Limited (“Applicant Company 6”) with Pioneer Radio Training Services Private Limited (“Applicant Company 9”); and Digital Radio (Kolkata) Broadcasting Limited (“Applicant Company 7”) with Asia Radio Broadcast Private Limited (“Applicant Company 10”)

No consideration will be issued to the shareholders of Applicant Company 4, 5, 6 and 7 as they are wholly owned subsidiaries.

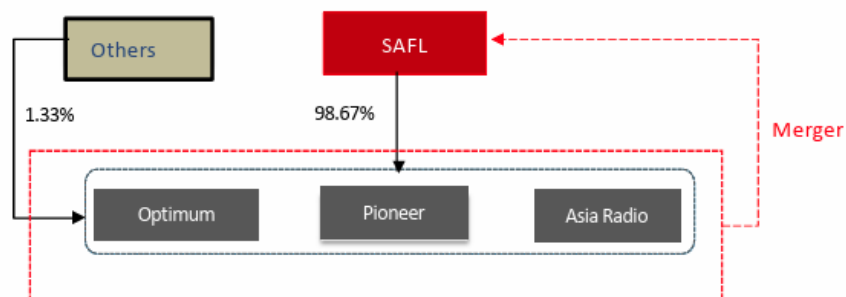


iii) Amalgamation of Petitioner Company 8, Petitioner Company 9 and Petitioner Company 10, with and into Petitioner Company 11 (Amalgamation III).

- **Amalgamation III under Part V of this Scheme**

Amalgamation of Optimum Media Services Private Limited (“Applicant Company 8”), Pioneer Radio Training Services Private Limited (“Applicant Company 9”) and Asia Radio Broadcast Private Limited (“Applicant Company 10”) with South Asia FM Limited (“Applicant Company 11”)

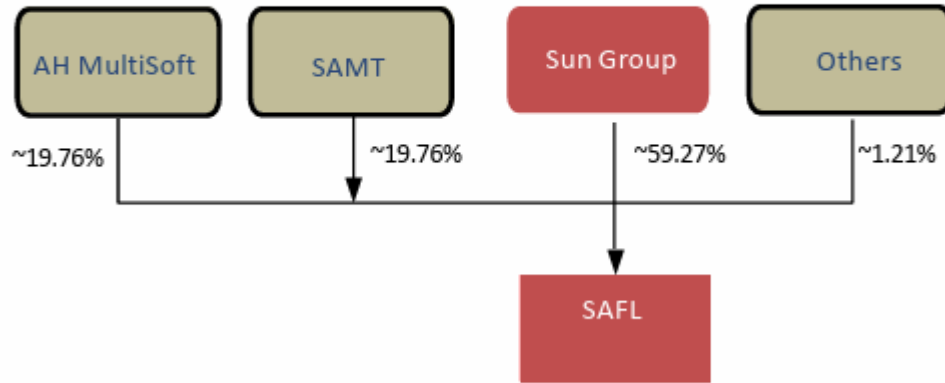
Equity shares of SAFL will be issued as consideration to the shareholders of Applicant Company 8, 9 and 10.



The Resultant Structure



Resultant Group Structure



4. The rationale and benefits of the Scheme as submitted by the Petitioner Companies are extracted here below;

Currently, SAFL is operating Radio FM stations with the brand name 'Red FM' across various cities of India. This Scheme shall ensure that SAFL has a complementary presence pan India across key market of Mumbai, Delhi, Kolkata along with cities like Ahmedabad, Pune, Bhopal, Indore, etc. The Scheme would enable the business to innovate, scale up and run independently to pursue growth opportunities in a more focuses manner. Accordingly, with a view to support the FM radio broadcasting business, to capitalize on its growth opportunities, led by a dedicated management team, it is



proposed to consolidate FM Radio broadcasting business of the companies mentioned above in a single entity i.e, SAFL

Further, the Scheme is expected to provide the following benefits:

a) All the FM broadcasting businesses in a single entity will provide the Amalgamated Company with size and scale and hence, with greater opportunities to secure investments from a new set of financial investors and will enhance the Amalgamated Company's ability to raise further capital from the financial markets;

b) The Scheme will enable consolidation of the business and operations of all the amalgamating companies and amalgamated company which will provide impetus to growth, enable synergies, reduce operational costs, increase operational efficiencies, and enable optimal utilization of various resources as a result of pooling of financial, managerial, technical, and human resources of the Amalgamating Companies and the Amalgamated Company;



c) This Scheme is in the beneficial interest of all the stakeholders including the shareholders, creditors, customers and all other concerned of the companies mentioned in this Scheme.

5. **1ST MOTION APPLICATION [CA(CAA)/19/CHE/2024] – IN BRIEF**

5.1. The Petitioner Companies had filed First Motion Application vide CA(CAA)/19/(CHE)/2024, seeking directions as follows:

	EQUITY SHAREHOLDERS	PREFERENCE SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
APPLICANT COMPANY - 1	Dispense with meeting	Dispense with meeting	NIL	Dispense with meeting
APPLICANT COMPANY - 2	Dispense with meeting	Dispense with meeting	NIL	Dispense with meeting
APPLICANT COMPANY - 3	Dispense with meeting	Dispense with meeting	NIL	Dispense with meeting
APPLICANT COMPANY - 4	Dispense with meeting	Dispense with meeting	NIL	Dispense with meeting
APPLICANT COMPANY - 5	Dispense with meeting	Not Applicable	NIL	Dispense with meeting
APPLICANT COMPANY - 6	Dispense with meeting	Not Applicable	NIL	NIL
APPLICANT COMPANY - 7	Dispense with meeting	Not Applicable	NIL	Dispense with meeting
APPLICANT COMPANY - 8	Dispense with meeting	Dispense with meeting	NIL	Dispense with meeting
APPLICANT COMPANY - 9	Dispense with meeting	Not Applicable	NIL	Dispense with meeting
APPLICANT COMPANY - 10	Dispense with meeting	Not Applicable	NIL	NIL
APPLICANT COMPANY - 11	Dispense with meeting	Dispense with meeting	NIL	Dispense with meeting

5.2. Based on such application moved under Sections 230-232 of the Companies Act, 2013, this Tribunal, vide order dated **31st May, 2024**, ordered for dispensation of meetings for Equity



Shareholders, Preference Shareholders and Unsecured
Creditors of Petitioner Companies

5.3. Pursuant to the order dated 31.05.2024, the Petitioners filed the Second Motion Petition on 12.06.2024 for approval of the Scheme.

6. In the Second Motion Petition filed by the Petitioner Companies, this Tribunal vide order dated **19.06.2024** directed the Petitioner Companies to issue notice to the Statutory/ Regulatory Authorities viz.

(i) Regional Director (Southern Region), Chennai (ii) RoC, Chennai, (iii) Official Liquidator and (iv) Commissioner of Income Tax, (v) Ministry of Information and Broadcasting and other sectoral regulators, and other sectoral regulators, who govern the working of the respective companies, as well as for paper publication to be made in **Business Standard** (English, All India Edition) and **Makkal Kural** Tamil (Tamil Nadu Edition)

7. In compliance to the said directions issued by this Tribunal, the Petitioner Companies filed an affidavit of service before the Registry of this Tribunal on **08.08.2024**. A perusal of the same discloses that the Petitioner Companies effected the paper publications as directed by



the Tribunal in “Business Standard”, English (All India Edition) and “Makkal Kural” Tamil (Tamil Nadu Edition) on 30.07.2024. It is also seen that notices were also served to (i) Regional Director, Southern Region, Chennai, (ii) Registrar of Companies, Chennai, (iii) Official Liquidator (iv) Income Tax Authorities, & (v) Ministry of Information and broadcasting. Proof of the same by way of affidavits have been enclosed with the typed set.

8. Pursuant to the service of notice of the petition, following statutory authorities have responded as follows:

8.1. REGIONAL DIRECTOR

8.1.1. The Regional Director, Southern Region (*hereinafter referred to as 'RD'*) Chennai has filed his Report before this Tribunal on **23.08.2024** and has stated in para 8 of the RD report that Clause 4(1) of Part III of Amalgamation of the Scheme provides that upon the scheme become effective, all employees of Amalgamating Companies 1 to 3 shall be transferred to and engaged by the Amalgamated Company without any interruption of service and on the basis of continuity of service, and on such terms and conditions as are



no less favourable than those on which they are currently engaged by the Amalgamating Companies 1 to 3.

8.1.2. It is stated in para 9 of the RD Report that Clause 15 of Part IV of Amalgamation-II of the Scheme provides that upon the scheme becoming effective, all employees of Amalgamating Companies 4 to 7 shall be transferred to and engaged by the Amalgamated Company 1 to 3 respectively, without any interruption of service and on the basis of continuity of service, and on such terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamating Company 4 to 7.

8.1.3. It is stated in para 10 of RD Report that clause 25(i) of Part V of Amalgamation-III of the scheme provides that upon the scheme becoming effective, all employees of Amalgamating Companies 8,9 and 10 shall be transferred to and engaged by the Amalgamated Company, without any interruption of service and on the basis of continuity of service, and on such terms and conditions as are no less favourable than those on



which they are currently engaged by the Amalgamating Companies 8,9, & 10, respectively.

8.1.4. It is stated in para 11 of the RD Report that clause 8.1 of Part-III of the Scheme provides that upon the scheme becoming effective and in consideration of the Amalgamation I i.e., amalgamation of amalgamating company-1, amalgamating Company 2 and Amalgamating company 3 with amalgamated company and pursuant to Part III of the Scheme, amalgamated Company as per valuation report, shall issue and allot to the shareholders of amalgamating company-1, amalgamating Company 2 and Amalgamating company 3 (whose name is recorded in the register of members, of the Amalgamating company-1, amalgamating company 2 and amalgamating company 3, as holding equity shares on the record date) such number of equity shares, each free and clear of all encumbrances, validity issued and paid up in the amalgamated company in the following manner, i.e.,

“497 (four hundred and ninety seven) fully paid up equity shares of Rs.10/-(Rupees Ten only) each of



amalgamated Company for every 1,00,000 (one lakh) equity shares held in Amalgamating Company-1.

4,05,674(Four Lakh Five Thousand And Six Hundred Seventy Four) fully paid up equity shares of Rs.10/-(ten) each of amalgamated Company for every 1,00,000(one lakh) equity shares held in Amalgamating Company-2.

497 (four hundred and ninety seven) fully paid up equity shares of Rs.10/-(Rupees Ten only) each of Amalgamated Company for every 1,00,000 (one lakh) equity shares held in Amalgamating Company-3.”.

8.1.5. It is stated in para 12 of the RD report that Clause 19 of Part-IV of the Scheme provides that upon the scheme becoming effective, no consideration will be issued to the shareholders of Amalgamating Company 4,5,6 and Amalgamating Company 7 as the said companies are wholly owned subsidiaries of Amalgamated Company-1, Amalgamated Company-2 and Amalgamated Company-3.

8.1.6. It is stated in para 13 of the RD report that Clause 29.1 of Part V of the Scheme provides that upon the Scheme becoming



effective and in consideration of the Amalgamation III i.e., amalgamation of amalgamating company 8,9 and 10 with amalgamated company and pursuant to Part V of the Scheme, the amalgamated company as per valuation report, shall issue and allot to the shareholders of Amalgamating Companies 8,9 and 10(whose name is recorded in the register of members, of the Amalgamating Company-8, Amalgamating company-9 and Amalgamating Company-10 as holding equity shares on the record date) such number of equity shares , each free and clear of all encumbrances, validity issued and paid up in the Amalgamated company in the following manner, i.e.,

“71(Seventy One) fully paid up equity shares of Rs.10/- (Rupees Ten) each of amalgamated company for every 1,00,000(One Lakh) equity shares held in Amalgamating Company-8

3,08,511(Three Lakhs Eight thousand five hundred and eleven only) fully paid up equity shares of Rs.10/- (Rupees Ten) each of amalgamated company for every



1,00,000(One Lakh) equity shares held in Amalgamating Company-9

3,33,333 (Three Lakh Thirty Three Thousand Three Hundred And Thirty Three) fully paid up equity shares of Rs.10/-(Rupees Ten) each of amalgamated company for every 1,00,000(One Lakh) equity shares held in Amalgamating Company-10.”

8.1.7. It is stated that in para 14 of the RD report that Clause 9 of the Scheme of Part-III provides that upon the Scheme becoming effective, the authorised capital of the Amalgamating Company-1, Amalgamating Company-2 and Amalgamating Company-3, as set out in the Scheme but prior to the issuance of and allotment of equity shares under clause 8 above, the authorised capital of Amalgamating Company-1, Amalgamating Company 2 and Amalgamating Company 3 shall be deemed to be added to and combined with the authorized capital of the amalgamated company. The authorized capital of the Amalgamating company 1, amalgamating company2 and amalgamating Company 3



shall stand combined with authorized capital of the amalgamated company, which shall pay the difference in fees if any for enhanced authorized capital subsequent to amalgamation after setting off the fee already paid by the amalgamating company 1 to 3 as per provisions of Section 232(3)(i) of the Companies Act, 2013.

8.1.8. It is stated in para 15 of the RD report that clause 20 of the Scheme of Part-IV provides that upon the scheme becoming effective, the authorised capital of the Amalgamating Company 4, Amalgamating Company-5, Amalgamating Company 6 and Amalgamating Company 7, as set out in this Scheme but prior to the issuance of and allotment of equity shares under clause 8 above, the authorized capital of Amalgamating Company 4, Amalgamating Company-5, Amalgamating Company-6 and Amalgamating Company-7 shall be deemed to be added to and combined with the authorized capital of the Amalgamated Company-1, Amalgamated Company 2 and Amalgamated Company 3 respectively. The authorized share capital of the



Amalgamating Company 4, Amalgamating Company-5, Amalgamating Company-6 and Amalgamating Company-7 shall stand combined with authorized capital of Amalgamated Company-1, Amalgamated Company-2 and Amalgamated Company 3 respectively, who shall apy the difference in fees if any for enhanced authorized capital subsequent to Amalgamation after setting off the fee already paid by the Transferor Companies as per the provisions of Section 232(3)(i) of the Companies Act, 2013.

8.1.9. It is stated in para 16 of the RD report that as per clause 11 of Part III of the Scheme upon the Scheme becoming effective, the amalgamated Company shall account together, in its books of Accounts in accordance with Accounting Principles as laid down in Indian Accounting Standard 103(Business Combinations), notified under Section 133 read with Companies(Indian Accounting Standard) Rules, 2015.

8.1.10. It is stated in para 17 of the RD report that as per clause 21 of Part IV of the Scheme, upon the Scheme becoming effective, the Amalgamated Companies 1 to 3 respectively shall



account for Amalgamation of Amalgamating company 4, Amalgamating company -5 and Amalgamating Company 6 and Amalgamating company 7 respectively, together in its books of Accounts in accordance with Accounting Principles as laid down in Indian Accounting Standard 103(Business Combinations), notified under Section 133 read with Companies (Indian Accounting Standards) Rules, 2015.

8.1.11. It is stated in para 18 of the RD report that as per clause 32 of Part V of the Scheme, upon the Scheme becoming effective, the Amalgamated Company shall account for amalgamation of Amalgamating Companies 8 to 10, together in its books of Accounts in accordance with Accounting Principles as laid down in Indian Accounting Standard 103 (Business Combinations), notified under Section 133 read with Companies (Indian Accounting Standards) Rules, 2015.

8.1.12. It is stated in para 19 of the RD report that as per 12.1 of the Scheme, upon the Scheme becoming effective, all the existing equity shares and preference shares held by Amalgamated Company in Amalgamating Companies 1 to 3, shall stand



cancelled in accordance with the provision of Section 230 to 232 of the Act.

8.1.13. It is stated in para 20 of the RD report that as per Clause 23.1 of the Scheme, upon the Scheme becoming effective all the existing equity and preference shares issued by Amalgamating Companies 4 to 7 and held by the Amalgamated companies 1 to 3, as the case may be, shall stand cancelled in accordance with the provisions of Section 230 to 232 of the Act.

8.1.14. It is stated in para 21 of the RD report that as per Clause 33.1 of the Scheme, upon the Scheme becoming effective all the existing equity shares and preference shares held by the Amalgamated Company in Amalgamating Companies 8 to 10, as the case may be, shall stand cancelled in accordance with the provision of Section 230-232 of the Act.

8.1.15. It is stated in para 22 of the RD report that Clause 17 of Part IV and Clause 27 of Part V of Scheme provides that upon the Scheme becoming effective, Amalgamating Companies 1 to 10 shall stand dissolved without being wound up.



8.1.16. It is stated in para 23 of the RD report that as per the RoC, Chennai report dated 20.08.2024, the amalgamating companies 1 to 7 and amalgamated Companies 1 to 3 and the Amalgamated Company are regular in filing its statutory returns and filed returns up to financial year ending 31st March 2023. It is further stated that, there are no prosecution/technical scrutiny/inspection/complaints pending against the Companies.

8.1.17. It is stated in para 24 of the RD report that as per the financial statement for the financial year 2022-23, no qualification/reservation or adverse remark or disclaimer was made by the auditor in the auditor's report.

8.1.18. It is stated in para 25 of the RD report that, the Scheme of Amalgamation filed with the Application has been examined by the RD and it has decided not to make any objection to scheme except for the observation at para 14 & 15 of the Report.

8.2. Official Liquidator



8.2.1. In relation to the Official Liquidator, (hereinafter referred to as 'OL') to whom the notice was issued, he has filed the Report before this Tribunal stating that they had appointed Sri N Subramanian, Chartered Accountants firm from the empanelled list of Chartered Accountants of the Hon'ble High Court, Madras maintained by their office to verify into the affairs of the Petitioner Companies 1 to 10 in terms of applicable provisions of the Companies Act, 2013. It is stated that the said Chartered Accountant firm verified the books and accounts and other records of the Petitioner Companies 1 to 10 and submitted its report dated 14.08.2024. Copy of the same is enclosed along with the memo and marked as **Annexure**. It is reported from the Scrutiny/inspection that:-

- a) The Petitioner Companies are maintaining proper books of accounts and statutory records as per the requirements of the Companies Act, 2013.
- b) All entries have been made in the Statutory Registers as per the requirements of the Companies Act, 2013 well



within the statutory time prescribed under the Act, and no discrepancies were noted.

- c) The accounts and records of the Petitioner Companies have been audited and the auditor's reports were not qualified for the years ended 31.03.2023, 31.03.2022 and 31.03.2021,
- d) It is stated further stated that the petitioner companies have maintained proper books of accounts as per the Companies Act, 2013 requirement, and in accordance with the Generally Accepted Accounting Principles(GAAP).
- e) The undisputed dues in respect of provident fund, Investor Education Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other materials statutory dues applicable to the company have generally been regularly deposited by the Companies with the appropriate authorities.
- f) No undisputed amounts payable in respect of provident fund, invested Education Protection Fund, Employees



State Insurance, sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to the Company were in arrears for more than 6 months from the date they became payable.

- g) The Petitioner Companies have filed various returns with the Registrar of Companies in time and no case was pending against the Company or any of its directors/officers and no prosecution has been launched under any of the Sections of the Companies Act against the Company or any of its Directors. There are complaints of any nature against the Company or any of its directors. There are no complaints of any nature against the Company or its directors.
- h) The petitioner companies have not accepted any deposits from the public.
- i) The Petitioner companies are regular in filing Income Tax Returns.
- j) The Chartered Accountant has examined the records and documents of the Registrar of Companies, Chennai and



nothing adverse or objectionable affecting the interest of the Petitioner companies or their members or creditors or prejudicial to the public interest was noticed.

- k) The Petitioner Companies have not been inspected under Section 207 of the Companies Act, 2013.

8.2.2. On examination/scrutiny of books of accounts, records and registers etc., the Chartered Accountants are of the opinion that the business has not been carried on with intent to defraud the creditors and or any other person or for any fraudulent purpose attracting the penal provisions of the Section 339 of the Companies Act, 2013. Neither has any person or Officer or director of the Companies misapplied or diverted or retained or became liable or accountable for any money or property of the Company or has been found guilty or any misappropriation, breach of trust in relation to the Company under Section 340 of the Companies Act, 2013.

8.2.3. It is stated in para 6 of the OL report that, on the basis of documents produced before the Official Liquidator and on the basis of the documents available in the MCA data base



and also considering the facts mentioned by the Chartered Accountants in their report dated 14.08.2024, the Official Liquidator is of the view that the petition may be considered fairly as the affairs of the Petitioner Companies have not been conducted in a manner prejudicial to the interest of its creditors or public. It is further stated that as per MCA portal, there is one active charge amounting to Rs.4 crores pending against the 4th Company viz. Digital Radio (Mumbai) Broadcasting Limited. However, the 4th Petitioner Company has submitted the copy of form no.17 vide SRN A02672848 which is yet to be updated in the MCA portal.

8.2.4. From the above observations made by the Chartered Accountant, the Official Liquidator has sought to take on record and consider the report of the Chartered Accountant and fix the remuneration payable to the Auditor who has investigated into the affairs of Petitioner Companies 1 to 10. In this regard, this Tribunal hereby directs the Petitioner Companies 1 to 10 to pay a sum of **Rs.1,00,000**+ GST (Rupees **One Lakh Plus GST**) to the Official Liquidator for the



payment of fees payable towards the Auditor who has investigated into the affairs of the Petitioner Companies 1 to 10.

8.3. Income Tax Authorities

8.3.1. This Tribunal via order dated **19.06.2024** directed the Petitioner Companies to send a notice to authorities including Income Tax Authorities.

8.3.2. The Income Tax Authorities did not appear before this Tribunal nor made any representation.

8.3.3. The Petitioner Companies 10 & 11 have filed an Affidavit via SR.No.4193 dated 20.08.2024 and produced the communication received from Income Tax Authorities.

8.3.4. The Income Tax Department sent a communication letter to the Petitioner Company 10 & 11 dated 07.08.2024 and stated that the Scheme of arrangement should not flout any provisions of Income Tax Act, 1961 and any rules under Income Tax Rule, 1961. It is further stated that, the Resultant Company shall discharge all its responsibilities and liabilities



emanating in respect of the pending/completed/likely to arise in respect of demerged entity under the Income Tax status.

8.3.5. In reply to the communication letter dated 07.08.2024, the Petitioner Companies 10 & 11 have filed an affidavit and undertaken to discharge all liabilities, obligations and payments in the manner as required under the provisions of the Income Tax Act 1961 and the Income Tax Rules, 1962.

8.3.6. Since the Income Tax Department did not make any objection nor make any representation before this Tribunal, it is presumed that they don't have any objection to the sanction of the Scheme.

8.4. Other Statutory Authorities:

8.4.1. Despite notice having been served on 08.07.2024 and paper publication made on 30.07.2024 in "Business Standard", English (All India Edition) and on 16.09.2024 in "Makkal Kural" Tamil (Tamil Nadu Edition), there is no representation from the other statutory Authorities viz, Ministry of Information and Broadcasting before this Tribunal.



8.4.2. The Petitioners has annexed, along with this Application, the approval for amalgamation provided by the Ministry of Information and Broadcast dated 30.11.2022. It is seen that the approval was obtained prior to the filing of this Application.

8.4.3. Under such circumstances this Tribunal in terms of Section 230(5) of the Companies Act, 2013 presumes that the Ministry of Information and Broadcasting does not have any objection to the sanction of the Scheme.

8.4.4. In Company Petition CAA-284/ND/2018 vide Order dated 12.11.2018, the NCLT New Delhi made the following observations with regard to the right of the IT Department in the Scheme of Amalgamation,

“taking into consideration the clauses contained in the Scheme in relation to liability to tax and also as insisted upon by the Income Tax and in terms of the decision in RE: Vodafone Essar Gujarat Limited v. Department of Income Tax (2013)353 ITR 222 (Guj) and the same being also affirmed by the Hon'ble Supreme Court and as reported in (2016) 66 taxmann.com.374(SC) from which it is seen that at the time of declining the SLPs filed by the revenue, however stating to the following effect vide its order dated April 15,2015 that the Department is entitled to take out appropriate proceedings for recovery of any statutory dues from



the transferor or transferee or any other person who is liable for payment of such tax dues, the said protection be afforded is granted. With the above observations, the petition stands allowed and the scheme of amalgamation is sanctioned."

9. The Petitioner Companies have invited the attention of this Tribunal to the Valuation Report obtained from Incwert Advisory Private Limited, wherein the valuer has stated that, in its opinion, the fair equity share exchange ratio for the proposed Composite Scheme of Arrangement of Petitioner Companies is extracted herebelow:

0.00497 equity shares of the face value of INR 10/- (Rupee Ten) each credited as fully paid up in the share capital of South Asia FM Limited for every 1 (one) fully paid-up equity shares of the face value of INR 10/- (Rupees Ten) each held in Metro Digital Network Private Limited.

4.05674 equity shares of the face value of INR 10/- (Rupee Ten) each credited as fully paid up in the share capital of South Asia FM Limited for every 1 (one) fully paid-up equity shares of the face value of INR 10/- (Rupees Ten) each held in Deccan Digital Network Private Limited.

0.00497 equity shares of the face value of INR 10/- (Rupee Ten) each credited as fully paid up in the share capital of South Asia FM Limited for every 1 (one) fully paid-up equity shares of the face value of INR 10/- (Rupees Ten) each held A.V. Digital Networks Private Limited.

0.00071 equity shares of the face value of INR 10/- (Rupee Ten) each credited as fully paid up in the share capital of South Asia FM Limited for every 1 (one) fully paid-up equity shares of the face value of INR 10/- (Rupees Ten) each held in Optimum Media Services Private Limited.

3.08511 equity shares of the face value of INR 10/- (Rupee Ten) each credited as fully paid up in the share capital of South Asia FM Limited for every 1 (one) fully paid-up equity shares of the face value of INR 10/- (Rupees Ten) each held in Pioneer Radio Training Services Private Limited.

3.33333 equity shares of the face value of INR 10/- (Rupee Ten) each credited as fully paid up in the share capital of South Asia FM Limited for every 1 (one) fully paid-up equity shares of the face value of INR 10/- (Rupees Ten) each held in Asia Radio Broadcast Private Limited.



10. The Petitioner Companies have stated that the Statutory Auditors of the Petitioner Companies have examined the Scheme and certified that the Scheme is in the confirmatory with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013. The Certificates issued by the Statutory Auditors certifying the Accounting Treatment of the Petitioner Companies are annexed along with the Petition as *Annexure A10*

11. **OBSERVATIONS OF THIS TRIBUNAL**

11.1. After analysing the Scheme in detail, this Tribunal is of the considered view that the scheme as contemplated amongst the petitioner companies seems to be *prima facie* beneficial to the Company and will not be in any way detrimental to the interest of the shareholders of the Company. In view of the absence of any other objections having been placed on record before this Tribunal and since all the requisite statutory compliances have been fulfilled, this Tribunal sanctions the Scheme of Amalgamation appended at "*Pages 133-176*" of the Company Petition(CP/CAA/37/CHE/2024) typeset as well as the prayer made therein.



11.2. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of the petitioners.

11.3. While approving the Scheme as above, it is clarified that this order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes or any other charges, if any, payment is due or required in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.

12. THIS TRIBUNAL DO ORDER:

- (i) That all properties, rights and powers of Petitioner Companies 1 to 10 undertaking be transferred without further act or deed to the Petitioner Company 11 and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013 be transferred to and vested in the Petitioner Company 11 for all intents, purposes and interest of the Petitioner companies 1 to 10 undertaking subject nevertheless to all changes now affecting the same; and
- (ii) That all the liabilities, (if any) and powers, engagements, obligations and duties of the Petitioner company 1 to 10 undertaking shall



pursuant to Section 232 (3) of the Companies Act, 2013 without further act or deed be transferred to the Petitioner Company 11 and accordingly the same shall become the liabilities and duties of the Petitioner Company 11; and

- (iii) That all proceedings now pending by or against the Petitioner Companies 1 to 10 undertaking shall be continued by or against the Petitioner Company 11; and
- (iv) That all the services of all the employees of the Petitioner Companies 1 to 10 employed in the Petitioner Companies 1 to 10 undertaking shall stand transferred to the Petitioner Company 11 on the same terms and conditions at which these employees are engaged by the Petitioner Companies 1 to 10 without any interruption of service as a result of the transfer; and
- (v) That the Petitioner Company 11 do without further application allot to such members of the Petitioner Companies 1 to 10, as have not given such notice of dissent, as is required by *Clause 8.1 of Part III the SCHEME* herein the shares in the Petitioner Company 11 to which they are entitled under the said SCHEME.
- (vi) That the Petitioner Company 11 shall file the revised Memorandum and Articles of Association with the concerned Registrar of Companies and further make the requisite payments of the differential fee (if any) for the enhancement of authorized capital of the Petitioner Company 11 after setting off the fees paid by the Petitioner companies 1 to 10.



- (vii) That the Appointed date for the Scheme shall be **01.04.2023**.
- (viii) That the Petitioner Companies, shall within thirty days of the date of the receipt of this order cause a certified copy of this order to be delivered to the concerned Registrar of Companies for registration and on such certified copy being so delivered, the Petitioner Companies 1 to 10 undertaking shall be deemed to be transferred; and Petitioner Companies 1 to 10 shall be dissolved without winding up and the Registrar of Companies shall place all documents relating to the Petitioner Companies 1 to 10 registered with him on the file of Petitioner Company 11 kept by him and the files relating to the said companies shall be consolidated accordingly.
- (ix) That any person interested in the Scheme, shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary;

13. Accordingly, the Company Petition **CP/CAA/37/CHE/2024** stands **allowed** on the aforementioned terms.

-Sd-

VENKATARAMAN SUBRAMANIAM
MEMBER (TECHNICAL)

-Sd-

SANJIV JAIN
MEMBER (JUDICIAL)

Kishore P