T.V. TODAY NETWORK LTD.
India Today Group Mediaplex
FC 8, Sector 16 A, Film City, Noida – 201301
Tel: +91 120 4908600 Fax: +91 120 4325028
Website: www.aajtak.in
CIN No : L92200DL1999PLC103001

Date: August 07, 2019

Corporate Relations Department **BSE Limited** **Phiroze Jeejeebhoy Towers,** **Dalal Street, Mumbai - 400 001**	**Listing Department** **National Stock Exchange of India Limited** **Exchange Plaza, Bandra - Kurla Complex,** **Bandra (E), Mumbai - 400 051**
Scrip Code – 532515	**Scrip Code - TVTODAY**

Dear Sir / Madam,

Sub: Intimation under Regulation 30(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Further to our intimation dated July 23, 2019, we wish to inform you that the Company has filed the certified copy of the NCLT Order with the jurisdictional Registrar of Companies in form INC-28 today i.e August 07, 2019. Pursuant to the said filing, the Scheme has become effective, in accordance with its terms.

Copy of the certified order of NCLT is enclosed herewith for your reference.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

For T.V. Today Network Limited

TODAY NETWORK LIMITED
NEW DELHI

(Ashish Sabharwal)
Group Head – Secretarial & Company Secretary
Email ID: ashish.sabharwal@intoday.com

Encl : As above.

Balance Paid on 30/07/19

1068

Date of Presentation of application for Copy 23/07/19

No. of Pages 18

5/-

Registration & Postage

Total ₹ 1000+2000=3000/-

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Date of Preparation of Copy 1.8.19

Date of Delivery of Copy 1.8.19

1/8/19

DEPUTY REGISTRAR/Court Officer

National Company Law Tribunal

New Delhi

THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH,
AT NEW DELHI

CAA-145 (PB) /2018

Under Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

In the matter of:

COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

OF

Mail Today Newspapers Private Limited (Transferor Company No.1)

AND

India Today Online Private Limited (Transferor Company No.2)

WITH

T.V. Today Network Limited (Transferee Company)

Judgment delivered on: 31.07.2019

CORAM:

CHIEF JUSTICE (Rtd.) M.M. KUMAR, Hon'ble President
Mr. S. K. MOHAPATRA, Hon'ble Member (T)

Present:

For the Petitioner: Mr. Anirudh Das, Advocate
Mr. Rakshit Jha, Advocate

For the RD (NR) : Ms. Sonam Sharma, Advocate

For the OL: Mr. Swati Koshal, Advocate

ORDER

S. K. Mohapatra, Member

1. This Joint application has been filed by the Petitioner Companies under Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules, 2016, for the purpose of the approval of the Scheme of Arrangement and Amalgamation of both the transferor companies with the transferee company. Copy of the said Scheme of Amalgamation (hereinafter referred as "Scheme") has been placed on record.
2. The "Transferor Company No.1", M/s Mail Today Newspapers Private Limited was incorporated on 09.05.2007 under the provisions of Companies Act, 1956, having its registered office at F-26, Connaught Place, New Delhi-110001.
3. The "Transferor Company No.2", M/s India Today Online Private Limited was incorporated on 14.09.2000 under the provisions of Companies Act, 1956, having its registered office at F-26, First Floor, Connaught place, New Delhi-110001.

4. The "Transferee Company", M/s T.V. Today Network Limited was incorporated on 28.12.1999 under the provisions of Companies Act, 1956, having its registered office at F-26, First Floor, Connaught Circus, New Delhi-110001.

5. A perusal of the petition discloses that initially the First Motion joint application seeking directions for convening or dispensing with the meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors of all the petitioner companies was filed before this Bench vide Company Application (CAA) No. 77 /(PB) /2018 and based on such joint application moved under Sections 230 to 232 of the Companies Act, 2013, the meetings of the equity Shareholders of all the three petitioner companies, secured creditors of Transferor company no. 1 and Transferee company and unsecured creditors of transferee company were directed to be convened. Additionally, the meetings of secured creditors of transferor company no.2 and unsecured creditors of both the transferor companies were dispensed with vide order dated 02.07.2018.

6. Subsequently, the aforesaid meetings in terms of the order dated 02.07.2018 was duly convened on 19.09.2018 and the Scheme of Arrangement and Amalgamation was unanimously approved by the members present in the said meeting. The

report of the Chairperson and Scrutinizer in respect of the shareholders meeting of the Transferee Company has been placed on record.

7. Thereafter, on 12.10.2018 the Petitioners were directed to carry out publication in the newspapers "Financial Express" (English, Delhi edition) and "Jan Satta" (Hindi, Delhi edition). In addition to the public notice, notices were directed to be served on the Regional Director (Northern Region), Official Liquidator, Registrar of Companies, NCT of Delhi and Haryana, the Income Tax Department and to the other relevant sectoral regulators.

8. It is seen from the records that the Petitioners have filed an affidavit dated 26.11.2018 affirming compliance of the order passed by the Tribunal dated 12.10.2018. A perusal of the affidavit discloses that the petitioners have effected the newspaper publication as directed in one issue of the 'Financial Express' English edition on 07.11.2018 as well as in 'Jansatta' Hindi edition on 07.11.2018 in relation to the date of hearing of the petition. Further, the affidavit also discloses that copies of petition have been duly served on the Registrar of Companies, Regional Director, Northern Region, Official Liquidator and Income Tax Department in compliance of the order and in proof

of the same acknowledgement made by the respective offices have also been enclosed.

9. The Regional Director has filed its representation on 18.02.2019 in which it has been submitted that there is no clause in the Scheme regarding addition of authorized share capital of transferor company no. 2 into authorized share capital of transferee company. Therefore, the petitioner companies should clarify that whether any authorized share capital of transferor company no. 2 has to be added into the authorized capital of the transferee company and, if so, transferee company shall comply with the provisions of Section 232 (3) (i) of the Companies Act, 2013.

10. In response of the aforementioned observation of the Regional Director, an additional affidavit has been filed by authorized representative of transferee company submitting as follows:

> *"That the allocation / transfer of the authorized capital of the Petitioner / Transferor Company No. 2 and it vesting in the Petitioner / Transferee Company is a consequence of the amalgamation of the Petitioner / Transferor Company No. 2 into the Petitioner / Transferee*

Company. Accordingly, in consonance with the scheme of the provisions of the Companies Act, 2013 (Act) and more particularly provisions of Section 231, an appropriate direction may be issued by this Hon'ble Tribunal to the effect that upon passing an order under section 230 of the Companies Act, 2013 (Act) sanctioning the present scheme, the authorized share capital of the Petitioner / Transferor Company No. 2 shall stand transferred and vested in the Petitioner / Transferee Company.

That the Petitioner / Transferee Company shall, subject to the aforesaid order being passed by the Hon'ble Tribunal, undertake to comply with the provisions of Section 232 (3) (i) of the Act in regard to any further additional fees, if any payable on its revised authorized share capital of Rs. 1,34,00,00,000/-."

11. In view of the observation of Regional Director and affidavit of the transferee company it is clarified that pursuant to the sanctioning the Scheme, the authorized share capital of the Petitioner / Transferor Company No. 2 shall stand transferred and

vested into the Petitioner / Transferee Company. In addition, it is directed that the transferee company shall comply with the provisions of Section 232 (3) (i) of the Companies Act, 2013, in regard to any further additional fees payable on its revised authorized share capital of Rs. 1,34,00,00,000/-. Accordingly, the sole observation of the Regional Director is taken care of.

12. The Department of Income Tax has also filed its report on 15.04.2019 raising a limited observation that re-assessment proceedings with respect to the Petitioner / Transferor Company 2 for Assessment Year 2013-14 and 2014-15 are pending. However, it is submitted in the report that there is no outstanding pending demand against the petitioner companies.

13. In respect of aforesaid observation of the Income Tax Department, the transferee company filed an affidavit on 23.04.2019 and undertook as follows:

> *"5. we state that assessment proceedings with respect to the Assessment Year 2013-14 and 2014-15 pending before the Income Tax Appellate Tribunal in ITA Nos. 6453 & 6454/Del/2018 have been allowed in favour of Petitioner / Transferor Company No. 2 by Order dated 15th March, 2019 of the Income Tax Appellate Tribunal, New Delhi. A copy of the order*

dated 15th March 2019 is annexed hereto and marked as ANNEXURE – A. It is further stated that as on date, as the appeals have been decided in favour of the Petitioner / Transferor Company No. 2 vide aforestated Order dated 15th March, 2019, no notice of demand has been received by the Petitioner / Transferor Company No. 2 from the Income Tax Department. We further state that as on the date of affirming the present Affidavit, no notice of appeal has been received by the Petitioner/Transferor Company 2 against the aforestated order 15th March 2019 of the ITAT.

6. It is stated that the Petitioner / Transferee Company undertakes, that upon the Scheme becoming effective, it shall, subject to final order(s) being passed in appellate proceedings if any, pay the tax liability that may arise from a demand by the Income Tax Department with respect to the Assessment Years 2013-14 and 2014-15.

7. It is further stated that the Petitioner / Transferee Company undertakes, that upon the Scheme becoming effective, it shall subject to final order(s) being passed in appellate proceedings if any, *pay the income tax liability if any of the Petitioner / Transferor Company 2 for Assessment Years other than the Assessment Years 2013-14 and 2014-15 arising from a demand by the Income Tax Department."*

14. In the light of the aforementioned undertaking filed by the transferee company it is clarified that the transferee company shall be bound by its undertaking given on affidavit as above. It is further clarified that there shall be no limitation on the power of the Income tax Department for recovery of pending Income Tax dues, including imposition of penalties etc. from all the petitioner companies as provided in law.

15. The Official Liquidator has filed its report on 12.12.2018 wherein no material objection has been raised by them in relation to the Scheme. It is submitted in the report that the official liquidator has not received any complaint against the proposed Scheme from any person/party interested in the Scheme in any manner and that the affairs of the transferor companies do not appear to have been conducted in a manner prejudicial to the interest of its members or to public interest.

16. In the joint petition it has also been affirmed that no proceeding for inspection, inquiry or investigation under the provisions of the Companies Act, 2013 or under provisions of Companies Act, 1956 is pending against the Petitioner Companies.

17. Certificates of respective Statutory auditors of all the petitioner companies have been placed on record to the effect that Accounting Treatment proposed in the Scheme of Amalgamation is in conformity with the Accounting Standard notified by the Central Government as specified under the provisions of Section 133 of the Companies Act, 2013.

18. The shareholders of the applicant companies are the best Judges of their interest, fully conversant with market trends, and therefore, their decision should not be interfered with by the Tribunal for the reason that it is not a part of judicial function to examine entrepreneurial activities and their commercial decisions. It is well settled that the Tribunal evaluating the Scheme of which sanction is sought under Section 230-232 of the Companies Act of 2013 will not ordinarily interfere with the corporate decisions of companies approved by shareholders and creditors.

19. In the case of Hindustan Lever Employees Union Vs. Hindustan Lever Limited (1995) 5 SCC 491 the three Judges Bench of Hon'ble Supreme Court held that:

> *" A company court does not exercise appellate jurisdiction over a scheme and its jurisdiction is limited to ascertaining fairness, justness and reasonableness of the Scheme and to ensure that neither any law has been violated or public interest compromised in the process."*

20. Right to apply for the sanction of the Scheme has been statutorily provided under Section 230-234 of the Companies Act, 2013 and therefore, it is open to the applicant companies to avail the benefits extended by statutory provisions and the Rules.

21. It has also been affirmed in the petition that Scheme is in the interest of Transferor company and the transferee company including their shareholders, creditors, employees and all concerned.

22. In view of the foregoing, upon considering the approval accorded by the members and creditors of the Petitioner companies to the proposed Scheme, and the report filed by the Regional Director, Northern Region, Ministry of Corporate

Affairs, official liquidator and the report filed by Income Tax Department, there appears to be no impediment in sanctioning the present Scheme.

23. *Consequently, sanction is hereby granted to the Scheme under Section 230 to 232 of the Companies Act, 2013.*

24. The Petitioners shall however remain bound to comply with the statutory requirements in accordance with law.

25. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this court to the scheme 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.

26. While approving the Scheme as above, we further clarify 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, and payment in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.

27. **THIS TRIBUNAL DO FURTHER ORDER**

i. *That the transferor company no.2 shall stand dissolved without following the process of winding-up; and*

ii. *That all the property, rights and powers of the transferor company no.2, be transferred without further act or deed, to the transferee company and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013, be transferred to and vest in the transferee company; and*

iii. *That all the liabilities and duties of the transferor company no.2, be transferred without further act or deed, to the transferee company and accordingly the same shall, pursuant to Section 232 of the Act, be transferred to and become the liabilities and duties of the transferee company; and*

iv. *That all proceedings now pending by or against the transferor company no.2, be continued by or against the transferee company; and* *v.* *That all the employees of the transferor company no.2 in service, on the date immediately preceding the date on which the scheme takes effect, i.e. the effective date shall become the employees of the transferee company on such date without any break or interruption in service and upon terms and condition not less favorable than those subsisting in the Transferor Company on the said date.*

vi. *That 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 Registrar of Companies for registration and on such certified copy being so delivered the transferor company no.2 shall be dissolved and the Registrar of Companies shall place all documents relating to the transferor company no.2 registered with him on the file kept by him in relation to the Transferee Company and the files relating to both the petitioner companies shall be consolidated accordingly; and*

vii. *That all the property, rights and powers of demerged company/transferor company no.1 in respect of demerged undertaking, be transferred without further act or deed, to the resulting company and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013, be transferred to and vest in the transferee company.*

viii. *That all the liabilities and duties of demerged company/transferor company no.1 in respect of demerged undertaking, be transferred without further act or deed, to the transferee company and accordingly the same shall, pursuant to Section 232 of the Act, be transferred to and become the liabilities and duties of the transferee company; and*

ix. *That all proceedings now pending by or against demerged company/transferor company no.1 in respect of demerged undertaking, be continued by or against the transferee company; and*

x. *That all the employees of demerged company/transferor company no.1 in respect of demerged undertaking, if any, on the date immediately preceding the date on which the scheme takes effect, i.e. the effective date shall become the employees of the transferee company on such date without any break or interruption in service and upon terms and condition not less favorable than those subsisting in demerged company/transferor company no.1 on the said date.*

xi. *That 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 Registrar of Company for registration and on such certified copy being so delivered the Registrar of Company shall place all documents relating to the demerged company/transferor company no.1 in respect of demerged undertaking with the file kept by him in relation to the transferee company; and*

xii. *That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.*

The petition stands disposed of in the above terms.

Let copy of the order be served to the parties.

Sd/-
22.07.2019
(M.M. KUMAR)
PRESIDENT

Sd/-
(S. K. MOHAPATRA)
MEMBER (T)

National Company Law Tribunal
Principal Bench

No. 1068
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ASSISTANT REGISTRAR
राष्ट्रीय कम्पनी विधि अधिकरण
NATIONAL COMPANY LAW TRIBUNAL
C.G.O. COMPLEX, NEW DELHI-110003

Balance Paid on 30/07/19

ANNEXURE 1

COMPOSITE SCHEME OF ARRANGEMENT & AMALGAMATION

UNDER CHAPTER XV AND SECTION 66 OF THE COMPANIES ACT, 2013

AMONG

MAIL TODAY NEWSPAPERS PRIVATE LIMITED	TRANSFEROR COMPANY 1
INDIA TODAY ONLINE PRIVATE LIMITED	TRANSFEROR COMPANY 2
T.V. TODAY NETWORK LIMITED	TRANSFEREE COMPANY

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

1068

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T.V. TODAY NETWORK

राष्ट्रीय कंपनी विधि अधिकरण National Company Law Tribunal प्रधान न्यायपीठ Principal Bench

PART I

OBJECTIVE AND OVERVIEW

1. **OVERVIEW AND OBJECTS OF THIS SCHEME**

1.1 This Scheme seeks to restructure, amalgamate and consolidate the business of publishing of daily English newspaper "Mail Today", conducted through Mail Today Newspapers Private Limited ("**Transferor Company 1**"), India Today Online Private Limited ("**Transferor Company 2**") (Transferor Company 1 and Transferor Company 2 together referred to as "**Transferor Companies**") and T.V. Today Network Limited ("**Transferee Company**"). The board of directors of each of the Transferor Companies and the Transferee Company (together referred to as the "**Restructured Companies**") have resolved that the capital reduction of the Transferor Companies, the demerger of the MTN Undertaking (as defined below) of Transferor Company 1 and the amalgamation of Transferor Company 2 with the Transferee Company would be in the interests of the shareholders, creditors and employees of the Restructured Companies. The Transferee Company is engaged in the operation of news channels such as Aajtak and India Today and Transferor Company 1 is in the business of publishing of daily English newspaper "Mail Today". Accordingly the Scheme of consolidation of the two businesses carried on by the India Today Group is strategic in nature and will generate editorial and business synergies.

1.2 This Scheme will result in consolidation of the newspaper business of the Transferee Company presently being carried out through Transferor Companies in one entity and would strengthen the position of the resultant entity i.e., the Transferee Company, by enabling it to harness and optimise the synergies of the Transferor Companies. Accordingly, it would be in the best interests of the Restructured Companies and their respective shareholders. The Transferee Company is engaged in the operation of news channels like Aajtak and India Today and Transferor Company 1 is in the business of publishing of daily English newspaper "Mail Today". Accordingly the Scheme of consolidation of the two businesses carried on by the India Today Group is strategic in nature and will generate editorial and business synergies. The Scheme will result in operational efficiencies due to optimal utilization of content of the newspaper business by the TV channels. In addition, the content created by Transferor Company 1 will be valuable for Transferee Company's news content for its television and digital platforms.

1.3 This Scheme presented under Chapter XV of the Companies Act, 2013 for the reduction of capital of the Transferor Companies, the demerger of the MTN Undertaking into the Transferee Company and the merger of Transferor Company 2 into the Resultant Company (as defined below) is divided into the following parts:

Part I	Deals with the overview and objects of this Scheme;
Part II	Deals with share capital of the Restructured Companies;

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Part III: Deals with the reduction of share capital to be undertaken by Transferor Company 1;

Part IV: Deals with the reduction of share capital to be undertaken by Transferor Company 2;

Part V: Deals with the demerger of the MTN Undertaking into and with the Transferee Company in accordance with Chapter XV of the Companies Act 2013;

Part VI: Deals with the Residual Undertaking of Transferor Company 1;

Part VII: Deals with the amalgamation of Transferor Company 2 into and with the Resultant Company (as defined below) in accordance with Chapter XV of the Companies Act 2013; and

Part VIII: Deals with the general terms and conditions applicable and sets forth certain additional arrangements that form a part of this Scheme.

1.4 This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

2. BRIEF OVERVIEW OF THE RESTRUCTURED COMPANIES

2.1 Mail Today Newspapers Private Limited

(i) Transferor Company 1 is a private limited company incorporated under the Companies Act, 1956 and has its registered office at F-26, Connaught Place, New Delhi 110 001

(ii) Transferor Company 1 was incorporated on 9 May 2007 with the Registrar of Companies, National Capital Territory of Delhi and Haryana under Company Registration No. U22210DL2007PTC163174.

(iii) The main objects of Transferor Company 1 as provided in its Memorandum of Association are, *inter alia*, to carry on business:

(a) to print, publish and conduct for sale one or more newspapers and other periodicals including magazines, books, pamphlets or any other publication in English, Hindi or any language, anywhere in India, either daily or otherwise;

(b) to manufacture, produce, exhibit, distribute, buy and sell, assign, licence, telecast, broadcast news and current affairs, television films, commercial films, video films, video magazines and to engage in other similar activities related thereto;

(c) to engage in the business of dissemination of news, knowledge and information of general interest, across the globe, through

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web-page design creation, hosting and any business relating to the Internet or e-mail, networking and communications environments and

(d) to engage in the business of radio broadcast and all other allied activities including producing, buying, selling and distribution of radio programs.

2.2 <u>India Today Online Private Limited</u>

(i) Transferor Company 2 is a private limited company incorporated under the Companies Act, 1956 and has its registered office at F-26, First Floor, Connaught Place, New Delhi 110 001

(ii) Transferor Company 2 was incorporated on 14 September 2000 with the Registrar of Companies, National Capital Territory of Delhi and Haryana under Company Registration No. U99999DL2000PTC107733.

(iii) The main objects of Transferor Company 2 as provided in its Memorandum of Association are, *inter alia*, to:

(a) to develop, design, update, maintain, promote, publish, sell web pages, websites, internet portals, search engines and provide services for the same;

(b) to publish web pages and websites on internet, web servers and websites to promote global business;

(c) to supply information and services related to world wide web, internet and e-mail, multi-media and e-commerce and to carry on any business and/or trade including buy and/or sell services over the medium of internet and/or any other media directly and/or as an agent/commission agents;

(d) to provide internet based subscription and to deal in equipment and services for providing internet access, registration and internet listing services, to provide subscription based internet access, to undertake in the activity of providing subscription based internet services such as web TV and Web music, to produce, develop, purchase, take on lease or license, exchange, hire or otherwise acquire internet rights.

(e) to carry on the business of buying, selling, licensing, marketing, dealing in, sorting, exporting, developing, designing, training, carrying on research and development, rendering of consultancy services in information technology, application software and any other software and programme products of any and all descriptions in India and abroad, creation and maintenance of websites, internet and internet related services, telecommunication services including

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maintenance and running of call centres, data processing units, software development centres and training institutes;

(f) to carry on the business of internet service providers and application services providers and to develop, maintain and update internet portal or cluster of specialized internet portal, vertical portals or network of portals offering a spectrum of content services encompassing search engines, directories and localized as well as specialised content or otherwise, and to provide other value added services including community products such as but not limited to e-mail, advertisement, chat, message boards, and e-commerce products such as online shopping, trading, banking, news and live coverage including carrying on of the business of online trading of all types of shares, debt instruments, securities, mutual funds, goods, services, commodities, etc. including placing of orders, checking transactions online, getting stock/price quotes, business news, market update news and information of all or any kind online, selling and purchasing of all types of movable and immovable properties;

(g) to carry on the business of internet service providers and other allied business, and to publish, distribute, market and sell newspapers, music, magazines, journals, periodicals or any other publication on internet, by satellite, cable, cable channels, or other communication channels;

(h) to carry on business as advertisers, advertising agents, to purchase and sell advertising time or space on any television, radio, internet, satellite in India or abroad or any other kind of media currently in vogue or which may be in vogue at any time and to act as agent or representative for any person(s) or entities for soliciting/booking advertisements and/or any other promotional, commercial, educational, entertainment and other programs in any form or media or medium;

(i) to hold seminars, courses, business conference, for training in computers, computer programming, websites development, system analysis, operational research computer operations, data entry operations and other activities related to computers within India, and abroad to enable people to develop their computer skills;

(j) to advise and render services like technical analysis of data including but not limited to electronic data processing, preparation of project reports, surveys and analysis for implementation of projects and their progress review, critical path analysis, organisation and methods, studies and other economic, mathematical, jobs and appointments and to enter into any contracts in relation thereto. to advise and render services like technical analysis of data including electronic data processing, preparation of project reports, [illegible] analysis for implementation of projects and their progress review critical path analysis organisation and methods studies and other economic, mathematical, statistical, scientific and to undertake assignments, jobs and appointments and to enter into any contracts in relation thereto;

(k) to establish, provide, maintain and conduct research with respect to the development of the main business of the company and for furtherance of such business to set-up, own, run such other laboratories, training colleges, schools and such other institutions for the training, education and instruction of students and other who may desire to avail themselves of the same and to provide for the delivery and holding of lectures, demonstrations, exhibitions, classes, seminars, meetings and conferences in connection therewith;

(l) to act as a cable operator and for that purpose to enter into any arrangement and/or agreement for acquiring license or rights to distribute any channel to any person whether residential, commercial or institutional subscribers, viewers, user and to import, export, purchase, sell any equipment that may be required for reception, transmission and distribution of the channel including but not limited to dish antenna, aerial, headend, decoder, receiver, cable set up converter and the like, to carry on the business of internet services through cable operation; and

(m) to deal in computer based multimedia presentation and information technology business regarding all types of audio, video, television and cinematographic films, serials softwares, and other programmes in India or elsewhere for the purpose of furtherance of the main objects of the company.

2.3 <u>T.V. Today Network Limited</u>

(i) The Transferee Company is a public limited company incorporated under the Companies Act, 1956 and has its registered office at F-26, First Floor, Connaught Circus, New Delhi 110 001.

(ii) The Transferee Company was incorporated on 28 December 1999 with the Registrar of Companies, National Capital Territory of Delhi and Haryana under Company Registration No. L92200DL1999PLC103001.

(iii) The Transferee Company is *inter alia* engaged in the business of television programming and broadcasting activities.

(iv) The objects of the Transferee Company as provided in its Memorandum of Association are *inter alia*, to carry on business

(a) To carry on the business of broadcasting, telecasting, relaying transmitting or distributing in any manner, any audio, video or other programmes or software for television, radio, internet or any other media through, including but not limited to terrestrial satellite, cable, direct to home, internet or interactive television network.

(b) To carry on the business of producing, directing, editing, distributing, purchasing, selling, acquiring or otherwise dealing in any manner, in any audio, video programme or software with respect to news, entertainment, current affairs, information, sports, education, history, cultural, art, science, fiction, games and communication and dubbing, recording, selling the same either in tapes, cassettes, photographs, floppies, compact discs, internet or on any other media or software. To acquire rights for broadcasting, transmitting or distributing in any manner, any live sports and entertainment events, shows, recorded programmes, highlights films and other programmes.

(c) To carry on the business of import, export, purchase, sell, lease, distribute and supply of decoding and receiving equipment, to decode and receive any encrypted and un-encrypted channels, including but not limited to, decoders, receivers, IRDs (integrated decoders cum receivers), headends and any other equipment for receiving, transmitting and distribution of channels, setup converter and the like for the purpose of attainment of above objects.

(d) To carry on business as advertising agent, to purchase and sell advertising time or space on any television, radio, internet, satellite in India or abroad or any other kind of media currently in vogue or which may be in vogue at any time and to act as agent or representative for any person(s) or entities for soliciting/booking advertisements and/or any other promotional, commercial and other programmes on any form of media or medium including collection of charges and remittances thereof to principals.

(e) To carry on the business of cable operation and for that purpose to enter into any arrangement and, or, agreement for acquiring license or rights to distribute any channel to any person whether residential, commercial or institutional subscribers, viewers and to import, export, purchase, sell any equipment that may be required for reception, transmission and distribution of the channel including but not limited to dish antenna, aerial, headend, decoder, receiver, cable set up converter and the like. To carry on the business of internet services through cable operation.

(f) To deal in computer based multimedia presentations and

INDIA TODAY ONLINE PRIVATE LIMITED
NEW DELHI

information technology business regarding all types of audio, video, television and cinematographic films, serials, software and other programmes in India or elsewhere.

(g) To telecast, broadcast relay through any media including satellite, radio, computers, distribute through any cable and satellite channels, on cable networks, Direct to Home, internet, interactive television or transmit the information/advertisement/products of the company or any other person.

3. OBJECTS OF THIS SCHEME

3.1 The proposed restructuring would be in the best interest of the Restructured Companies and their respective shareholders and creditors as the proposed restructuring will yield advantages of generating editorial and business synergies which will result in operational efficiencies due to optimal utilisation of content of the newspaper business by the TV channels and other advantages as set out below:

(i) consolidation of business and entities;

(ii) ease of management;

(iii) pooling of resources, creating better synergies across the group, optimal utilisation of resources and greater economies of scale; and

(iv) faster and effective decision making, better administration and cost reduction (including reduction in administrative and other common costs).

As a result, the Restructured Companies are proposing this Scheme under Chapter XV of the Act (as defined below).

4. DEFINITIONS

4.1 In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the meanings as set out herein below:

"**Act**" means the Companies Act, 2013 as notified, clarified and/or modified by rules and notifications issued by the Ministry of Corporate Affairs, from time to time;

"**Appointed Date**" means 1 January 2017, being the date with effect from which Parts III to VII of this Scheme shall, upon sanction by the Competent Authority and satisfaction to the conditions to effectiveness set out in Clause 8 of Part VIII of this Scheme, be deemed to be effective;

"**Board of Directors**" in relation to the Restructured Companies means their respective board of directors, and unless it is repugnant to the context or otherwise, includes any committee of directors or any person authorised by the board of directors or by such committee of directors;

"**Competent Authority**" means the National Company Law Tribunal constituted in accordance with the provisions of the Act and authorised in accordance with the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under the provisions of the Act;

"**Effective Date**" means the last of the dates on which the conditions set out in Clause 8.1 of Part VIII of the Scheme are satisfied or waived in accordance with this Scheme. Any references in this Scheme to "upon this Scheme becoming effective", "Scheme becomes effective" or "effectiveness of this Scheme" means and refers to the Effective Date;

"**Net Assets**" shall have the meaning ascribed to such term in Clause 4.2(a) of Part V;

"**MTN Undertaking**" means the business, activities and operations of Transferor Company 1 of publishing daily English morning newspaper "Mail Today" comprising of all the assets (moveable and immoveable) and specified liabilities (reference balance sheet of which undertaking is set out in **Schedule I**), which relate thereto or are necessary therefore and including specifically the following:

(i) all immovable property, land, buildings, movable assets, including monetary assets (like cash, receivables etc.,) plant, machinery and equipment, whether leased or otherwise, title, interests, investments, loans, advances (including accrued interest), covenants, undertakings and rights, including rights arising under contracts, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, exclusively used or held, by Transferor Company 1 in, or otherwise identified for use in, Transferor Company 1's MTN Undertaking, business, activities and operations pertaining to the MTN business carried on by it.

(ii) all debts and liabilities pertaining to the MTN business, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability), pertaining to Transferor Company 1's MTN Undertaking, business, activities and operations pertaining to the MTN business carried on by it;

(iii) any and all of the advance monies, earnest monies and/or security deposits, payment against warrants or other entitlements, as may be lying with them,

(iv) all contracts, agreements, licenses, leases, memoranda of understanding, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature to which Transferor Company 1 is a party, exclusively relating to Transferor Company 1's MTN Undertaking, business, activities and operations pertaining to the MTN business carried on by it,

(v) all registrations, trademarks, trade names, service marks, copyrights, patents, designs, goodwill, applications for trademarks, trade names, service marks, copyrights, patents, designs, and domain names exclusively used by or held for use by Transferor Company 1 in Transferor Company 1's MTN Undertaking, business, activities and operations pertaining to the MTN business carried on by it in;

(vi) all permits, licenses, consents, approvals, authorisations, quotas, rights, entitlements, allotments, concessions, exemptions, clearances, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges, benefits and similar rights and any waiver of the foregoing issued by any legislative, executive or judicial unit of any Governmental or semi-Governmental entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority exclusively used or held for use by Transferor Company 1 in Transferor Company 1's MTN Undertaking, business, activities and operations pertaining to the MTN business carried on by it;

(vii) all such permanent employees of Transferor Company 1, employees/personnel engaged on contract basis and contract labourers and secondees/interns/trainees, as are primarily engaged in or in relation to Transferor Company 1's MTN Undertaking, business, activities and operations pertaining to the MTN business carried on by it, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by Transferor Company 1 after the date hereof who are primarily engaged in or in relation to Transferor Company 1's MTN Undertaking, business, activities and operations pertaining to the MTN business carried on by it; and

(viii) all books, record files, papers, computer programs along with engineering and process information, manuals, data, catalogues, quotations, websites, sales and advertising material, list of present and former customers, customer credit information, customer pricing information, and other records whether in physical form or electronic form in connection with or relating to Transferor Company 1's MTN business carried on by it,

it being clarified that the MTN Undertaking shall not include any employees, assets, liabilities, rights or obligations belonging to and forming part of the Residual Undertaking. Any question that may arise as to whether a specified

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asset, liability, employee or other action, matter or thing forms part of the MTN Undertaking or the Residual Undertaking shall be resolved by mutual agreement between the Board of Directors of each of Transferor Company 1 and the Transferee Company;

"**Record Date**" means the date to be fixed by the Board of Directors of each of the Transferor Companies for the purpose of determining the shareholders of the Transferor Companies whose equity shares shall be cancelled in terms of this Scheme;

"**Registrar of Companies**" or "**RoC**" means the Registrar of Companies, National Capital Territory of Delhi and Haryana;

"**Residual Undertaking**" means all the undertakings, businesses, activities and operations of Transferor Company 1 other than the MTN Undertaking and including without limitation the events business (reference balance sheet of which undertaking is set out in **Schedule II**);

"**Restructured Companies**" shall have the meaning ascribed to such term in Clause 1.1 of Part I;

"**Resultant Company**", subsequent to the completion and vesting of the MTN Undertaking into and with the Transferee Company in accordance with the provisions of Part V of this Scheme, the Transferee Company shall be referred to as "**Resultant Company**";

"**Scheme**" or "**the Scheme**" or "**this Scheme**" means this Composite Scheme of Arrangement and Amalgamation pursuant to Chapter XV and other relevant provisions of the Act; with such modifications and amendments as may be made from time to time, with the appropriate approvals and sanctions of the Competent Authority and other relevant regulatory authorities, as may be required under the Act and under all other applicable laws;

"**Transferee Company**" means T.V. Today Network Limited, a company incorporated under the Companies Act, 1956 and having its registered office at F-26, First Floor, Connaught Circus, New Delhi 110 001;

"**Transferor Company 1**" means Mail Today Newspapers Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at F-26, Connaught Place, New Delhi 110 001;

"**Transferor Company 2**" means India Today Online Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at F-26, First Floor, Connaught Place, New Delhi 110 001 and, notwithstanding anything to the contrary in this Scheme, means and includes:

(a) any and all of its assets, movable or immovable, whether present or future, whether tangible or intangible, all rights, title, interests, covenants, undertakings, continuing rights, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold, plant, machinery equipment, whether leased or otherwise together with all present and future liabilities including contingent liabilities and debts appertaining thereto,

(b) any and all of its investments (including shares, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates and other securities), loans and advances, including dividends declared or interest accrued thereon;

(c) any and all of its licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions, approvals, consents, exemptions, registrations, no-objection certificates, quotas, rights, entitlements, certificates, trade names, trademarks, service marks, copyrights, domain names, applications for trade names, copyrights, sales tax credits, income-tax credits, privileges and benefits of all contracts, agreements and all other rights including lease rights, powers and facilities of every kind and description whatsoever;

(d) any and all of its debts, borrowings and liabilities, present or future, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability), pertaining to Transferor Company 2;

(e) all contracts, agreements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, service agreements, sales orders, purchase orders or other instruments of whatsoever nature to which Transferor Company 2 is a party, exclusively relating to the business, activities and operations carried on by Transferor Company 2;

(f) any and all of its permanent employees, who are on its payrolls, including those employed at its offices and branches, employees/personnel engaged on contract basis and contract labourers and interns/trainees, as are primarily engaged in or in relation to the business, activities and operations carried on by Transferor Company 2 in terms of its license, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by Transferor Company 2 after the date hereof who are primarily engaged in or in relation to the business, activities and operations carried on by Transferor Company 2;

(g) any and all of the advance monies, earnest monies and/or security deposits, payment against warrants or other entitlements as may be lying with them; and

(h) all registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by Transferor Company 2 in the business, activities and operations carried on by Transferor Company 2.

5. INTERPRETATION

5.1 Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income Tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the Competent Authority in this Scheme, the reference would include, if appropriate, reference to the National Company Law Tribunal or such other forum or authority, as may be vested with any of the powers of the Competent Authority under the Act and/or rules made thereunder

5.2 In this Scheme, unless the context otherwise requires:

(i) references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;

(ii) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;

(iii) references to one gender includes all genders;

(iv) words in the singular shall include the plural and vice versa; and

(v) Percentages have been rounded off up to two decimal places.

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CAPITAL STRUCTURE

1. SHARE CAPITAL OF TRANSFEROR COMPANY 1

1.1 The share capital of Transferor Company 1 as at 15 December, 2017 is as under:

Particulars	Amount in Rupees
Authorised Capital	
177,000,000 equity shares of Rs. 10/- each	1,770,000,000
Total	**1,770,000,000**
Issued, Subscribed and Paid-up	
171,604,018 equity shares of Rs. 10/- each	1,716,040,180
Total	**1,716,040,180**

1.2 Transferor Company 1 is an indirectly held wholly-owned subsidiary of the Transferee Company, with the Transferee Company holding 48.99% of the share capital of Transferor Company 1 and Transferor Company 2 legally and beneficially holding the remaining 51.01% share capital of Transferor Company 1 along with its five (5) other nominee shareholders (for the purposes of ensuring compliance with the provisions of the Act, which require a private company which is a subsidiary of a public company to have at least seven (7) shareholders).

2. SHARE CAPITAL OF TRANSFEROR COMPANY 2

2.1 The share capital of Transferor Company 2 as at 15 December 2017 is as under:

Particulars	Amount in Rupees
Authorised Capital	
95,000,000 equity shares of Rs. 10/- each	950,000,000
2,000,000 preference shares of Rs. 10/- each	20,000,000
Total	**970,000,000**

Issued, Subscribed and Paid-up	
94,807,389 equity shares of Rs. 10/- each	948,073,890
NIL preference shares	NIL
Total	948,073,890

2.2 Transferor Company 2 is a subsidiary of the Transferee Company. Transferee Company and its six (6) other nominee shareholders (for the purposes of ensuring compliance with the provisions of the Act, which require a private company which is a subsidiary of a public company to have at least seven (7) shareholders), legally and beneficially hold one hundred per cent (100%) equity shares of Transferor Company 2.

3. **SHARE CAPITAL OF THE TRANSFEREE COMPANY**

3.1 The share capital of the Transferee Company as at 1st December 2017 is as under:

Particulars	Amount in Rupees
Authorised Capital	
68,000,000 equity shares of Rs. 5/- each	340,000,000
300,000 preference shares of Rs. 100/- each	30,000,000
Total	3,70,000,000
Issued, Subscribed and Paid-up	
59,653,615 equity shares of Rs. 5/- each	298,268,075
NIL preference shares	NIL
Total	298,268,075

PART III

REDUCTION OF SHARE CAPITAL

1. REDUCTION OF SHARE CAPITAL TO BE UNDERTAKEN BY TRANSFEROR COMPANY 1

1.1 As at the Appointed Date, the authorised share capital of Transferor Company 1 was Rs. 1,350,000,000 (Rupees one billion three hundred fifty millions) and the paid up equity share capital of Transferor Company 1 was Rs. 1,310,870,160 (Rupees One billion three hundred ten millions eight hundred seventy thousand one hundred sixty). The authorised and paid up equity share capital of Transferor Company 1 as on 15 December 2017 is Rs. 1,770,000,000 (Rupees one billion seven hundred seventy millions) and Rs. 1,716,040,180 (Rupees one billion seven hundred sixteen million forty thousand one hundred eighty) respectively. The securities premium account of Transferor Company 1 as on 15 December 2017 is Rs. 2,252,676,779 (Rupees two billion two hundred fifty two million and six seventy six thousand seven hundred seventy nine). Subject to the terms and conditions contained herein, all requisite approvals being obtained and in accordance with the provisions of Section 66 of the Act, on and from the Effective Date, the paid up equity share capital and securities premium account of Transferor Company 1 shall stand reduced by the amounts set out below:

(i) Rs. 484,457,320 (Rupees four hundred eighty four millions four fifty seven thousand three hundred twenty) from the paid up equity share capital of Transferor Company 1, and

(ii) Rs. 2,252,676,779 (Rupees two billion two hundred fifty two million and six seventy six thousand seven hundred seventy nine) from the securities premium account.

1.2 The above reduction in the issued, subscribed and paid up equity share capital shall be effected by offsetting the accumulated losses of Transferor Company 1 in the following manner: (x) first, against the securities premium account of the Transferor Company, and (y) the balance, if any, of the accumulated losses after offsetting against the securities premium account shall be offset against the paid up equity share capital, in accordance with the provisions of Part III of this Scheme.

1.3 The above reduction in the issued, subscribed and paid up equity share capital shall be effected by a reduction and cancellation of the equity shares held by all the shareholders *pro rata* to their shareholding in Transferor Company 1. The paid up equity share capital of Transferor Company 1 after giving effect to the capital reduction stated above shall be Rs. 1,231,582,860 (Rupees One billion two hundred thirty one million five hundred eighty two thousand eight hundred sixty only), divided into 123,158,286 shares of the face value of Rs 10 each.

1.4 The reduction of the issued and paid-up share capital of Transferor Company 1 shall become effective, in accordance with the provisions of Section 66(5) of the Act, and/or any other applicable provisions of the Act and rules and regulations framed thereunder, pursuant to the filing of the order of the Competent Authority sanctioning this Scheme (along with the aforesaid capital reduction by Transferor Company 1) with the RoC and upon registration by the RoC of such order of the Competent Authority and of the minutes approved by the Competent Authority showing, with respect to the share capital of Transferor Company 1 as altered by the order: (a) the amount of issued, subscribed and paid up share capital; (b) the number of shares into which it is to be divided; (c) the amount of each share; and (d) the amount, if any, deemed to be paid-up on each share at the date of registration of the aforesaid minutes and order by the RoC.

1.5 The order of the Competent Authority sanctioning this Scheme shall also be deemed to be orders passed under Section 66(3) of the Act for the purpose of confirming the reduction. Notwithstanding the reduction in the equity share capital of Transferor Company 1, Transferor Company 1 shall not be required to add "And Reduced" as suffix to its name. The reduction in the issued and paid up share capital of Transferor Company 1 shall be effected as an integral part of the Scheme and in accordance with the provisions of Section 66 and/or any other applicable provisions of the Act and rules and regulations framed thereunder without any further act or deed on the part of Transferor Company 1.

1.6 The consent of the shareholders of Transferor Company 1 to the Scheme by way of a special resolution and the consent of the secured and unsecured creditors of Transferor Company 1 to the Scheme shall be deemed to be sufficient for the purposes of effecting the above reorganisation in the share capital of Transferor Company 1 resulting in a reduction in the issued and paid-up share capital of the Transferor Company 1 and no further resolution or action under Sections 66 of the Act and/or any other applicable provisions of the Act and rules and regulations framed thereunder would be required to be separately passed or taken.

1.7 Pursuant to the reduction in the equity share capital of Transferor Company 1 in accordance with Part III of this Scheme, Transferor Company 1 shall provide the following accounting treatment for the reduction:

(a) The effect of the above transaction is explained in the below mentioned table:

Particulars	**Balance before reduction in capital**	**Proposed Reduction/ (Addition)**	**Balance after reduction in capital**
Share Capital	1,716,040,180	484,457,320	1,231,582,860

Securities Premium	2,2[illegible]	2,25[illegible]6,778	0
Accumulated Losses	2,73[illegible]101	2,737,134,899	–

(b) The number of shares held by the shareholders would also change as there is a reduction in paid up share capital of Transferor Company I. The pre and post reduction share holding pattern of Transferor Company I is as follows:

Particulars	Prior to Capital Reduction			Post Capital reduction		
	Number of shares	Face Value	Amount of share capital	Number of shares	Face Value	Amount of share capital
T.V. Today Network Limited	84,070,137	10	840,701,370	60,336,198	10	603,361,980
India Today Online Private Limited and its Nominee(s)	87,533,881	10	875,338,810	62,822,088	10	628,220,880

1.8 KM & Co., the statutory auditor of Transferor Company I has certified that the accounting treatment for the reduction is in accordance with the accounting standards prescribed under Section 133 of the Act.

PART IV

REDUCTION OF SHARE CAPITAL

1. REDUCTION OF SHARE CAPITAL TO BE UNDERTAKEN BY TRANSFEROR COMPANY 2

1.1 As at the Appointed Date, the authorised share capital of Transferor Company 2 was divided into equity share capital and preference share capital of Rs. 780,000,000 (Rupees seven hundred eighty millions) and 20,000,000 (Rupees twenty millions) respectively and the paid up equity share capital of Transferor Company 2 was Rs. 748,873,890 (Rupees seven hundred forty eight millions eight hundred seventy three thousand eight hundred ninety). As on 15 December 2017, the authorised share capital was divided into Rs. 950,000,000 (Rupees nine hundred and fifty million) and Rs. 20,000,000 (Rupees twenty million) respectively. The paid up equity share capital of Transferor Company 2 as on 15 December 2017 is Rs. 948,073,890 (Rupees nine hundred forty eight million seventy three thousand eight hundred and ninety). The securities premium account of Transferor Company 2 as on 15 December 2017 is Rs. 1,497,348,580 (Rupees one billion four hundred ninety seven million three forty eight thousand five hundred eighty). Subject to the terms and conditions contained herein, all requisite approvals being obtained and in accordance with the provisions of Section 66 of the Act, on and from the Effective Date, the paid up equity share capital and securities premium account of Transferor Company 2 shall stand reduced by the amounts set out below:

(i) Rs. 691,691,380 (Rupees six hundred and ninety one million six hundred ninety one thousand three hundred eighty) from the paid up equity share capital of Transferor Company 2; and

(ii) Rs. 1,497,348,580 (Rupees one billion four hundred ninety seven million three forty eight thousand five hundred eighty) from the securities premium account.

1.2 The above reduction in the issued, subscribed and paid up equity share capital shall be effected by a reduction and cancellation of the equity shares held by all the shareholders *pro rata* to their shareholding in Transferor Company 2. The paid up equity share capital of Transferor Company 2 after giving effect to the capital reduction stated above shall be Rs. 256,382,510 (Rupees two fifty six million three eighty two thousand five hundred and ten), divided into 25,638,251 shares of the face value of Rs. 10 each.

1.3 The reduction of the issued and paid-up share capital of Transferor Company 2 shall become effective, in accordance with the provisions of Section 66(5) of the Act, and/or any other applicable provisions of the Act and rules and regulations framed thereunder, pursuant to the filing of the order of the Competent Authority sanctioning this Scheme (along with the aforesaid

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capital reduction by Transferor Company 2) with the RoC and upon registration by the RoC of such order of the Competent Authority and of the minutes approved by the Competent Authority showing, with respect to the share capital of Transferor Company 2 as altered by the order: (a) the amount of issued, subscribed and paid up share capital; (b) the number of shares into which it is to be divided; (c) the amount of each share; and (d) the amount, if any, deemed to be paid-up on each share at the date of registration of the aforesaid minutes and order by the RoC.

1.4 The above reduction in the issued, subscribed and paid up equity share capital shall be effected by offsetting the accumulated losses of Transferor Company 2 in the following manner: (x) first, against the securities premium account of the Transferor Company 2; and (y) the balance, if any, of the accumulated losses after offsetting against the securities premium account shall be offset against the paid up equity share capital, in accordance with the provisions of Part IV of this Scheme.

1.5 The order of the Competent Authority sanctioning this Scheme shall also be deemed to be orders passed under Section 66(3) of the Act for the purpose of confirming the reduction. Notwithstanding the reduction in the equity share capital of Transferor Company 2, Transferor Company 2 shall not be required to add "And Reduced" as suffix to its name. The reduction in the issued and paid up share capital of Transferor Company 2 shall be effected as an integral part of the Scheme and in accordance with the provisions of Section 66 and/or any other applicable provisions of the Act and rules and regulations framed thereunder without any further act or deed on the part of Transferor Company 2.

1.6 The consent of the shareholders of Transferor Company 2 to the Scheme by way of a special resolution and the consent of the secured and unsecured creditors of Transferor Company 2 to the Scheme shall be deemed to be sufficient for the purposes of effecting the above reorganisation in the share capital of Transferor Company 2 resulting in a reduction in the issued and paid-up share capital of Transferor Company 2 and no further resolution or action under Sections 66 of the Act and/or any other applicable provisions of the Act and rules and regulations framed thereunder would be required to be separately passed or taken.

1.7 Pursuant to the reduction in the equity share capital of Transferor Company 2 in accordance with Part III of this Scheme, Transferor Company 2 shall provide the following accounting treatment for the reduction:

(a) The effect of the above transaction is explained in the below mentioned table:

Particulars	Balance before	Proposed	Balance after

Share Capital	948,073,890	691,691,380	256,382,510
Securities Premium	1,497,348,580	1,497,348,580	0
Accumulated Losses	2,189,039,968	2,189,039,96[illegible]	8

(h) The number of shares held by the shareholders would also change as there is a reduction in paid up share capital of Transferor Company 2. The pre and post reduction share holding pattern of Transferor Company 2 is as follows:

Particulars	Prior to Capital Reduction			Post capital reduction		
	Number of shares	Face Value	Amount of share capital	Number of shares	Face Value	Amount of share capital
T.V. Today Network Limited	94,807,389	10	948,073,890	25,638,251	10	256,382,510

1.8 G. Anand & Associates, the statutory auditor of Transferor Company 2 has certified that the accounting treatment for the reduction is in accordance with the accounting standards prescribed under Section 133 of the Act.

PART V

DEMERGER OF THE MTN UNDERTAKING FROM TRANSFEROR COMPANY 1 TO THE TRANSFEREE COMPANY

1 TRANSFER AND VESTING OF THE MTN UNDERTAKING FROM TRANSFEROR COMPANY 1 TO THE TRANSFEREE COMPANY.

1.1 With effect from the Appointed Date and upon this Scheme becoming effective, all the assets and liabilities and the entire business of the MTN Undertaking of Transferor Company 1, shall stand transferred to and vest in the Transferee Company, as a going concern, without any further act or deed, together with all its properties, assets, rights, benefits and interest therein, subject to existing charges thereon in favour of banks and financial institutions or otherwise, as the case may be and as may be modified by them, subject to the provisions of this Scheme, in accordance with Chapter XV of the Act and all applicable provisions of law, if any, in accordance with the provisions contained herein. In addition, for the avoidance of doubt, the Residual Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by Transferor Company 1.

1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

(a) all assets of Transferor Company 1 pertaining to the MTN Undertaking, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal of whatsoever nature shall stand transferred and/or be deemed to be transferred to and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly

(b) All other movable properties of Transferor Company 1 pertaining to the MTN Undertaking, including investments in shares and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Transferee Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is hereby clarified that [illegible] made by Transferor Company 1 and pertaining to the MTN Undertaking and all the rights, title and interest of Transferor Company 1 pertaining to the MTN Undertaking in any leasehold properties shall, pursuant to Section 232 of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company and/or be deemed to be demerged from Transferor Company 1 and transferred to and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Chapter XV of the Act.

(c) All immovable properties of Transferor Company 1 and pertaining to the MTN Undertaking, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of Transferor Company 1 and pertaining to the MTN Undertaking, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by Transferor Company 1 and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof.

(d) The transfer and vesting as aforesaid shall be subject to the existing charges/hypothecation/mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements, pertaining to the MTN Undertaking, to which Transferor Company 1 is party wherein the assets of Transferor Company 1 and pertaining to the MTN Undertaking have been or are offered or agreed to be offered as security for any financial assistance or obligations shall be construed as reference only to the assets pertaining to Transferor Company 1's MTN Undertaking and vested in the Transferee Company by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of the Transferee Company, provided that the Scheme shall not operate to enlarge the security for the said liabilities of Transferor Company 1 pertaining to the MTN Undertaking which shall vest in the Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further, or additional security thereof after the demerger has become effective or otherwise. The transfer/vesting of the assets of the MTN Undertaking as aforesaid shall be subject to the existing charges/hypothecation/mortgages over or in respect of the assets or any part thereof of Transferor Company 1 pertaining to the MTN Undertaking. For this purpose, no further consent from the existing secured creditors/other security holders shall be required and sanction of this Scheme shall be considered as a specific consent towards the same.

(e) All contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies) for the purpose of carrying on the business of Transferor Company 1 pertaining to the MTN Undertaking, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to Transferor Company 1 and pertaining to the MTN Undertaking, or to the benefit of which, the MTN Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be and remain in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of Transferor Company 1 as pertaining to the MTN Undertaking, the Transferee Company had been a party or beneficiary or obligor thereto. If the Transferee Company enters into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, Transferor Company 1 will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by Transferor Company 1 (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of Transferor Company 1.

(f) Any pending suits/appeals or other proceedings of whatsoever nature relating to Transferor Company 1 pertaining to the MTN Undertaking, whether by or against Transferor Company 1 and pertaining to the MTN Undertaking, whether pending on the Appointed Date or which may be instituted at any time in the future and shall not abate, be discontinued or in any way prejudicially affected by reason of the demerger of the MTN Undertaking or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company after the Effective Date. The Transferee Company shall, after the Effective Date, be replaced as party to such proceedings and shall prosecute or defend such proceedings in co-operation with Transferor Company 1 in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against Transferor Company 1, as if this Scheme had not been implemented.

Any suit, appeal or other proceeding of whatever nature by or against Transferor Company 1 pertaining to the MTN Undertaking and pending, shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Transferor Company 1 as if this Scheme had not been implemented.

The Transferee Company undertakes to pay all amounts including interest, penalties, damages and costs which Transferor Company 1 may be called upon to pay or secure in respect of any liability or obligation relating to the MTN Undertaking from the period starting on the Appointed Date up to the Effective Date, upon submission of necessary evidence by Transferor Company 1 to the Transferee Company for making such payments.

(g) All debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of Transferor Company 1 and relating to the MTN Undertaking shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company, and the Transferee Company shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause.

Where any of the liabilities and obligations attributed to the MTN Undertaking on the Appointed Date have been discharged by Transferor Company 1 after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company.

(h) All the permanent employees of Transferor Company 1 pertaining to the MTN Undertaking who are on its payrolls shall become the employees of the Transferee Company, without any break or interruption in their services, on the same terms and conditions on which they are engaged as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with Transferor Company 1, shall also be taken into account. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of Transferor Company 1 pertaining to the MTN

Undertaking, the Transferee Company shall stand substituted for Transferor Company 1 for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by Transferor Company 1 pertaining to the MTN Undertaking, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of Transferor Company 1 pertaining to the MTN Undertaking for such purpose shall be treated as having been continuous.

(i) With regard to any provident fund, gratuity fund, superannuation fund or other special fund created or existing for the benefit of such employees of Transferor Company 1 pertaining to the MTN Undertaking, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of Transferor Company 1 pertaining to the MTN Undertaking, in relation to such schemes or funds shall become those of the Transferee Company. Upon the Scheme becoming effective, the Transferee Company shall stand substituted for Transferor Company 1 pertaining to the MTN Undertaking, for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund and superannuation fund trusts created by Transferor Company 1 for its employees and pertaining to the MTN Undertaking shall be continued for the benefit of such employees on the same terms and conditions until such time that they are transferred to the relevant funds of the Transferee Company. It is clarified that the services of all employees of Transferor Company 1 pertaining to the MTN Undertaking transferred to the Transferee Company will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds.

(j) The Transferee Company undertakes to continue to abide by any agreement(s)/settlement(s) if entered into, with any labour unions/employees by Transferor Company 1 pertaining to the MTN Undertaking. The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of such permanent employees pertaining to the MTN Undertaking, if any, with Transferor Company 1, as the case may be, shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

(k) All registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trademarks, appertaining to the MTN Undertaking, if any, shall

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stand transferred to and vested in the Transferee Company.

(l) All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) payable by or refundable to Transferor Company 1 and relatable to the MTN Undertaking, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the MTN Undertaking, shall pursuant to this Scheme becoming effective, be available to the Transferee Company.

(m) All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description whatsoever in relation to the MTN Undertaking, or to the benefit of which the MTN Undertaking may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the MTN Undertaking, the Transferee Company had been a party or beneficiary or obligor thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

(n) Benefits of any and all corporate approvals as may have already been taken by Transferor Company 1 in relation to the MTN Undertaking, whether being in the nature of compliances or otherwise, including without limitation approvals under Sections 42, 62(1)(a), 180, 185, 186, 188 etc., of the Act, read with the rules and regulations made thereunder, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company.

(o) All estates, assets, rights, title, interests and authorities accrued to and/or acquired by Transferor Company 1 in relation to the MTN Undertaking shall be deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon this

Scheme coming into effect, pursuant to the provisions of Section [illegible] and other applicable provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Transferee Company.

(p) All bank accounts operated or entitled to be operated by Transferor Company 1 relating to the MTN Undertaking shall be deemed to have transferred and shall stand transferred to the Transferee Company and name of Transferor Company 1 pertaining to the MTN Undertaking, shall be substituted by the name of the Transferee Company in the bank's records.

1.3 Upon this Scheme becoming effective, the secured creditors of Transferor Company 1 pertaining to the MTN Undertaking shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the MTN Undertaking, as existing immediately prior to the demerger of the MTN Undertaking into the Transferee Company. It is hereby clarified that pursuant to the demerger and vesting of the MTN Undertaking into the Transferee Company, the secured creditors of the MTN Undertaking shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Transferee Company and hence such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company. Further, other security holders over the properties of Transferor Company 1 pertaining to the MTN Undertaking (other than the secured creditors of the MTN Undertaking) shall not be entitled to any security over the properties of Transferor Company 1 pertaining to the Residual Undertaking. For this purpose, no further consent from the existing secured creditors/other security holders shall be required and sanction of this Scheme shall be considered as a specific consent towards the same.

1.4 It is clarified that if any assets, estate, claim, right, title, interest in or authorities relating to such assets or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the MTN Undertaking, which Transferor Company 1 owns or to which Transferor Company 1 is a party and pertains to the MTN Undertaking and which cannot be transferred to the Transferee Company for any reason whatsoever, Transferor Company 1 shall hold such assets or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments in trust for the benefit of the Transferee Company to which the MTN Undertaking is being transferred, in terms of the provisions of this Scheme in so far as permissible to do so until such as time as the transfer is effected.

1.5 Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the MTN Undertaking in the Transferee Company by virtue of Part V of the Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which Transferor Company 1 has been a party, including any filings with the regulatory authorities (or any charge related filing) in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the MTN Undertaking. The Transferee Company will, if necessary, also be a party to the above. The Transferee Company shall, under the provisions of Part V of this Scheme, be deemed to be authorised to execute any such writings on behalf of Transferor Company 1 and to carry out or perform all such formalities or compliances referred to above on the part of Transferor Company 1 to be carried out or performed.

1.6 Transferor Company 1 and/or the Transferee Company as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by Transferor Company 1 in relation to the MTN Undertaking. It is hereby clarified that if the consent of any third party or authority, if any, is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

1.7 Upon approval of the Scheme by the members of the Transferee Company pursuant to Section 230 of the Act, it shall be deemed that the members have also accorded their consent under Section 13 of the Act or other provisions of the Act as may be applicable to alter the main objects of the Transferee Company to include the following additional object:

"*to print, publish and conduct for sale one or more newspapers and other periodicals including magazines, books, pamphlets or any other publication in English, Hindi or any language, anywhere in India, either daily or otherwise.*"

2. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

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

(a) Transferor Company 1 undertakes to carry on and shall be deemed to have carried on the business activities of the MTN Undertaking and stand possessed of the properties and assets of the MTN Undertaking,

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for and on account of and in trust for the Transferee Company;

(b) Transferor Company 1 shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to the MTN Undertaking of Transferor Company 1 for and on account of and in trust for the Transferee Company. Transferor Company 1 hereby undertakes to hold its said assets pertaining to the MTN Undertaking with utmost prudence until the Effective Date;

(c) Transferor Company 1 shall carry on its business and activities in relation to the MTN Undertaking with reasonable diligence, business prudence and in the same manner as it had been doing hitherto and shall not, undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its respective affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except:

 (i) when it is expressly provided in this Scheme; or

 (ii) when it is in the ordinary course of business as carried on by Transferor Company 1 and pertains to the MTN Undertaking, as on the date of filing of this Scheme in the Competent Authority; or

 (iii) when written consent of the Transferee Company has been obtained in this regard;

(d) all the profits or income accruing or arising to or received by Transferor Company 1 in relation to the MTN Undertaking and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) or expenditure or losses arising or incurred or suffered by Transferor Company 1 in relation to the MTN Undertaking shall, for all purposes, be treated and be deemed to be and accrue as the income or profits or losses or expenditure as the case may be of the Transferee Company;

(e) Transferor Company 1 shall not vary the terms and conditions of employment of any of the employees of the MTN Undertaking except in the ordinary course of business or without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by Transferor Company 1 as the case may be.

(f) except by mutual consent of the Boards of Directors of Transferor Company 1 and the Transferee Company, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by Transferor Company 1 pertaining to the MTN Undertaking and/or the Transferee Company as on the Appointed Date, or except as contemplated in this Scheme, pending sanction of this Scheme, Transferor Company 1 and/or the Transferee Company shall not make any change in their capital structures either by way of any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of such company(ies);

(g) Transferor Company 1 shall not alter or substantially expand the business relating to the MTN Undertaking except with the written concurrence of the Transferee Company; and

(h) since each of the permissions, approvals, consents, sanctions, remissions, special reservations, backward area sales tax remissions, holidays, incentives, concessions and other authorisations of Transferor Company 1 pertaining to the MTN Undertaking, shall stand transferred by the order of the Competent Authority, to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the Competent Authority.

2.2 With effect from the Effective Date, the Transferee Company shall carry on and shall be authorised to carry on the business of the MTN Undertaking.

2.3 For the purpose of giving effect to the order passed under Chapter XV and other applicable provisions of the Act in respect of this Scheme by the Competent Authority, the Transferee Company shall, at any time, pursuant to the order on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the transfer of Transferor Company 1 relating to the MTN Undertaking, in accordance with the provisions of Chapter XV of the Act. The Transferee Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the Competent Authority.

2.4 Upon this Scheme becoming effective, the Transferee Company, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of Transferor Company 1 pertaining to the MTN Undertaking with effect from the Appointed Date, in order to give effect to the foregoing provisions.

2.5 All profits accruing to Transferor Company 1 from the MTN Undertaking and all taxes thereof or losses arising or incurred by it relating to the MTN

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Undertaking shall, for all purposes be treated as the profits, reserves or losses as the case may be of the Transferee Company.

2.6 Upon the coming into effect of this Scheme, the resolutions, if any, of Transferor Company 1 pertaining to the MTN Undertaking, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then such limits shall be added and shall constitute the aggregate of such limits in the Transferee Company.

3. PAYMENT OF CONSIDERATION

Upon this Scheme becoming effective and upon vesting of the MTN Undertaking in the Transferee Company in terms of this Scheme, the equity shareholders of Transferor Company 1 (i.e., the Transferee Company and Transferor Company 2) shall not be entitled to receive equity shares of the Transferee Company as Transferor Company 2 is a wholly owned subsidiary of the Transferee Company and Transferor Company 1 is indirectly held by the Transferee Company. The Act prohibits allotment or transfer of shares of a parent company to its subsidiary company.

4. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY AND TRANSFEROR COMPANY(IES)

4.1 In the books of Transferor Company 1

Pursuant to Part V of the Scheme coming into effect on the Effective Date with effect from the Appointed Date, Transferor Company 1 shall account for the demerger and vesting of the MTN Undertaking with the Transferee Company in its books of accounts in accordance with Indian Accounting Standard specified under Section 133 of the Act, read with Companies (Accounting Standards) Amendment Rules 2016, in the following manner:

(a) The respective book values of the assets, liabilities of the MTN Undertaking transferred to the Transferee Company shall be reduced in the books of accounts of Transferor Company 1 in compliance with the applicable accounting standards.

(b) The difference between the amounts of assets, liabilities pertaining to the MTN Undertaking transferred pursuant to Part V of the Scheme shall be adjusted in reserves of transferor Company 1.

(c) Notwithstanding the above, the Board of Directors of Transferor Company 1 is authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with accounting principle generally accepted in India, including the Indian accounting standard (Ind AS) specified under section 133 of the Act, read with Companies (Accounting Standards) Amendment Rules 2016.

4.2 In the books of Transferee Company

Pursuant to Part V of the Scheme coming into effect on the Effective Date with effect from the Appointed Date, the Transferee Company shall account for the demerger and vesting of the MTN Undertaking in its books of accounts in accordance with 'The Pooling Interest Method' prescribed under Indian Accounting Standard 103 Business Combinations specified under section 133 of the Act read with Companies (Accounting Standards) Amendment Rules 2016, in the following manner:

(a) The Transferee Company shall record the assets and liabilities (the difference between the assets and liabilities hereinafter being referred to as the "**Net Assets**") vested in it pursuant to this Scheme, whether negative or positive, at the respective book values thereof, as appearing in the books of the MTN Undertaking of Transferor Company 1, at the close of business of the day immediately preceding the Appointed Date.

(b) Upon coming into effect of this Scheme, to the extent that there are inter-company loans, advances, deposits, balances or other obligations as between MTN undertaking of Transferor Company 1 and the Transferee Company, the obligation in respect thereof will come to an end and corresponding effect shall be given in the books of account and records of Transferee Company, for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balance with effect from the Appointed Date.

(c) All inter-company transactions between MTN undertaking of Transferor Company 1 and the Transferee Company as may be outstanding on the Appointed Date shall stand cancelled.

(d) Transferee Company shall reduce the value of its investment in Transferor Company 1 to the extent that such investment value represent the underlying investment in the MTN. The reduced amount shall represent the residual business of Transferor Company 1 shown in the books of account of the Transferee Company.

(e) The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Companies in accordance with Paragraph 12 of Appendix C of Indian Accounting Standard (Ind AS) 103. As a result of preserving the identity, reserves which are available for distribution as dividend before the business combination would also be available for distribution as dividend after the business combination. The excess, if any, between the amount recorded as share capital issued plus any

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additional consideration in the form of cash or other assets and the amount of share capital of the Transferor Companies will be recognised as capital reserve in the financial statements of the Transferee Company.

(f) The Transferee Company shall restate its financial statements of the previous financial year to show the effect of the Scheme in accordance with Indian Accounting Standard (Ind AS) 103.

(g) In case of any difference in the accounting policies between Transferor Company 1 and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference, if any, will be quantified and adjusted in the general reserve mentioned earlier, to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy. Where the Transferee Company does not have sufficient capital reserve, the balance amount remaining after adjustment with the capital reserve of the Transferee Company shall be adjusted against the general reserve, if any, of the Transferee Company.

(h) The Transferee Company shall record in its books of account, all transactions of Transferor Company 1 pertaining to the MTN Undertaking in respect of assets, liabilities, income and expenses, from the Appointed Date to the Effective Date.

(i) Notwithstanding the above, the Board of Directors of the Transferee Company is authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with accounting principle generally accepted in India, including the Indian accounting standard (Ind AS) specified under section 133 of the Act, read with Companies (Accounting Standards) amendment rules 2016.

4.3 KM & Co., the statutory auditor of Transferor Company 1 has provided a certificate dated 15 December 2017 with respect to the accounting treatment set out in the Scheme. S.R. Batliboi & Associates LLP, the statutory auditor of Transferee Company has provided a certificate dated 15 December 2017 with respect to the accounting treatment set out in the Scheme.

PART V

RESIDUAL UNDERTAKING OF TRANSFEROR COMPANY 1

1. **RESIDUAL UNDERTAKING**

1.1 The Residual Undertaking and all assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by Transferor Company 1.

1.2 All legal, taxation or other proceedings by or against Transferor Company 1 under any statute, or quasi-judicial authority or tribunal) whether pending on the date of filing of this Scheme or which may be instituted in future whether or not in respect of any matter arising before the Effective Date and relating to the Residual Undertaking (including those relating to any property, right, power, liability, obligation or duties of Transferor Company 1 in respect of the Residual Undertaking) shall be continued and enforced by or against Transferor Company 1. The Transferee Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceeding against Transferor Company 1 if proceedings are taken up against the Transferee Company in respect of the matters referred to in this Clause, it shall defend the same in accordance with the advice of Transferor Company 1 and at the cost of Transferor Company 1 and the latter shall reimburse and indemnify the Transferee Company against all liabilities and obligations incurred by the Transferee Company in respect thereof.

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PART VII

AMALGAMATION OF TRANSFEROR COMPANY 2 INTO AND WITH THE RESULTANT COMPANY

1. TRANSFER AND VESTING OF TRANSFEROR COMPANY 2 INTO AND WITH THE RESULTANT COMPANY

1.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all the assets and liabilities and the entire business of Transferor Company 2 shall stand transferred to and vest in the Resultant Company, as a going concern, without any further act or deed, together with all its properties, assets, rights, benefits and interest therein, subject to the provisions of this Scheme, in accordance with Chapter XV of the Act and all applicable provisions of law if any, in accordance with the provisions contained herein.

1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

(a) all assets of Transferor Company 2, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal of whatsoever nature shall stand transferred and/or be deemed to be transferred to and vested in the Resultant Company and shall become the property and an integral part of the Resultant Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

(b) All other movable properties of Transferor Company 2, including investments in shares and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Resultant Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is hereby clarified that investments, if any, made by Transferor Company 2 and all the rights, title and interest of Transferor Company 2 in any leasehold properties shall, pursuant to Section 232 of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in and/or be deemed to have been transferred to and vested in the Resultant Company

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(c) All immovable properties of Transferor Company 2, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of Transferor Company 2, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in the Resultant Company, without any further act or deed done or being required to be done by Transferor Company 2 and/or the Resultant Company. The Resultant Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Resultant Company by the appropriate authorities pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof.

(d) All contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies) for the purpose of carrying on the business of Transferor Company 2, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to Transferor Company 2, or to the benefit of which, Transferor Company 2 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be and remain in full force and effect on, against or in favour of the Resultant Company and may be enforced as fully and effectually as if, instead of Transferor Company 2, the Resultant Company had been a party or beneficiary or obligor thereto. If the Resultant Company enters into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, Transferor Company 2 will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by Transferor Company 2 (and not by any of its successors), shall be fulfilled by the Resultant Company as if it is the duly constituted attorney of Transferor Company 2.

(e) Any pending suits/appeals or other proceedings of whatsoever nature relating to Transferor Company 2, whether by or against Transferor Company 2, shall not abate, be discontinued or in any way prejudicially affected by reason of the amalgamation of Transferor Company 2 or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Resultant Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or

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enforced by or against Transferor Company 2 as if this Scheme had not been implemented.

Any suit, appeal or other proceeding of whatever nature by or against Transferor Company 2 is pending, shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Resultant Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Transferor Company 2 as if this Scheme had not been implemented.

The Resultant Company undertakes to pay all amounts including interest, penalties, damages and costs which Transferor Company 2 may be called upon to pay or secure in respect of any liability or obligation relating to Transferor Company 2 from the period starting on the Appointed Date up to the Effective Date, upon submission of necessary evidence by Transferor Company 2 to the Resultant Company for making such payments.

(f) All debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of Transferor Company 2 shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Resultant Company, and the Resultant Company shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause.

Where any of the liabilities and obligations attributed to Transferor Company 2 on the Appointed Date have been discharged by Transferor Company 2 after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Resultant Company.

(g) All the employees of Transferor Company 2 who are on its payrolls shall become the employees of the Resultant Company, without any break or interruption in their services, on the same terms and conditions on which they are engaged as on the Effective Date. The Resultant Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with Transferor Company 2, shall also be taken into account.With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of Transferor Company 2, the Resultant Company shall stand substituted Transferor Company 2 for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by Transferor Company 2, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of Transferor Company 2 for such purpose shall be treated as having been continuous

(h) With regard to any provident fund, gratuity fund, superannuation fund or other special fund created or existing for the benefit of such employees of Transferor Company 2, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of Transferor Company 2 in relation to such schemes or funds shall become those of the Resultant Company. Upon the Scheme becoming effective, the Resultant Company shall stand substituted for Transferor Company 2 for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund and superannuation fund trusts created by Transferor Company 2 for its employees shall be continued for the benefit of such employees on the same terms and conditions until such time that they are transferred to the relevant funds of the Resultant Company. It is clarified that the services of all employees of Transferor Company 2 transferred to the Resultant Company will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds.

(i) The Resultant Company undertakes to continue to abide by any agreement(s)/settlement(s) if entered into, with any labour unions/employees by Transferor Company 2. The Resultant Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of such permanent employees, if any, with Transferor Company 2, as the case may be, shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

(j) All registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trademarks, appertaining to Transferor Company 2, if any, shall stand transferred to and vested in the Resultant Company.

(k) All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) payable by or refundable to Transferor Company 2, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Resultant Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to Transferor Company 2, shall pursuant to this Scheme becoming effective, be available to the Resultant Company.

(l) All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description whatsoever in relation to Transferor Company 2, or to the benefit of which Transferor Company 2 may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Resultant Company and may be enforced as fully and effectually as if, instead of Transferor Company 2, the Resultant Company had been a party or beneficiary or obligee thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/ endorsement in the name of the Resultant Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Resultant Company shall file appropriate applications/ documents with relevant authorities concerned for information and record purposes.

(m) Benefits of any and all corporate approvals as may have already been taken by Transferor Company 2, whether being in the nature of compliances or otherwise, including without limitation approvals under Sections 42, 62(1)(a), 180, 185, 186, 188 etc , of the Act, read with the rules and regulations made thereunder, shall stand transferred to the Resultant Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Resultant Company.

(n) All estates, assets, rights, title, interests and authorities accrued to and/or acquired by Transferor Company 2 shall be deemed to have been accrued to and/or acquired for and on behalf of the Resultant Company and shall, upon this Scheme coming into effect, pursuant to the provisions of Section 232 and other applicable provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in the Resultant Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Resultant Company

(o) All bank accounts operated or entitled to be operated by Transferor

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Company 2 shall be deemed to have transferred and shall stand transferred to the Resultant Company and name of Transferor Company 2 shall be substituted by the name of the Resultant Company in the bank's records.

1.3 Transferor Company 2 and/or the Resultant Company as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by Transferor Company 2. It is hereby clarified that if the consent of any third party or authority, if any, is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Resultant Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Resultant Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes. The Resultant Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of Transferor Company 2 and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

1.4 Upon approval of the Scheme by the members of the Resultant Company pursuant to Section 230 of the Act, it shall be deemed that the members have also accorded their consent under Section 13 of the Act or other provisions of the Act as may be applicable to alter the main objects of the Resultant Company to include the following additional object:

"to develop, maintain, publish and provide services in relation to internet portals, search engines, web pages and websites on internet, web servers and websites, to supply information and services related to world wide web, internet and e-mail, multi-media and e-commerce, to carry on the business of internet service providers and other allied business, to act as a cable operator and for that purpose to enter into any arrangement and/or agreement for acquiring license or rights to distribute any channel for carrying on the business of internet services through cable operation, to provide web & internet based subscription and services for providing internet access or acquire internet rights, to carry on the business of buying, selling, licensing, carrying on research and development, rendering of consultancy services in information technology, application software and any other software and programme, in India and abroad, and to deal in computer based multimedia presentation and information technology business service, publishing, distributing, marketing newspaper etc."

CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

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

(a) Transferor Company 2 undertakes to carry on and shall be deemed to have carried on the business activities of Transferor Company 2 and stand possessed of the properties and assets of Transferor Company 2, for and on account of and in trust for the Resultant Company;

(b) Transferor Company 2 shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to the business and undertaking of Transferor Company 2 for and on account of and in trust for the Resultant Company. Transferor Company 2 hereby undertakes to hold its said assets with utmost prudence until the Effective Date;

(c) Transferor Company 2 shall carry on its business and activities with reasonable diligence, business prudence and in the same manner as it had been doing hitherto and shall not, undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its respective affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except:

(a) when it is expressly provided in this Scheme; or

(b) when it is in the ordinary course of business as carried on by Transferor Company 2, as on the date of filing of this Scheme in the Competent Authority; or

(c) when written consent of Transferee Company 2 has been obtained in this regard;

(d) all the profits or income accruing or arising to Transferor Company 2 and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) or expenditure or losses arising or incurred or suffered by Transferor Company 2 pertaining to the business and undertaking of Transferor Company 2 shall for all purposes be treated and be deemed to be and accrue as the income or profits or losses or expenditure as the case may be of the Resultant Company;

(e) Transferor Company 2 shall not vary the terms and conditions of employment of any of the employees except in the ordinary course of business or without the prior consent of the Resultant Company or

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pursuant to any pre-existing obligation undertaken by Transferor Company 2 as the case may be;

(f) except by mutual consent of the Boards of Directors of Transferor Company 2 and the Resultant Company or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by Transferor Company 2 and/or the Resultant Company as on the Appointed Date, or except as contemplated in this Scheme, pending sanction of this Scheme, Transferor Company 2 and/or the Resultant Company shall not make any change in their capital structures either by way of any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of such company(ies);

(g) Transferor Company 2 shall not alter or substantially expand the business except with the written concurrence of the Resultant Company; and

(h) since each of the permissions, approvals, consents, sanctions, remissions, special reservations, backward area sales tax remissions, holidays, incentives, concessions and other authorisations of Transferor Company 2, shall stand transferred by the order of the Competent Authority, to the Resultant Company. Transferor Company 2 shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the Competent Authority.

1.6 With effect from the Effective Date, the Resultant Company shall carry on and shall be authorised to carry on the businesses of Transferor Company 2

1.7 For the purpose of giving effect to the order passed under Chapter XV and other applicable provisions of the Act in respect of this Scheme by the Competent Authority, the Resultant Company shall, at any time, pursuant to the order on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the transfer of Transferor Company 2, in accordance with the provisions of Chapter XV of the Act. The Resultant Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the Competent Authority

1.8 Upon this Scheme becoming effective, the Resultant Company, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of Transferor Company 2 with effect from the Appointed Date, in order to give effect to the foregoing provisions

1.9 All profits accruing to Transferor Company 2 and all taxes thereon or losses arising or incurred by it relating to Resultant Company shall, for all purposes be treated as the profits, taxes or losses as the case may be of the Resultant Company.

1.10 Upon the coming into effect of this Scheme, the resolutions, if any, of Transferor Company 2, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Resultant Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then such limits shall be added and shall constitute the aggregate of such limits in the Resultant Company.

2. DISSOLUTION OF TRANSFEROR COMPANY 2

On the Scheme becoming effective, Transferor Company 2 shall stand dissolved without being wound-up, without any further act or deed.

3. PAYMENT OF CONSIDERATION AND ISSUANCE MECHANICS

Upon this Scheme becoming effective and upon amalgamation Transferor Company 2 with the Resultant Company in terms of this Scheme, the equity shares of Rs. 10 each of Transferor Company 2 held by the Resultant Company (either held in its own name or through its nominees) shall stand cancelled in their entirety.

4. ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTANT COMPANY

Pursuant to Part VII of the Scheme coming into effect on the Effective Date with effect from the Appointed Date, the Resultant Company shall account for amalgamation of Transferor Company 2 in its books of accounts in accordance with 'The Pooling Interest Method' prescribed under Indian Accounting Standard 103 Business Combinations specified under section 133 of the Act read with Companies (Accounting Standards) amendment rules 2016, in the following manner

4.1 The Resultant Company shall record the Net Assets vested in it pursuant to this Scheme, whether negative or positive, at the respective book values thereof, as appearing in the books of the Transferor Company 2, at the close of business of the day immediately preceding the Appointed Date

4.2 Upon coming into effect of this Scheme, to the extent that there are inter-company loans, advances, deposits, balances or other obligations as between Transferor Company 2 and the Resultant Company, the obligation in respect thereof will come to an end and corresponding effect shall be given in the books of account and records of Transferor Company 2, for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits

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or balance with effect from the Appointed Date.

4.3 All inter-company transactions between Transferor Company 2 and the Resultant Company as may be outstanding on the Appointed Date shall stand cancelled.

4.4 The Resultant Company will reduce the carrying value of investment held by it in Transferor Company 2 against other equity or reserve.

4.5 The identity of the reserves of Transferor Company 2, if any and to the extent deemed appropriate by the Board of Directors of the Resultant Company, shall be preserved and they shall appear in the financial statements of the Resultant Company in the same form and manner, in which they appeared in the financial statements of Transferor Company 2, prior to this Scheme becoming effective. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of Transferor Company 2 available for distribution whether as bonus shares or dividend or otherwise, the same would also be available in the financial statements of the Resultant Company for such distribution pursuant to this Scheme becoming effective.

4.6 The balances of the profit and loss accounts of Transferor Company 2 (as appearing in the books of accounts of Transferor Company 2 at the close of business on the day preceding the Appointed Date) shall be aggregated and added to or set-off (as the case may be) with the corresponding balance appearing in the financial statements of the Resultant Company.

4.7 Upon this Scheme becoming effective and with effect from the Appointed Date, the excess, if any, of the book value of the assets over the book value of the liabilities and reserves as provided in clause 4.5 and 4.6 above of Transferor Company 2 recorded by the Resultant Company in its books of accounts shall be credited to the capital reserve account in the financial statements of the Resultant Company as drawn up in compliance with the Scheme. In case of there being a deficit, such amount shall be adjusted against capital reserve or any other reserve.

4.8 The Transferee Company shall restate its financial statements of the previous financial year to show the effect of the Scheme in accordance with Indian Accounting Standard (Ind AS) 103. In case of any differences in the accounting policies between Transferor Company 2 and the Resultant Company, the accounting policies followed by the Resultant Company will prevail and the differences, if any, will be quantified and adjusted in the capital reserve account mentioned earlier, to ensure that the financial statements of the Resultant Company reflect the financial position on the basis of consistent accounting policy.

4.9 Notwithstanding the above, the Board of Directors of the Resulting Company is authorised to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with accounting principle generally accepted in India ,including the Indian accounting standard (Ind AS) specified

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under section 133 of the Act, read with Companies (Accounting Standards) amendment rules 2016.

4.10 G. Anand & Associates, the statutory auditor of Transferor Company 2 has provided a certificate dated 15 December 2017 with respect to the accounting treatment set out in the Scheme.

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PART VIII

GENERAL TERMS AND CONDITIONS

1. PROVISIONS APPLICABLE TO PART III, PART IV, PART V, PART VI AND PART VII

1.1 Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder:

(a) Reduction of equity share capital of Transferor Company 1;

(b) Reduction of equity share capital of Transferor Company 2;

(c) amendment of the main objects of the Transferee Company as provided in Part V and Part VII of this Scheme;

(d) the transfer of the MTN Undertaking to the Transferee Company pursuant to Part V of the Scheme;

(e) amalgamation of Transferor Company 2 into the Resultant Company in accordance with Part VII of the Scheme;

(f) cancellation of the equity shares of Transferor Company 2 held by the Resultant Company (either held in its own name or through its nominees) pursuant to Part VII of this Scheme;

2. COMPLIANCE WITH LAWS

2.1 This Scheme is presented and drawn up to comply with the provisions/requirements of Chapter XV of the Act, for the purpose of the capital reduction of the Transferor Companies, demerger of the MTN Undertaking into and with the Transferee Company and the merger of Transferor Company 2 with the Resultant Company.

2.2 This Scheme has been drawn up to comply with the conditions relating to "amalgamation" and "demerger" as specified under the tax laws, including Section 2 (1B) and 2(19AA) and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Restructured Companies, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

2.3 Upon the Scheme becoming effective, the Resultant Company and Transferor Company 1 are expressly permitted to revise their financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961 (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax Act, 1961 etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme. The order of the Court sanctioning the Scheme shall be deemed to be an order of the National Company Law Tribunal permitting Transferor Company 1 and Resultant Company to revise its financial statements and books of accounts and no further act shall be required to be undertaken by the Transferor Company 1 and the Resultant Company.

3. CONSEQUENTIAL MATTERS RELATING TO TAX

3.1 Upon the Scheme coming into effect, notwithstanding anything to the contrary contained in the provisions of this Scheme, all accumulated tax loss, unabsorbed tax depreciation, minimum alternate tax credit, if any, of Transferor Company 2 and Transferor Company 1 pertaining to the MTN Undertaking as on the Appointed Date shall, for all purposes, be treated as accumulated tax loss, unabsorbed tax depreciation and minimum alternate tax credit of the Resultant Company, subject to the provisions of the Income Tax Act, 1961.

3.2 Upon the Scheme becoming effective, any advance tax, self-assessment tax, minimum alternate tax and/or TDS credit available or vested with Transferor Company 1 pertaining to the MTN Undertaking and Transferor Company 2, including any taxes paid and taxes deducted at source and deposited by the Resultant Company on inter se transactions during the period between the Appointed Date and the Effective Date shall be treated as advance tax paid by the Resultant Company and shall be available to the Resultant Company for set-off against its liability under the Income Tax Act, 1961 and any excess tax so paid shall be eligible for refund together with interest. Any TDS certificates issued by the Resultant Company to, or for the benefit of, Transferor Company 1 pertaining to the MTN Undertaking and Transferor Company 2 under the Income Tax Act, 1961 with respect to the inter se transactions would be available to the Resultant Company to seek refund of from the tax authorities in compliance with law. Further, TDS deposited, TDS certificates issued or TDS returns filed by the Restructured Companies on transactions other than inter se transactions during the period between the Appointed Date and the Effective Date shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Resultant Company. Any TDS deducted by, or on behalf of, the Resultant Company on inter se transactions will be treated as advance tax deposited by the Resultant Company

3.3 The Resultant Company is also expressly permitted to claim refunds, credits including restoration of input CENVAT credit, tax deduction in respect of nullifying of any transaction between or amongst Transferor Company 1 pertaining to the MTN Undertaking and Transferor Company 2 and the Resultant Company, provided that upon the Scheme becoming effective, the Resultant Company is also expressly permitted to revise its income-tax returns, withholding tax returns, sales tax returns, excise & CENVAT returns, service tax returns, other tax returns, to obtain TDS certificates, including TDS certificates relating to transactions between or amongst Transferor Company 1 pertaining to the MTN Undertaking and Transferor Company 2 and the Resultant Company, and to claim refunds, advance tax, and withholding tax credits, benefit of carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.

3.4 All tax assessment proceedings/appeals of whatsoever nature by or against Transferor Company 1 pertaining to the MTN Undertaking and Transferor Company 2 pending and/or arising at the Appointed Date and relating to Transferor Company 1 pertaining to the MTN Undertaking and Transferor Company 2 shall be continued and/or enforced until the Effective Date by the Transferor Companies. In the event of the Transferor Companies failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by the Resultant Company, at the cost of the Resultant Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Resultant Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies.

3.5 Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the demerger of the MTN Undertaking of Transferor Company 1 to the Transferee Company or the amalgamation of Transferor Company 2 with the Resultant Company or anything contained in the Scheme.

In accordance with the Cenvat Credit Rules framed under Central Excise Act, 1944, as are prevalent on the Effective Date, the unutilised credits relating to excise duties paid on inputs/capital goods/input services lying in the accounts of Transferor Company 1 and relatable to the MTN Undertaking and Transferor Company 2 shall be permitted to be transferred to the credit of the Resultant Company, as if all such unutilised credits were lying to the account of the Resultant Company. The Resultant Company shall accordingly be entitled to set off all such unutilised credits against the excise duty/service tax payable by it.

4. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities and the continuance of proceedings by or against the Transferor Companies under Clause 1.2(f) of Part V and Clause 1.2(f) of Part VII of the Scheme above shall not affect any transaction or proceedings already concluded by the Transferor Companies on and after the

Appointed Date till the Effective Date, to the end and intent that the Resultant Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of the Resultant Company.

5. **DIVIDENDS**

5.1 The Transferor Companies and the Resultant Company shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date.

5.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Companies and the Resultant Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Companies and the Resultant Company, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders of each of the Transferor Companies and the Resultant Company.

INTERPRETATION

5.3 Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date for Part III, Part IV, Part V, Part VI and Part VII of the Scheme.

5.4 If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any provisions of applicable law at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the applicable law shall prevail. Subject to obtaining the sanction of the Competent Authority, if necessary, this Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications as may become necessary, whether before or after the Effective Date, shall, subject to obtaining the sanction of the Competent Authority, if necessary, vest with the Board of Directors of the Transferor Companies and the Transferee Company, which power shall be exercised reasonably in the best interests of the Transferor Companies and the Transferee Company and their respective shareholders.

6. **APPLICATION TO THE COMPETENT AUTHORITY**

6.1 The Transferor Companies and the Transferee Company shall as may be required make necessary applications and/or petitions to the Competent Authority under Chapter XV of the Act along with the applicable provisions of the Act or rules thereunder, seeking orders for dispensing with or convening, holding and conducting of the meetings of members and/or creditors and for sanction of this Scheme with such modification as may be approved by the Competent Authority and all matters ancillary or incidental thereto.

6.2 Upon this Scheme being approved by the requisite majority of the shareholders and creditors of the Transferor Companies and the Transferee Company respectively (wherever required), the Transferor Companies and the Transferee Company shall, with all reasonable dispatch, file respective petitions before the Competent Authority for sanction of this Scheme under Chapter XV of the Act along with applicable provisions of the Act or rules thereunder, and for such other order or orders, as the Competent Authority may deem fit for putting this Scheme into effect.

6.3 Upon this Scheme becoming effective, the shareholders of the Transferee Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme.

7. MODIFICATION OR AMENDMENTS TO THE SCHEME

7.1 The Restructured Companies, acting through their respective by their respective Boards of Directors, may assent to/make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Competent Authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e., the Board of Directors). The Restructured Companies, acting through their respective Boards of Directors, be and are hereby authorised to take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any orders of the Competent Authority or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

7.2 The Restructured Companies, acting through their respective Boards of Directors, shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Competent Authority or any other authority is not on terms acceptable to them. Each of the Transferor Companies shall be free to withdraw from the scheme if any part of this Scheme is found to be unworkable or unfeasible for any reason whatsoever, this shall not, subject to the decision of the Transferor Companies, affect the validity or implementation of the other parts and/or provisions of this Scheme. In the event a part of this Scheme is found unworkable or unfeasible and the Transferor Companies decide to implement the remaining part of this Scheme, to the extent it is unworkable or unfeasible, shall become null and void and no rights or liabilities whatsoever shall accrue to, or be incurred inter se by, the parties or their respective stakeholders or any other persons with respect to such part of the Scheme.

7.3 Except as otherwise expressly provided in this Scheme, the Restructured Companies shall pay their respective costs, expenses, charges, fees, taxes, duties, levies and other incidental expenses arising out of or incurred in connection with the filing, approval and/or implementation of this Scheme. Upon this Scheme becoming effective all costs, expenses, charges, fees, taxes, duties, levies and other incidental expenses arising out of or incurred in connection with the filing, approval and/or implementing of this Scheme (save as expressly otherwise agreed) by the Transferor Companies shall be borne solely by the Transferee Company.

7.4 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferor Companies and the Transferee Company and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

7.5 If any part of this Scheme is invalid, ruled illegal or rejected by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Restructured Companies, acting through their respective Boards of Directors, shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part, which is invalid, ruled illegal or rejected by any court of competent jurisdiction, or unenforceable under present or future laws.

7.6 The Transferor Companies and the Transferee Company shall make necessary applications before the Competent Authority for sanction of this Scheme and any dispute arising out of this Scheme shall be subject to the jurisdiction of the Competent Authority.

7.7 Any issue as to whether any asset, liability, employee or litigation pertains to the MTN Undertaking or not shall be decided by the Board of Directors of the Transferee Company either by itself or through a committee appointed by it in this behalf, and if considered necessary by it, after consultation with the Board of Directors of Transferor Company 1, on the basis of evidence that they may deem relevant for the purpose (including the books and records of Transferor Company 1).

8. CONDITIONALITY TO EFFECTIVENESS OF THE SCHEME

8.1 Subject to the provisions of this Scheme, this Scheme shall become effective on the last of the following dates ("**Effective Date**"):

(a) the Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Transferor Companies and the Transferee Company as may be directed by the Competent Authority;

(b) the sanction of the Competent Authority under the applicable provisions of the Act in favour of the Transferor Companies and the Transferee Company by passing the necessary order;

(c) approval of the Ministry of Information and Broadcasting for foreign investment in the Transferee Company in the newspaper publishing sector being obtained;

(d) receipt of such other sanctions and approvals including sanction of any governmental authority (including Securities and Exchange Board of India) or stock exchange(s) as may be required by law in respect of the Scheme; and

(e) certified or authenticated copy of the order of the Competent Authority sanctioning the Scheme being filed with the Registrar of Companies, by the Transferor Companies and the Transferee Company, as may be applicable.

9. COSTS, CHARGES & EXPENSES

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

10. RESIDUAL

10.1 Upon this Scheme becoming effective, the Resultant Company shall be entitled to operate all bank accounts, cash and deposits relating to the MTN Undertaking of Transferor Company 1 and in relation to Transferor Company 2, realise all monies and complete and enforce all pending contracts and transactions in respect of the MTN Undertaking of Transferor Company 1 and Transferor Company 2 in the name of the Transferor Companies to the extent necessary.

10.2 Upon this Scheme becoming effective, the Resultant Company shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to Transferor Company 2 and the MTN Undertaking until the transfer of the rights and obligations of Transferor Company 1 pertaining to the MTN Undertaking and Transferor Company 2 to the Transferee Company under this Scheme is formally accepted by the parties concerned.

10.3 Upon this Scheme becoming effective, the Resultant Company shall be entitled to rely on, use and operate on the basis of all licenses, consents and approvals, in respect of the MTN Undertaking in the name of Transferor Company 1 and Transferor Company 2 to the extent necessary.

INDEPENDENT AUDITOR'S REPORT

To the Members of Mail Today Newspapers Private Limited

Report on the Extracted Standalone Ind AS Financial Statements

We have audited the accompanying extracted standalone Ind AS financial statements of newspaper publishing business of Mail Today Newspapers Private Limited ("the Company"), which comprise the extracted balance sheet of newspaper publishing business as at January 01, 2017, the extracted statement of profit and loss, including the extracted statement of other comprehensive income, the extracted statement of changes in equity for the period then ended, and a summary of significant accounting policies for the period ended on that date.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these extracted standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit (financial performance including other comprehensive income) and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the extracted Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these extracted standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the extracted standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the extracted standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the extracted standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the extracted standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the extracted standalone Ind AS financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the extracted standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at January 01, 2017, its profits including other comprehensive income, and the changes in equity for the nine months period ended on that date

Basis of preparation

Without modifying our opinion, we draw your attention to Note 1(a)(i) of the extracted financial statements, which describes the basis of preparation. These extracted Ind AS financial statements have been prepared to merge the Newspaper Publishing Business of Mail Today Newspapers Private Limited with T.V. Today Network Limited, pursuant to Scheme of Amalgamation and Arrangement approved by Board of Directors of the Company on December 15, 2017, to be filed with National Company Law Tribunal. As a result, these extracted financial statements may not be suitable for any other purpose. Our report is solely for the purpose mentioned above and may not be distributed or used for any other purpose. Accordingly, the cash flow statement, previous period comparatives and other disclosures mandated under preparation of financial statements under IND AS have not been prepared while drawing out these special purpose extracted interim financial statements of the Company

Emphasis of Matter

We draw attention to Note 1 (iii) of the extracted financial statements which indicates that the Company has recognised deferred tax assets aggregating to INR 1,037,366,903 on its accumulated business losses, unabsorbed depreciation and other timing differences outstanding as at January 01, 2017. The realisation of such deferred tax assets is dependent on the approval of the Scheme of Arrangement proposed between the Company and T.V. Today Network Limited ("the acquirer company") enabling the acquirer company to realise the deferred tax assets with reasonable certainty. These facts, narrated in Note 1(iii) to establish that such deferred tax assets will be adjusted with future taxable income of the acquirer company, have been considered to recognise the deferred tax assets as at the date of these special purpose financial statements prepared for filing of scheme of arrangement split between "Newspaper Publishing Business" and "Events Business".

Our opinion is not qualified in respect of above stated matter.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The extracted balance sheet, extracted statement of profit and loss including the extracted statement of other comprehensive income and extracted statement of changes in equity dealt with by this Report are in agreement with the books of account

(d) In our opinion, the aforesaid extracted standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended.

For KM & CO
Chartered Accountants
Firm Regn. No. [illegible]

Kanti Mauri
Partner
Membership No. 502221
Place: New Delhi
Date: 15/12/2017

Mail Today Newspapers Private Limited

Extracted Balance sheet of newspaper publishing business as at January 01, 2017

(All amounts in Indian rupees unless otherwise stated)

	Notes	January 01, 2017
ASSETS		
Non-current assets		
Property, plant and equipment	3	50,91,173
Investment properties	4	6,44,43,388
Intangible assets	5	1,68,327
Financial assets		
i. Loans	6(b)	14,27,379
Non-current tax assets	7	16,28,217
Deferred tax assets	8	1,03,73,66,903
Other non-current assets	9	5,13,64,265
Total non-current assets		**1,16,14,89,652**
Current assets		
Inventories	10	1,62,09,113
Financial assets		
i. Trade receivables	6(a)	7,28,88,738
ii. Cash and cash equivalents	6(c)	90,87,702
iii. Loans	6(b)	58,350
Current tax assets	7	
Other current assets	11	2,35,01,193
Total current assets		**12,17,45,136**
Total assets		**1,28,32,34,788**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	12	1,31,08,70,160
Other equity		
Reserve and surplus		(51,53,41,759)
Total equity		**79,55,28,401**
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
Borrowings	13(a)	6,08,09,303
Employee benefit obligations	14	71,82,452
Total non-current liabilities		**6,79,91,755**
Current liabilities		
Financial Liabilities		
i. Borrowings	13(b)	9,29,47,427
ii. Trade payables	13(e)	12,13,59,345
iii. Other financial liabilities	13(d)	18,56,18,651
Employee benefit obligations	14	1,14,734
Other current liabilities	15	1,96,74,475
Total current liabilities		**41,97,14,632**
Total liabilities		**48,77,06,387**
Total equity and liabilities		**1,28,32,34,788**

The accompanying notes are an integral part of these financial statements.

This is the balance sheet referred to in our report of even date.

For KM & CO
Firm Registration Number : 024883N
Chartered Accountants

per Kapil Mittal
Partner
Membership No. 10[illegible]
Place : New Delhi
Date : 15/12/2017

For and on behalf of the Board
of Mail Today Newspapers Pr

R.K. Mangla
Director
(DIN : 06699673)
Place : New Delhi
Date : 15/12/2017

Mail Today Newspapers Private Limited

Extracted Statement of profit and loss of newspaper publishing business for the nine months period ended January 01, 2017

(All amounts in Indian rupee, unless otherwise stated)

	Notes	Nine months period ended January 01, 2017
Revenue from operations	16	21,08,79,555
Other income	17(a)	1,15,12,775
Other gains/ (losses) - net	17(b)	79,085
Total Income		22,24,91,415
Expenses		
Cost of materials consumed	18	2,29,73,041
Employee benefits expense	19	7,84,14,929
Depreciation and amortisation expense	20	30,18,068
Other expenses	21	18,30,54,296
Finance costs	22	3,34,58,542
Total expenses		32,09,18,876
(Loss) before tax		(9,84,27,461)
Income tax expenses	22	
- Current Tax		-
- Deferred Tax	8	(1,03,75,01,406)
Total tax expense / (credit)		(1,03,75,01,406)
Profit / (Loss) for the year		93,90,73,945
Other comprehensive expense		
Items that will not be reclassified to profit or loss		
Remeasurements of post-employment benefit obligations		4,35,284
Income tax relating to these items		(1,34,503)
Other comprehensive income for the year		3,00,781
Total comprehensive income for the year		93,93,74,726

statements.

This is the statement of profit and loss referred to in our report of even date

For KM & CO
Firm Registration Number : 024883N
Chartered Accountants

per Kapil Mittal
Partner
Membership No. 502331
Place : New Delhi
Date : 15/12/2017

For and on behalf of the Board of Directors of Mail Today Newspapers Private Limited

R.K. Mangla
Director
(DIN : 06699673)
Place : Noida
Date :

Mail Today Newspapers Private Limited

Notes forming part of the extracted financial statements of newspaper publishing business for [illegible] the period ended January 01, 2017

Background

Mail Today Newspapers Private Limited ("the Company") was incorporated on May 9, 2007 and started its operations from November 15, 2007. The Company publishes "Mail Today", an English daily newspaper and further displays its publication on "mailtoday.in". The Company derives revenue from the sale of the above mentioned publications and advertisements published therein and events/conferences. The corporate identity number of the Company is U22210DL2007PTC163174.

Note 1: Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These special purpose extracted financial statements covering period April 1, 2016 to January 1, 2017 have been prepared for the purpose of merger of Newspaper Publishing Business of Mail Today Newspapers Private Limited with T.V. Today Network Limited, pursuant to Composite Scheme of Arrangement and Amalgamation approved by Board of Directors of the Company on December 15, 2017, to be filed with National Company Law Tribunal. Accordingly, the cash flow statement, previous period figures and other disclosures mandated for preparation of financial statements under IND AS have not been disclosed while preparing these special purpose interim extracted financial statements of the Newspaper Publishing Business of the Company.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis.

(iii) Deferred Tax Assets

Subsequent to the date of the financial statements, the Board of Directors of the Company, in their meeting held on December 15, 2017, have approved a Scheme of Arrangement to transfer/merge its Publishing Business into its holding company (on the date of approval from Board of Directors), T.V. Today Network Limited (TVTN) ("the acquirer company"). The management of the Company believes that once the scheme is approved by the National Company Law Tribunal, the accumulated losses of the Company shall be available for set off with taxable income of the acquirer company.

Accordingly, the management of the Company believes that reasonable certainty exists to recognize deferred tax assets on the accumulated business losses, unabsorbed depreciation and other timing differences outstanding as at January 01, 2017.

As a result, deferred tax assets aggregating to INR 1,037,366,903 (including INR 1,015,472,336 upto period ended March 31, 2016 not recognised in earlier periods) has been recognised in these financial statements, prepared for the special purpose as stated in clause 1(a)(i) above.

(b) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

(c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Rendering of services - Advertisement income
Timing of recognition: Advertisement income is recognized as and when advertisement is published/displayed and is disclosed net of discount.

Measurement of revenue: Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

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Sale of publication and waste paper

Timing of recognition: Sale of publications and waste paper revenue is recognized when the significant risks and rewards of ownership have passed on to the buyer and is disclosed net of sales return and discounts.

Measurement of revenue: Revenue from sale of publication is based on sale price of the newspaper or contractual price. No element of financing is deemed present as the sales are made for credit period, which is consistent with market practice.

(d) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in India where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(e) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

f) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

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(h) **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(i) **Inventories- Raw Material**

Raw-material are stated at lower of cost and net realisable value. Cost of raw-material comprises cost of purchases. Cost of raw material also include all other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost is determine on weighted average basis.

(j) **Financial assets**

(i) *Classification*

The Company classifies its financial assets in the following measurement categories:

-those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

-those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit and loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

) *Measurement*

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flow represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) *Impairment of financial assets*

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 24(A) details how the Company determines whether there has been a significant increase in credit risk.

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For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognised from initial recognition of the receivables.

(iv) *Derecognition of financial assets*

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) *Income recognition*

Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(k) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(l) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind As

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant

Depreciation methods, estimated useful lives and residual value

(i) Depreciation on tangible assets is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets as prescribed under Schedule II to the Companies Act, 2013.

(ii) Assets costing below Rs. 5,000 are fully depreciated in the year of acquisition.

(iii) Leasehold Improvements are amortized over the useful life or unexpired period of lease (whichever is lower) on a straight line basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than estimated recoverable amount.

Gain and loss on disposables are determined by comparing proceeds with carrying amount. These are included in the profit or loss with other gains/(losses).

(m) Investment properties

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment properties are measured initially at cost, including related transaction costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefit associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance cost are expensed when incurred. When part of investment property is replaced, the carrying amount of replaced part is derecognized.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Company depreciates investment property on a prorata basis on the straight-line method over the estimated useful lives of the assets as prescribed under Schedule II to the Companies Act, 2013.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the investment properties.

(n) **Intangible assets**

Acquired intangible assets are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

(i) *Amortisation methods and periods*

Intangible assets mainly include software licenses stated at cost, less accumulated amortization. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use and are amortized using the straight line method over a period of three years.

(ii) *Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 1 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(o) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60-90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(p) **Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(q) **Employee benefits**

(i) *Short-term obligation*

Liabilities for salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current [illegible] *(ii) Other long-term employee benefits obligations*

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity

(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually or statutorily

Defined contribution plans

Company's contributions to Provident Fund, Employees' State Insurance Scheme and Employee Pension Scheme, which are defined contribution plans, are expensed in the statement of profit and loss on accrual basis. The Company has no further obligations under these plans beyond its monthly contributions to the respective government funds.

(r) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(s) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

(a) the profit attributable to owners of the Company.

(b) by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (note 28).

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

(a) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

(b) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(i) **Recent accounting pronouncements**

(i) New Standards

There were no new standards published which would be applicable on the Company

(ii) New Amendments

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017 notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the recent amendment, as a result the corresponding impact on the financial statements is being evaluated.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

In the opinion of the management, there is no impact of such change on the financial statements.

Note 2: Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and Judgements

The areas involving critical estimates and judgements are:

i) Estimation of current tax expense and payable - Note 23
ii) Estimate useful life of intangible assets - Note 5
iii) Estimation of employee related defined benefit obligations - Note 14
iv) Recognition of deferred tax assets for carried forward tax losses - Note 23

Estimates and judgements are continually evaluated. They are based on historical experience and other factors including expectations of future events that may have financial impact on the Company and that are believed to be reasonable under the circumstances.

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Mail Today Newspapers Private Limited

Notes forming part of the extracted financial statements of newspaper publishing business for the nine months period ended January 01, 2017

(All amounts in Indian rupee, unless otherwise stated)

Note 3: Property, plant and equipment

	Plant and machinery	Office equipment	Furniture and fixtures	Total
Period ended 'January 01, 2017				
Gross carrying amount				
As at April 1, 2016	92,00,337	1,95,221	1,29,933	95,25,491
Additions				
Disposals	(4,10,738)			(4,10,738)
Closing gross carrying amount	**87,89,599**	**1,95,221**	1,29,933	91,14,753
Accumulated depreciation				
As at April 1, 2016	26,11,832	41,445	44,004	26,97,281
Depreciation charge during the year	16,72,305	3,471	43,654	17,19,430
Disposals	(3,93,131)	-	-	(3,93,131)
depreciation	**38,91,006**	44,916	87,658	40,23,580
Net carrying amount	48,98,593	1,50,305	42,275	50,91,173

(i) Leasehold Improvements

Leasehold improvements are amortized over the useful life or unexpired period of lease, whichever is lower on straight line basis.

(All amounts in Indian Rupees unless otherwise stated)

Note 4: Investment properties

Completed investment properties

	January 01, 2017
A. Completed investment properties	
Gross carrying amount	
Opening gross carrying amount / Deemed cost as at April 1, 2015	2,55,77,797
Additions during the year	
Closing gross carrying amount (A)	2,55,77,797
Accumulated Depreciation	
Opening accumulated depreciation	4,33,156
Depreciation charged during the year	3,24,867
Closing accumulated depreciation (B)	7,58,023
Net carrying amount (C=A-B)	2,48,19,774
B. Investment properties under construction	
Gross carrying amount	
Opening gross carrying amount / Deemed cost as at April 1, 2015	5,57,01,114
Additions during the year	3,50,000
Less: Amount transferred to completed investment properties	
Closing gross carrying amount (D)	5,60,51,114
Accumulated Impairment	
Opening accumulated impairment	91,00,000
Impairment charged during the year	1,48,07,500
Impairment reversed during the year	(74,80,000)
Closing accumulated impairment (E)	1,64,27,500
Net carrying amount (F=D-E)	3,96,23,614
Total (C+F)	6,44,43,388

(i) Amount recognised in profit or loss for investment properties

	January 01, 2017
Rental Income	-
Profit from investment properties before depreciation	-
Impairment	73,27,500
Depreciation	3,24,867
(Loss) from investment properties	(76,52,367)

(ii) Fair value

	January 01, 2017
Completed Investment properties	2,76,00,000
Investment properties under construction	5,62,00,000

Estimation of fair value

The Company obtains independent valuations for its investment properties at least once a year. The best evidence of fair value is current prices in an active market for similar properties.

The fair values of investment properties have been determined by independent valuers. As at January 01 2017, the fair valuation has been performed by Cushman and Wakefield India. The main inputs used are application of Sales Comparable Method for valuation, information on comparable properties from various sources such as sub brokers, real estate agents etc. All resulting fair value estimates for investment properties are included in level 3

Mail Today Newspapers Private Limited

Notes forming part of the extracted financial statements of newspaper publishing business for the nine months period ended January 01, 2017

(All amounts in Indian rupee, unless otherwise stated)

Note 5: Intangible assets

	Computer	Total
Period ended January 01, 2017		
Gross carrying amount		
As at April 1, 2016	14,60,610	14,60,610
Additions	-	-
Closing gross carrying amount	**14,60,610**	**14,60,610**
Accumulated amortisation		
As at April 1, 2016	3,18,512	3,18,512
Amortisation charge for the year	9,73,771	9,73,771
Closing accumulated amortisation	**12,92,283**	**12,92,283**
Closing net carrying amount	1,68,327	1,68,327

(i) Significant estimate: Useful life of intangible assets

The Company estimates the useful life of the software to be three (3) years.

(All amounts in Indian rupees, unless otherwise stated)

Note 6: Financial assets

6(a) Trade Receivables

	January 01, 2017
Trade Receivables	11,09,57,326
Receivables from related parties	14,01,717
Less: Allowance for doubtful debts	(3,91,70,205)
Total Receivables	7,28,88,738
Current portion	7,28,88,738
Non-current portion	

Break-up of security details

	January 01, 2017
Secured, considered good	12,20,291
Unsecured, considered good	7,16,68,447
Unsecured, considered doubtful	3,91,70,205
Total	11,23,59,043
Less: Allowance for doubtful debts	(3,91,70,205)
Total trade receivables	7,28,88,738

6(b) Loans

	January 01, 2017	
	Current	Non Current
Unsecured, considered good		
Security deposits		
- To related party	-	14,27,379
- To others	58,350	
Total Loans	58,350	14,27,379

6(c) Cash and cash equivalents

	January 01, 2017
Balances with banks	
- in current accounts	88,18,360
Cash on hand	2,69,382
Total cash and cash equivalents	90,87,742

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Note 7: Tax assets

	January 01, 2017
Advance Income tax	
Opening balance	85,84,023
Add: Taxes paid during the year	16,28,217
Less: Tax (refunds) received / adjusted during the year	(85,84,023)
Less: Current tax payable for the year	
Closing balance of Advance Tax	16,28,217

	January 01, 2017
Non-current portion	16,28,217
Current portion	

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Mail Today Newspapers Private Limited

Notes forming part of the extracted financial statements of newspaper publishing business for the nine months period ended January 01, 2017

(All amounts in Indian rupees unless otherwise stated)

Note 8: Deferred tax assets

The balance comprises temporary differences attributable to:

	January 01, 2017
Defined benefit obligations	19,29,332
Provision for other employe benefits	3,11,351
	22,40,683
Other Items	
Allowance for doubtful debts and advances	2,35,08,766
Disallowances under section 40(a)	3,04,520
Difference in written down value of fixed assets	4,37,573
Provision for Impairment on investment property	50,76,098
Carried forwarded losses and unabsorbed depreciation	1,00,69,69,642
	1,03,62,96,599
Total deferred tax assets	1,03,85,37,282
Set-off of deferred tax liabilities pursuant to set-off provisions:	
Fair value of derivative financial asset through profit or loss	(11,70,379)
Net deferred tax assets	**1,03,73,66,903**

Movement in deferred tax assets

	As at March 31, 2016	to profit or loss	to other comprehensive income	As at January 01, 2017
Newspaper **Publishing Business**				
Defined benefit obligations	15,69,467	2,25,362	1,34,503	19,29,332
Provision for LTA	2,23,045	88,306		3,11,351
Allowance for doubtful debts and advances	1,83,01,090	52,07,676		2,35,08,766
Disallowances under section 40(a)	1,30,297	1,74,223		3,04,520
Provision for Impairment on investment property	28,11,900	22,64,198		50,76,098
Carried forwarded losses and unabsorbed depreciation	99,31,88,146	1,37,81,496		1,00,69,69,642
Difference in written down value of fixed assets	(53,135)	4,90,708		4,37,573
Fair value of derivative financial asset through profit or loss	(6,98,474)	(4,71,905)		(11,70,379)
Total	1,01,54,72,336	2,17,60,064	1,34,503	1,03,73,66,903

Note 9: Other non-current assets

	January 01, 2017
Receivables against exchange of services from related parties	5,13,35,354
Prepaid expenses	28,911
Total other non-current assets	5,13,64,265

Mail Today Newspapers Private Limited

Notes forming part of the extracted financial statements of newspaper publishing business for the nine months period ended January 01, 2017

(All amounts in Indian rupee, unless otherwise stated)

Note 10: Inventories

	January 01, 2017
Raw materials	1,62,09,113
Total inventories	**1,62,09,113**

Note 11: Other current assets

	January 01, 2017
	Newspaper Publishing Business
Receivables against exchange of services	
- Related parties	1,82,07,282
- Others	30,00,510
Advances	
- Considered good	21,70,826
- Considered doubtful	33,78,688
Less: Allowances for doubtful advances	(33,78,688)
Prepaid expenses	1,22,575
Service tax receivable	-
Total other current assets	2,35,01,193

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Mail Today Newspapers Private Limited

Notes forming part of the extracted financial statements of newspaper publishing business for the [illegible] months period ended January 01, 2017

(All amounts in Indian rupee, unless otherwise stated)

Note 12: Share capital and other equity

12 Equity share capital

Authorised equity share capital

	Number of shares	Amount
As at April 1, 2015	13,50,00,000	1,35,00,00,000
Increase during the year		
As at March 31, 2016	13,50,00,000	1,35,00,00,000
Increase during the year		
As at January 01, 2017	13,50,00,000	1,35,00,00,000

(i) Movements in equity share capital

	Notes	Number of shares	Equity share capital (par value)
As at April 1, 2015		12,58,80,181	1,25,88,01,810
Issued during the year		32,06,835	3,20,68,350
As at March 31, 2016		12,90,87,016	1,29,08,70,160
Issued during the year		20,00,000	2,00,00,000
As at January 01, 2017		13,10,87,016	1,31,08,70,160

Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. However, no such preferential amounts exist currently.

(ii) Equity shares of the Company held by holding company

	January 01, 2017
	Number of shares
India Today Online Private Limited (the holding company)	8,75,33,881

(iii) Details of shareholders holding more than 5% equity shares in the Company

	January 01, 2017	
	Number of shares	holding (%)
India Today Online Private Limited (the holding company)	8,75,33,881	66.77%
AN (Mauritius) Limited	3,30,42,625	25.21%
TV Today Network Limited	1,05,10,510	8.02%
Total	13,10,87,016	100.00%

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Mail Today Newspapers Private Limited

Extracted Statement of changes in equity of newspaper publishing business for the nine months period ended January 01, 2017

(All amounts in Indian rupee, unless otherwise stated)

A Equity share capital

	Notes	Amount
As at April 1, 2015		1,25,88,01,810
Changes in equity share capital	12	3,20,68,350
As at March 31, 2016		1,29,08,70,160
Changes in equity share capital	12	2,00,00,000
As at January 01, 2017		1,[illegible],08,70,160

B Other equity

	Reserve and surplus			Total
	Securities premium reserve		Retained earnings	
Balance at 1 April 2016	2,25,26,76,779	-	(3,70,73,93,264)	(1,45,47,16,485)
Comprehensive income / (expenses) for the year				
Profit for the year	-	-	93,90,73,945	93,90,73,945
Other comprehensive income / (expense)		-	3,00,781	3,00,781
Total comprehensive income for the year			93,93,74,726	93,93,74,726
Balance at January 01, 2017	2,25,26,76,[illegible]	-	**(2,76,80,18,538)**	(51,53,41,[illegible])

The accompanying notes are an integral part of these financial statements.
This is the statement of changes in equity referred to in our report of even date.

For KM & CO
Firm Registration Number : 024883N
Chartered Accountants

per Kapil Mittal
Partner
Membership No. 502231
Place : New Delhi
Date : 15/12/2017

For and on behalf of the Board of Directors of Mail Today Newspapers Private Limited

R.K. Mangla
Director
(DIN : 06699673)
Place : [illegible]
Date : [illegible]

Mail Today Newspapers Private Limited

Notes forming part of the extracted financial statements of newspaper publishing business for the nine months period ended January 01, 2017

(All amounts in Indian rupee, unless otherwise stated)

Note 13: Financial liabilities

13(a) Non current borrowings

	Maturity Date	Terms of repayments	Coupon/ Interest Rate	January 01, 2017
Term loans from banks (Secured)				
Indian rupees loan from The Ratnakar Bank Limited (RBL) - I	04-Sep-17	14 equal quarterly installments after moratorium of 6 months	RBL base rate+1.5%	3,19,16,877
Indian rupees loan from The Ratnakar Bank Limited (RBL) - II	04-Sep-18	14 equal quarterly installments after moratorium of 6 months	RBL base rate+1.5%	-
Indian rupees loan from Yes Bank Limited (YBL) - III	07-Feb-19	12 equal quarterly installments after moratorium of 12	YBL base rate + 1%	2,06,16,163
Indian rupees loan from The Ratnakar Bank Limited (RBL) - IV	09-Jun-18	24 equal quarterly installments after moratorium of 3 months.	MCLR rate + 1.75	82,76,263
Current maturity of long term loans (from bank)				
Term loans				
Indian rupees loan from The Ratnakar Bank Limited - I	04-Sep-17	14 equal quarterly installments after moratorium of 6 months.	RBL base rate+1.5%	4,24,47,828
Indian rupees loan from The Ratnakar Bank Limited - II	04-Sep-18	14 equal quarterly installments after moratorium of 6 months.	RBL base rate+1.5%	2,13,35,442
Indian rupees loan from Yes Bank Limited - III	07-Feb-19	12 equal quarterly installments after moratorium of 12	YBL base rate + 1%	1,63,48,037
Indian rupees loan from The Ratnakar Bank Limited (RBL) - IV	09-Jun-18	24 equal quarterly installments after moratorium of 3 months.	MCLR rate + 1.75	1,55,60,923
Working capital demand loans				
Indian rupees loan from The Ratnakar		Single repayment at the end of tenor of 12	RBL base rate+1.5%	4,45,79,816
Indian rupees loan from Yes Bank Limited- V		Single repayment at the end of tenor of 12	YBL base rate +1%	4,42,12,472
Total borrowings				**24,52,88,821**
Less: current maturities of long-term debt (included in 12(d))				(18,44,79,518)
Non-current borrowings (as per balance sheet)				6,08,09,303

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13 (b) Current borrowings

	Terms of repayments	Coupon/ Interest Rate	January 01, 2017
Loan repayable on demand (Secured)			
From banks			
Bank overdrafts from Yes Bank Limited (YBL)	Repayable on demand	YBL base rate +1%	9,29,47,427
Net Current borrowing			9,29,47,427

Secured borrowing and asset pledged as security

(a) Term loan - I, II and WCDL - IV from RBL are secured by first pari passu charge by way of hypothecation on all the current assets and all the moveable fixed assets of the Company, both present and future and first pari passu charge by way of equitable mortgage on all the immoveable properties of the Company, present and future. These loans are further secured by way of unconditional and irrevocable corporate guarantee of Living Media India

(b) Term loan- III and IV, WCDL - V and bank overdraft are secured by First Pari Passu charge by way of hypothecation on all the current assets and all the moveable fixed assets of the Company, both present and future and First Pari Passu by way of equitable mortgage on all the immoveable properties of the Company present and future. These loans are further secured by way of unconditional and irrevocable corporate guarantee of LMI

13(c) Trade payables

	January 01, 2017
Current	
Trade payables	6,58,49,671
Branch Account	79,53,068
Trade payables to related parties	4,75,56,606
Total trade payables	12,13,59,345

13(d) Other financial liabilities

	January 01, 2017
Current	
Current maturities of long term debt	18,44,79,518
Security deposits from agents*	11,39,133
Total other financial liabilities	18,56,18,651

*Repayable on demand carries interest @ 7%

Mail Today Newspapers Private Limited

Notes forming part of the extracted financial statements of newspaper publishing business for the nine months period ended January 01, 2017
(All amounts in Indian rupee, unless otherwise stated)

Note 14: Employee benefit obligations

Non - current

	January 01, 2017
Leave obligations	18,93,203
Gratuity	52,89,249
obligations	71,82,452

Current

	January 01, 2017
Leave obligations	49,881
Gratuity	64,853
obligations	1,14,734

Notes forming part of the extracted financial statements of newspaper publishing business for the nine months period ended January 31, 2017

(All amounts in Indian rupee, unless otherwise stated)

Note 15: Other current liabilities

	January 31, 2017
Unearned revenue	79,07,839
Advances from customers	97,80,887
TDS payable	15,01,466
Service tax payable	1,84,283
Total	1,93,74,475

Mail Today Newspapers Private Limited

Notes forming part of the extracted financial statements of newspaper publishing business for the nine months period ended January 01, 2017

(All amounts in Indian rupees unless otherwise stated)

Note 16: Revenue from operations

The Company derives the following types of revenue:

	January 01, 2017
Sale of publications	3,77,89,832
Advertisement and related income	14,81,30,202
Revenue from exchange of services - Advertisement income	2,44,26,080
Other operating revenue:	
Scrap sales	5,33,441
Total revenue	21,08,79,555

Note 17: Other Income and other gains/(losses)

(a) Other income

	January 01, 2017
Interest income from financial assets at amortised cost	57,254
Interest income on income tax	8,18,929
Unclaimed balances written back (net)	96,88,474
Miscellaneous income	9,68,118
Total other Income	**1,15,32,775**

(b) **Other** gains/(losses)

	Notes	January 01, 2017
(Loss) / gain on disposal of property, plant and	3	(6,051)
Net foreign exchange gain / (losses)		85,136
Total other gains/ (losses)		79,085

Note 18. Cost of materials consumed

	January 01, 2017
	Newspaper Publishing Business
Inventory at the beginning of the year	1,42,60,533
Add : purchases	2,50,78,019
Less : sale of damaged newsprint	1,56,398
Less : Inventory at the end of the year	1,62,09,113
Total cost of material consumed	2,29,73,041

Note 19: Employee benefit expenses

	Notes	January 01, 2017
Salaries, wages and bonus		7,27,71,872
Contribution to provident fund		32,06,545
Gratuity	13	11,64,612
Staff welfare expenses		12,71,909
Total employee benefit expense		7,84,14,929

Note 20: Depreciation and amortisation expense

	Notes	January 01, 2017
Depreciation of property, plant and equipment	3	17,19,430
Depreciation on investment property	4	3,24,867
Amortisation of intangible assets	5	9,73,771
Total depreciation and amortisation expense		30,18,068

Note 21: Other expenses

		January 01, 2017
Printing and service charges		4,98,23,567
News services and dispatches		1,52,83,007
Power and fuel		25,00,389
Freight and forwarding charges		68,72,781
Rental charges		68,69,825
Insurance		5,51,429
Repairs and maintenance:		
Plant and machinery		6,78,013
Others		8,75,309
Advertising and sales promotion		4,22,05,708
Travelling expenses		92,43,378
Communication costs		18,22,920
Car hire charges		29,17,890
Housekeeping		1,01,052
Courier expenses		1,30,221
Printing and stationery		1,33,980
Legal and professional fees		77,83,738
Guard services		3,38,978
Newspapers and periodicals		1,77,945
Payment to auditors (Refer note 21(a) below)		3,92,969
Business promotion		26,05,499
Allowance for doubtful debts and advances		2,33,43,055
Impairment on investment property under construction		73,27,500
Bad debts written off	66,52,485	-
Less: Adjusted with provision for doubtful debts and advances	(64,89,735)	1,62,750
Donation expenses		6,250
Miscellaneous expenses		9,06,143
Total other expenses		18,30,54,296

Note 21 (a): Details of payments to auditors

	January 01, 2017
Payment to auditors	
As auditor:	
Audit fee	1,72,500
Tax audit fee	1,15,000
In other capacities:	
Certification fees etc.	75,440
Reimbursement of expenses	30,029
Total payments to auditors	3,92,969

Note 22: Finance costs

	Notes	January 01, 2017
Interest and finance charges on financial liabilities not at fair value through profit or loss		3,24,31,792
Other borrowing costs		10,26,750
Total finance costs		3,34,58,542

Mail Today Newspapers Private Limited

Notes forming part of the extracted financial statements of newspaper publishing business for the nine months period ended January 01, 2017

(All amounts in Indian rupees unless otherwise stated)

Note 23: Income tax expense

This note provides an analysis of the Company's income tax expense, how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax position.

	January 01, 2017
(a) Income tax expense	
Current tax	
Total current tax expense	
Deferred tax	
Decrease/(increase) in deferred tax assets	(1,03,73,66,903)
(Decrease)/ increase in deferred tax liabilities	
Total deferred tax expense/(benefit)	**(1,03,73,66,903)**
Income tax expense	**(1,03,73,66,903)**

(b) Significant estimates

In calculating the Income tax for the year, the Company has treated leave encashment expenditure as being deductible for tax purposes. The Company has relied upon the ruling of Hon'ble

(c) Reconciliation of tax expenses and the accounting (loss) multiplied by India's tax rates:

	January 01, 2017
(Loss) before income tax expense	(9,84,27,461)
Tax at the Indian tax rate of 30.90% (2016-2017 30.90%)	(3,04,14,085)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	
TDS writen off	99,737
Interest on late payment of TDS	536
Donation debited in Profit & Loss Account	1,931
Income tax expense	**(3,03,11,881)**
Less: Set off of losses with income from event business	1,20,61,250
Add: Tax effect of tax losses and other timing difference for which no deferred income tax was recognised in earlier years, now recognised	(1,01,91,16,272)
	(1,03,73,66,903)

(d) Tax losses

	January 01, 2017
Unused tax losses	3,18,62,42,496
Potential tax benefit @ 30.90 %	98,45,48,931

These unused tax losses are available for offsetting for eight years against near future of the companies in which the loss arose and the same will expire as follow:

Year of expiry	January 01, 2017
2016-17	75,06,68,448
2017-18	49,66,31,572
2018-19	69,86,44,139
2019-20	51,56,86,364
2020-21	28,07,79,627
2021-22	16,79,65,645
2022-23	20,99,03,980
2023-24	2,24,88,100
2024-25	4,34,[illegible]
Total	3,18,62,42,496

(e) Unabsorbed Depreciation

	January 01, 2017
Unabsorbed Depreciation	7,25,58,935
Potential tax benefit @ 30.90 %	2,24,20,711

These unabsorbed depreciation are available for offsetting and can be carried forward indefinitely and have no expiry date.

INDEPENDENT AUDITOR'S REPORT

To the Members of Mail Today Newspapers Private Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying extracted standalone Ind AS financial statements of event business of Mail Today Newspapers Private Limited ("the Company"), which comprise the extracted balance sheet of event business as at January 07, 2017, the extracted statement of profit and loss, including the extracted statement of other comprehensive income, the extracted statement of changes in equity for the period then ended, and a summary of significant accounting policies for the period ended on that date.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these extracted standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit (financial performance including other comprehensive income) and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the extracted Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these extracted standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the extracted standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the extracted standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the extracted standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the extracted standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the extracted standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the extracted standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at January 01, 2017, its profits including other comprehensive income, and the changes in equity for the nine months period ended on that date.

Basis of preparation

Without modifying our opinion, we draw your attention to Note 1(a)(i) of the financial statements which describes the basis of preparation. These extracted Ind AS financial statements have been prepared to merge the Newspaper Publishing Business of Mail Today Newspapers Private Limited with T.V. Today Network Limited, pursuant to Scheme of Amalgamation and Arrangement approved by Board of Directors of the Company on December 15, 2017, to be filed with National Company Law Tribunal. As a result, these financial statements may not be suitable for any other purpose. Our report is solely for the purpose mentioned above and may not be distributed or used for any other purpose. Accordingly, the cash flow statement, previous period comparatives and other disclosures mandated under preparation of financial statements under IND AS have not been prepared while drawing up these special purpose extracted interim financial statements of the Company.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The extracted balance sheet, extracted statement of profit and loss including the extracted statement of other comprehensive income and extracted statement of changes in equity dealt with by this Report are in agreement with the books of account; and

(d) In our opinion, the aforesaid extracted standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended.

For KM & CO
Chartered Accountants
Firm Regn. No. 024883N

Kapil Mittal
Partner
Membership No. 502221
Place: New Delhi
Date: 15/12/2017

Mail Today Newspapers Private Limited
Extracted balance sheet of events business as at January 01, 2017
(All amounts in Indian rupee, unless otherwise stated)

	Notes	January 01, 2017
ASSETS		
Non-current assets		
Property, plant and equipment	3	14,755
Deferred tax assets (refer note 1a)	5	36,43,936
Total non-current assets		36,58,691
Current assets		
Financial assets		
i. Trade receivables	4(a)	2,80,82,838
Total current assets		2,80,82,838
Total assets		3,17,41,529
EQUITY AND LIABILITIES		
Equity		
Equity share capital		
Other equity		
Reserve and surplus		3,08,84,437
Total equity		3,08,84,437
LIABILITIES		
Current liabilities		
Financial Liabilities		
i. Trade payables	6(a)	8,57,092
Total current liabilities		8,57,092
Total liabilities		8,57,092
Total equity and liabilities		3,17,41,529

financial statements.
date.

For KM & CO
Firm Registration Number : 024883N
Chartered Accountants

per Kapil Mittal
Partner
Membership No. 502?
Place : New Delhi
Date : 15/12/2017

For and on behalf of the Board of Directors
of Mail Today Newspapers Private Limited

R.K. Mangla
Director
(DIN : 06699673)
Place :
Date

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Mail Today Newspapers Private Limited

Extracted Statement of profit and loss of events business for the nine months period ended January 31, 2017

(All amounts in Indian rupee, unless otherwise stated)

	Notes	Period ended January 31, 2017
Revenue from operations	7	4,35,00,000
Total Income		4,35,00,000
Expenses		
Employee benefits expense	8	3,67,533
Depreciation and amortisation expense	9	14,489
Other expenses	10	1,58,77,477
Total expenses		1,62,59,499
Profit before tax		2,72,40,501
Income tax expenses	11	
- Current Tax		-
- Deferred Tax		(36,43,936)
Total tax expense		(36,43,936)
Profit for the year		3,08,84,437
Other comprehensive expense		
Items that will not be reclassified to profit or loss		
Changes in fair value of FVOCI equity instruments		
Remeasurements of post-employment benefit obligations		-
Income tax relating to these items		
Other comprehensive income for the year		-
Total comprehensive income for the year		3,08,84,437

statements.

This is the statement of profit and loss referred to in our report of even date.

For KM & CO
Firm Registration Number : 024883N
Chartered Accountants

per Kapil Mittal
Partner
Membership No. 502221
Place : New Delhi
Date : 15/2/2017

NEW DELHI

For and on behalf of the Board of Directo
of Mail Today Newspapers Private Limite

R.K. Mangla
Director
(DIN : 06699673)
Place : NOIDA
Date : [illegible]

Note 1: Background

Mail Today Newspapers Private Limited ('the Company') was incorporated on May 9, 2007 and started its operations from November 16, 2007. The Company publishes 'Mail Today', an English daily newspaper and further displays its publication on 'mailtoday.in'. The Company derives revenue from the sale of [illegible] publications and advertisements published therein and events business. The corporate identity number of the Company is U22210DL2007PTC163174.

Note 2: Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions.

These special purpose extracted financial statements covering period April 1, 2016 to January 1, 2017 have been prepared for the purpose of merger of Newspaper Publishing Business of Mail Today Newspapers Private Limited with T.V. Today Network Limited, pursuant to Composite Scheme of Arrangement and Amalgamation approved by Board of Directors of the Company on December 15, 2017, to be filed with National Company Law Tribunal. Accordingly, the cash flow statement, previous period figures and other disclosures mandated for preparation of financial statements under IND AS have not been disclosed while preparing these special purpose interim extracted financial statements of the Events Business of the Company. The Event Business will continue in the Company once the Scheme is approved.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis.

(iii) Deferred Tax Assets

Subsequent to the date of the financial statements, the Board of Directors of the Company, in their meeting held on December 15, 2017, have approved a Composite Scheme of Arrangement to transfer/merge its Newspaper Publishing Business into its holding company (on the date of approval from Board of Directors), T.V. Today Network Limited (TVTN) ("the acquirer company"). The management of the Company believes that once the scheme is approved by the National Company Law Tribunal, the timing differences of the Company shall be available for set off with taxable income.

Accordingly, the management of the Company believes that reasonable certainty exists to recognize deferred tax assets on the timing differences outstanding as at January 01, 2017.

As a result, deferred tax assets aggregating to INR 3,643,936 has been recognised in these financial statements, prepared for the special purpose as stated in clause (i) above. The impact of taxes on profits of Events Business is nullified owing to set off of losses incurred in the Newspaper Publishing Business.

(b) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

(c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.
The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Rendering of services - Advertisement Income

Timing of recognition: Advertisement income is recognized as and when advertisement is published /displayed and is disclosed net of discount.

Measurement of revenue: Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

(d) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in India where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax

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Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(e) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost

(f) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current

(h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(i) **Financial assets**

(i) *Classification*

The Company classifies its financial assets in the following measurement categories:
-those to be measured subsequently at fair value (either through other comprehensive income, or through profit or
-those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit and loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income

(ii) *Measurement*

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flow represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) *Impairment of financial assets*

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 24(A) details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected life time losses to be recognised from initial recognition of the receivables.

(iv) *Derecognition of financial assets*

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) *Income recognition*

Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

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(k) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind As

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

(i) Depreciation on tangible assets is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets as prescribed under Schedule II to the Companies Act, 2013.

(ii) Assets costing below Rs. 5,000 are fully depreciated in the year of acquisition.

(iii) Leasehold Improvements are amortized over the useful life or unexpired period of lease (whichever is lower) on a straight line basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than estimated recoverable amount.

Gain and loss on disposables are determined by comparing proceeds with carrying amount. These are included in the profit or loss with other gains/(losses).

(l) Intangible assets

Acquired intangible assets are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

(i) *Amortisation methods and periods*

Intangible assets mainly include software licenses stated at cost, less accumulated amortization. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use and are amortized using the straight-line method over a period of three years.

(ii) *Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

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(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within [illegible] days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the

(n) Employee benefits

(i) Short-term obligation

Liabilities for salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefits obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity
(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Bonus plans
The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually or statutorily obliged.

Defined contribution plans
Company's contributions to Provident Fund, Employees' State Insurance Scheme and Employee Pension Scheme, which are defined contribution plans, are expensed to the statement of profit and loss on accrual basis. The Company has no further obligations under these plans beyond its monthly contributions to the respective

(o) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(p) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

(a) the profit attributable to owners of the Company

(b) by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (note 28)

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into

(a) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

(b) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(q) Recent accounting pronouncements

(i) New Standards

There were no new standards published which would be applicable on the Company

(ii) New Amendments

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share based payment' respectively. The amendments are applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:
The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the recent amendment, as a result the corresponding impact on the financial statements is being evaluated.

Amendment to Ind AS 102:
The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

In the opinion of the management, there is no impact of such change on the financial statements.

Notes forming part of the extracted financial statements of events business for the nine months period ended January 01, 2017

(all amounts in Indian rupees, unless otherwise stated)

Note 5: Property, plant and equipment

	Plant and machinery	Office equipment	Furniture and fixtures	Total
Period ended 'January 01, 2017				
Gross carrying amount				
As at April 1, 2016	61,000		2,127	63,127
Closing gross carrying amount	61,000	-	2,127	63,127
Accumulated depreciation				
As at April 1, 2016	31,756	-	2,127	33,883
Depreciation charge during the year	14,489	-		14,489
Closing accumulated depreciation	46,245	-	2,127	[illegible]
Net carrying amount	14,755	-	-	[illegible]

Mail Today Newspapers Private Limited

Notes forming part of the extracted financial statements of events business for the nine months period ended January 01, 2017

(All amounts in Indian rupee, unless otherwise stated)

Note 4: Financial assets

4(a) Trade Receivables

	January 01, 2017
Trade Receivables	3,98,75,510
Receivables from related parties	
Less: Allowance for doubtful debts	(1,17,92,672)
Total Receivables	2,80,82,838
Current portion	2,80,82,838
Non-current portion	

Break-up of security details

	January 01, 2017
Secured, considered good	
Unsecured, considered good	2,80,82,838
Unsecured, considered doubtful	1,17,92,672
Total	3,98,75,510
debts	(1,17,92,672)
Total trade receivables	2,80,82,838

Note 5: Deferred tax assets

The balance comprises temporary differences attributable to:

	January 01, 2017
Defined benefit obligations	
Provision for LTA	
Other Items	
Allowance for doubtful debts and advances	36,43,936
	36,43,936
Total deferred tax assets	36,43,936
Set-off of deferred tax liabilities pursuant to set-off provisions:	
Fair value of derivative financial asset through profit or loss	
Net deferred tax assets	36,43,936

Movement in deferred tax assets

	As at March 31, 2016	(Charged)/ credited to profit or loss	As at January 01, 2017
Allowance for doubtful debts and advances	36,43,936	-	36,43,936
Total	36,43,936		36,43,936

INDIA TODAY ONLINE PRIVATE LIMITED NEW DELHI

Mail Today Newspapers Private Limited

Extracted statement of changes in equity of events business for the nine months period ended January 31, 2017

(All amounts in Indian rupee, unless otherwise stated)

6(a) Trade payables

	January 01, 2017
Current	
Trade payables	88,10,160
Branch Account- Newspaper publishing business	(79,53,068)
Total trade payables	8,57,092

Mail Today Newspapers Private Limited

Notes forming part of the extracted financial statements of events business for the nine months period ended January 01, 2017

(All amounts in Indian rupees, unless otherwise stated)

Note 7: Revenue from operations

The Company derives the following types of revenue:

	January 01, 2017
Advertisement and related income	4,35,00,000
Total revenue	**4,35,00,000**

Note 8: Employee benefit expenses

	Notes	January 01, 2017
Salaries, wages and bonus		3,55,086
Contribution to provident fund		12,447
Total employee benefit expense		**3,67,533**

Note 9: Depreciation and amortisation expense

	Notes	January 01, 2017
Depreciation of property, plant and equipment	3	14,489
Total depreciation and amortisation expense		**14,489**

Note 10: Other expenses

	January 01, 2017 Events Business
Power and fuel	12,260
Insurance	2,704
Advertising and sales promotion	1,58,53,575
Communication costs	8,938
Total other expenses	**1,58,77,477**

INDIA TODAY ONLINE PRIVATE LIMITED NEW DELHI

National Company Law Tribunal Principal Bench

(All amounts in Indian rupee, unless otherwise stated)

Note 11: Income tax expense

This note provides an analysis of the Company's income tax expense, how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax position

	January 01, 2017
(a) Income tax expense	
Current tax	
Total current tax expense	
Deferred tax	
Decrease/(increase) in deferred tax assets	(36,43,936)
(Decrease)/ increase in deferred tax liabilities	
Total deferred tax expense/(benefit)	(36,43,936)
Income tax expense	(36,43,936)

(b) Significant estimates

In calculating the Income tax for the year, the Company has treated leave encashment expenditure as being deductible for tax purposes. The Company has relied upon the ruling of

(c) Reconciliation of tax expenses and the accounting (loss) multiplied by India's tax rates:

	January 01, 2017
(Loss) before income tax expense	2,72,40,501
Tax at the Indian tax rate of 30.90% (2016-2017 30.90%)	84,17,315
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	
TDS writen off	-
Interest on late payment of TDS	
Donation debited in Profit & Loss Account	
Income tax expense	84,17,315
Less: Set off of income with losses from newspaper publishing busines	(1,20,61,250)
Total Income tax expense	(36,43,935)

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Mail Today Newspapers Private Limited

Extracted statement of changes in equity of events business for the nine months period ended January 01, 2017

(All amounts in Indian rupee, unless otherwise stated)

A Other equity

	Reserve and surplus		Total
	Securities premium	Retained earnings	
Balance at 1 April 2016	-	-	-
Comprehensive expenses for the year			
(Loss) for the year	-	3,08,84,437	3,08,84,437
Other comprehensive (expense)	-	-	-
Total comprehensive (expense) for the year	-	3,08,84,437	3,08,84,437
Balance at January 01, 2017	-	3,08,84,437	3,08,84,437

The accompanying notes are an integral part of these financial statements.

This is the statement of changes in equity referred to in our report of even date.

For KM & CO
Firm Registration Number : 024883N
Chartered Accountants

per Kapil Mittal
Partner
Membership No. 50...
Place : New Delhi
Date : 15/12/2017

For and on behalf of the Board of Directors
of Mail Today Newspapers Private Limited

R.K. Mangla
Director
(DIN : 06699673)
Place :
Date :

No. 1068
Date of Presentation
of application for Copy 23/07/19
No. of Pages 101
Copying Fee 57-
Registration & Postage Fee
Total ₹ 1000 + 2000 = 3000/-
Date of Receipt &
Record of Copy
Date of Preparation of Copy 1-8-19
Date of Delivery of Copy 1-8-19

1/8/19
DD/DR/AR/Court Officer
National Company Law Tribunal

1/8/19
सहायक पंजीयक
ASSISTANT REGISTRAR
राष्ट्रीय कम्पनी विधि अधिकरण
NATIONAL COMPANY LAW TRIBUNAL
C.G.O. COMPLEX, NEW DELHI-110003