

**UTV SOFTWARE COMMUNICATIONS LIMITED**

CIN: U64200MH2007PLC170405

**Regd. Office:** 1st Floor, Building No. 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai 400 093. Phone: +91 (022) 61091000 Fax: +91 (022) 67421930

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

**NOTICE**

NOTICE is hereby given that the 26<sup>th</sup> Annual General Meeting of the Members of UTV Software Communications Limited will be held on Thursday, September 29, 2016 at The Hall of Culture, Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018 at 11:30 a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2016 and the Profit and Loss Account both Standalone & Consolidated for the financial year ended on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Parul Tevatia (DIN: 07129849), who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint statutory auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** M/s. Price Waterhouse & Co, Bangalore LLP (Registration No. 007567S/S-200012), Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 13(1), 61(1), 64 (1) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), and the Companies (Share Capital and Debentures) Rules, 2014 and provisions of all other applicable laws and regulations applicable thereunder, provisions in the Memorandum of Association and Articles of Association of the Company and subject to all concerned approvals from the statutory and other authorities and to the extent necessary and such other approvals, consents, permissions sanctions and the like, as may be necessary, the Authorised Share Capital of the Company be re-classified from ₹ 12,391,729,000/- (Rupees One Thousand Two Hundred and Thirty Nine Crore Seventeen Lakh Twenty Nine Thousand only) divided into 139,147,900 (Thirteen Crore Ninety One Lakhs Forty Seven Thousand and Nine Hundred only) Equity Shares of ₹ 10/- (Rupees Ten) each and 7,333,500 (Seventy Three Lakh Thirty Three Thousand and Five Hundred only) Compulsorily Convertible Preference Shares of ₹ 1,500/- each (Rupees One Thousand Five Hundred) each to ₹ 12,391,729,000/- (Rupees One Thousand Two Hundred and Thirty Nine Crore Seventeen Lakh Twenty Nine Thousand only) divided into 989,272,900 (Ninety Eight Crore Ninety Two Lakh Seventy Two Thousand and Nine Hundred only) Equity Shares of ₹ 10/- (Rupees Ten) each and 1,666,000 (Sixteen Lakh Sixty Six Thousand only) Compulsorily Convertible Preference Shares of ₹ 1,500/- each (Rupees One Thousand Five Hundred) each by re-classifying the partial un-issued authorized preference share capital of ₹ 8,501,250,000/- (Rupees Eight Hundred and Fifty Crore Twelve Lakhs Fifty Thousand only) divided into 5,667,500 (Fifty Six Lakhs Sixty Seven Thousand and Five Hundred only) Preference Shares of ₹ 1,500/- each (Rupees One Thousand Five Hundred) each into 850,125,000 (Eighty Five Crore One Lakh Twenty Five Thousand) Equity Shares of ₹ 10/- (Rupees ten) each.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of the Directors of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to finalise and execute all such deeds documents and writings as may be necessary, desirable or expedient as the Board may deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers conferred by the aforesaid resolution on it to any committee of directors or any director (s) or officer(s) of the Company to give effect to the above resolution.”

5. To consider and if thought fit, to pass, with or without modification, the following Resolution as an **Special Resolution.**

**“RESOLVED THAT** pursuant to the provisions of Section 13 sub-section (1), read with Sections 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) the Authorised Share Capital of the Company be and is hereby increased from the existing from ₹ 12,391,729,000/- (Rupees One Thousand Two Hundred and Thirty Nine Crore Seventeen Lakh Twenty Nine Thousand only) divided into 989,272,900 (Ninety Eight Crore Ninety Two Lakh Seventy Two Thousand and Nine Hundred only) Equity Shares of ₹ 10/- (Rupees Ten) each and 1,666,000 (Sixteen Lakh Sixty Six Thousand) Compulsorily Convertible Preference Shares of ₹ 1,500/- each (Rupees One Thousand Five Hundred) each to ₹ 13,989,915,000/- (Rupees One Thousand Three Hundred and Ninety Eight Crore Ninety Nine Lakhs Fifteen Thousand only) divided into 1,398,991,500 (One Hundred and Thirty Nine Crore Eight Nine Lakh Ninety One Thousand Five Hundred) Equity Shares of ₹ 10/- (Rupees Ten)

each and 1,666,000 (Sixteen Lakh Sixty Six Thousand) Compulsorily Convertible Preference Shares of ₹ 1,500/- each (Rupees One Thousand Five Hundred) each, by creation of additional 409,718,600 (Forty Crore Ninety Seven Lakh Eighteen Thousand Six Hundred) Equity Shares of ₹ 10/- (Rupees Ten only) each.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of the Directors of the Company be and is hereby severally authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to finalise and execute all such deeds documents and writings as may be necessary, desirable or expedient as the Board may deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers conferred by the aforesaid resolution on it to any committee of directors or any director (s) or officer(s) of the Company to give effect to the above resolution.”

6. To consider and if thought fit, to pass, with or without modification, the following Resolution as an **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 13 and 61 and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed thereunder the consent of the Members be and is hereby accorded for substituting Clause V a) of the Memorandum of Association of the Company with the following clause.

V a) “The Authorised Share Capital of the Company is ₹ 13,989,915,000/- (Rupees One Thousand Three Hundred and Ninety Eight Crore Ninety Nine Lakhs Fifteen Thousand only) divided into 1,398,991,500 (One Hundred and Thirty Nine Crore Eight Nine Lakh Ninety One Thousand Five Hundred) Equity Shares of ₹ 10/- (Rupees Ten) each and 1,666,000 (Sixteen Lakh Sixty Six Thousand) Compulsorily Convertible Preference Shares of ₹ 1,500/- each (Rupees One Thousand Five Hundred) each.”

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of the Directors of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to finalize and execute all such deeds documents and writings as may be necessary, desirable or expedient as the Board may deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers conferred by the aforesaid resolution on it to any committee of directors or any director (s) or officer(s) of the Company to give effect to the above resolution.”

7. To consider and if thought fit, to pass, with or without modification, the following Resolution as a **Special Resolution:**

**“RESOLVED THAT** in accordance with the provisions of Section 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) (including any amendment thereto or re-enactment(s) thereof), for the time being in force and Companies (Share Capital and Debentures) Rules, 2014 and provisions of all other applicable laws and regulations applicable thereunder including the pricing guidelines of the Reserve Bank of India relating to allotment of shares, provisions in the Memorandum of Association and Articles of Association of the Company and subject to all concerned approvals from the statutory and other authorities and to the extent necessary and such other approvals, consents, permissions sanctions and the like, as may be necessary, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions and the like, which may be agreed to by the proposed allottee i.e. The Walt Disney Company (Southeast Asia) Pvt. Limited (hereinafter referred as “TWDC (SEA)”) the holding company incorporated under the laws of Singapore, having its registered office at One Marina Boulevard # 28-00, Singapore – 018989 and the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee which the Board may constitute to exercise its powers), the consent, permission and approval of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches, in accordance with applicable law, 1,346,153,846 equity shares of ₹ 10/- (“Equity Shares”) each at a premium of ₹ 3/- per share thereby not exceeding a sum of ₹ 1,750 Crore on Preferential basis to TWDC (SEA).

**RESOLVED FURTHER THAT** the equity shares to be issued and allotted shall rank *pari passu* with the existing equity shares of the Company in all respects.

**RESOLVED FURTHER THAT** the offer, issue and allotment of the aforesaid equity shares shall be made at such time or times as the Board may in its absolute discretion decide, subject however to the applicable laws, the Board is authorised to agree to such terms as may be mutually agreed between the Board and TWDC (SEA).

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of the directors of the Company namely Mr. Sujit Vaidya, Mr. Nimish Shah, Ms. Parul Tevatia and/or Mr. Puneet Juneja, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable including receipt of the amount against the issue and allotment of Equity Shares; appointment of legal advisors, investment bankers and such other agencies/intermediaries as may be required; and to settle any question, difficulty or doubt that may arise in regard to the offer/issue, allotment and utilisation of the proceeds of allotment of Equity Shares and to do all such other acts, deeds, matters and things and to finalise and execute all such deeds documents and writings as may be necessary, desirable or expedient as the Board may deem fit.”

**RESOLVED FURTHER THAT** that the Board be and is hereby authorised to delegate all or any of the powers conferred by the aforesaid resolution on it to any committee of directors or any director(s) or officer(s) of the Company to give effect to the above resolution.”

8. To consider and if thought fit, to pass, with or without modification, the following Resolution as a **Special Resolution**:

**“RESOLVED THAT** Article 78 of the Articles of Association of the Company read with regulation 38 of the applicable Table F of Schedule 1 of the Companies Act, 2013 and pursuant to the provisions of Section 52 read with Section 100 to 104 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 including statutory re-enactment thereof and subject to the sanction of the Composite Scheme of Amalgamation and Arrangement between The Walt Disney Company (India) Private Limited (‘Transferor Company1’); Indiagames Limited (‘Transferor Company2’); and the Company by the Hon’ble High Court of Judicature at Bombay under Sections 391 to 394 of the Companies Act 1956, consent of the shareholders of the Company be and is hereby accorded for utilisation/adjustment of identified reserves for writing off the existing debit balance in profit & loss account of the Company as at March 31, 2015 upto an amount of ₹ 1,600 crore (upto ₹ 16,000 million) in the manner as may be approved by the Board of Directors of the Company against all or any of (a) the balance in business restructuring reserve, (b) the balance in general reserve, (c) the balance in capital reserve and (d) the securities premium account after giving effect to the consideration payable pursuant to the Scheme.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution and for removal of any difficulties or doubts, the Board of Directors (which shall deem to include any committee or person, which the Board may constitute or nominate) be and are hereby authorised to do all such acts, deeds, matters things as it may in its absolute discretion deem necessary with regard to utilisation/adjustment of the Business Restructuring Reserve, General Reserve, Capital Reserve and Securities Premium account, of the Company including but not limited to settling, finalising, executing and filing all necessary documents including the petition, affidavits, pleading and such other documents as may be required to be filed with the High Court of Judicature at Bombay or any other authority and such further deeds, documents and writings as may be necessary in this regard; making applications to the relevant authorities or other persons for their approval to the said reduction, as may be required; affixing the Common Seal of the Company, if any, in accordance with the provisions of the Articles of Association of the Company on any document in connection with the above resolution, as may be required; passing of such accounting entries and/or making such adjustments in the books of account as are considered necessary to give effect to the above resolution or to carry out such modifications/directions as may be ordered by the High Court of Judicature at Bombay to implement the aforesaid Resolution and to do all such acts, deeds, matters and things, as may be necessary, proper or expedient, for or in connection with or for giving effect to this resolution and to resolve all difficulties and to delegate the authority conferred by this resolution to such person or persons as the Board deems fit.”

By Order of the Board of Directors  
For **UTV Software Communications Limited**

Sd/-

**Puneet Juneja**  
Company Secretary  
ACS 17151

**Registered Office:**

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

August 29, 2016

**Notes:**

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A proxy, in order to be valid, should be deposited at the registered office not less than 48 hours before the commencement of the meeting(s). The proxy need not be a member of the Company.
- (2) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. All alterations made in the form of proxy should be initialed. Members attending the meeting are requested to bring duly filled attendance slips.
- (3) Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- (4) The Notice is being sent to all the Members whose names appear in the Register of Members/list of beneficial owners maintained by the Company's Registrars and share transfer agents, M/s. Karvy Computershare Private Limited and the Depositories i.e. National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") as on Friday, August 26, 2016. Notice of the Meeting is being sent by e-mail to those Members who have registered their e-mail addresses with the Company or with the Depository Participant ("DP") unless any Member has requested for a physical copy of the same. The Notice along with requisite annexure(s) are being sent in physical form by permitted mode to all others Members. This Notice convening the Meeting is also displayed/posted on the website of the Company [www.utvgroup.com](http://www.utvgroup.com).
- (5) Members are requested to notify any change of their address to the Company's Registrars and share transfer agents, M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot Nos. 31 & 32, Gachibowli Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032.
- (6) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s. Karvy Computershare Private Limited. Members holding shares in Demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
- (7) All relevant documents referred to in the above Notice and other documents required to be open for inspection are open for inspection by Members of the Company at the Registered Office of the Company at 1<sup>st</sup> Floor, Building No. 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai 400 093, which is also the head office of the Company, during working hours on all working days except on holidays, up to and including the date of the Meeting and shall also be available at the Meeting.
- (8) Only registered members of the Company may attend and vote (either in person or by proxy or by authorised representative under Sections 112 and 113 of the Companies Act 2013) at the Meeting. The authorised representative of a body corporate which is a registered equity shareholder of the Company may attend and vote at the Meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend and vote in the Meeting is deposited at the registered office of the Company not later than 48 hours before the Meeting.
- (9) Registered shareholders who hold shares in dematerialised form are requested to bring their Client ID and DP ID details and members who hold shares in physical form are requested to bring their folio numbers for easy identification of the attendance at the Meeting.
- (10) Members are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the register of members of the Company in respect of such joint holding will be entitled to vote.
- (11) The Company is pleased to provide the facility of remote e-voting for voting on all items of business at the Meeting to all members as per the applicable Regulations relating to e-voting. E-voting instructions have been provided explaining the process of remote e-voting with necessary user ids and password(s) along with procedure for such e-voting below. Such remote e-voting facility is in addition to physical voting that may take place at the meeting venue on September 29, 2016.
- (12) The Board of Directors on August 29, 2016 has appointed Mr. Sanjay Parab, Proprietor, M/s. Sanjay Parab & Co., Practicing Company Secretaries (Membership No. 6613, Certificate of Practice No. 7093), as Scrutinizer for conducting the remote e-voting for the Meeting in a fair and transparent manner.
- (13) Please note that the Members can opt for only one mode of voting i.e., either by voting at the Meeting or e-voting. If Members opt for e-voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting may also attend the Meeting and participate in the Meeting, but shall not be entitled to cast their vote again.
- (14) Voting rights (for both manual and e-voting) shall be reckoned on the paid-up value of the shares registered in the name(s) of the Members on the record date, i.e. Friday, September 23, 2016 ("cut-off date"). A person who is not a Member as on Friday, September 23, 2016 should treat this Notice as for information purposes only.

- (15) The e-voting period will commence on **Monday, September 26, 2016** (9:00 a.m. IST) and end on **Wednesday, September 28, 2016** (5:00 p.m. IST) (both days inclusive). During this period, Members of the Company holding shares either in physical form or in dematerialized form may cast their vote electronically. The e-voting module will be disabled for voting on **Wednesday, September 28, 2016** at 5:00 p.m. IST. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently.
- (16) The particulars as required by Rule 20 of the Companies (Management and Administration) Rules, 2014, including the date of completion of dispatch of notices of the Meeting alongwith the Explanatory Statement etc. shall be published through an advertisement in the following newspapers: (i) Free Press Journal in English, (ii) Navshakti in Marathi.
- (17) For members attending the Meeting and not casting vote by e-voting, a ballot process will be carried out by distributing ballot/poll slips at the Meeting. Any Member, who has already exercised his votes through e-voting, may attend the Meeting but is prohibited to vote at the Meeting and his vote, if any, cast at the Meeting shall be treated as invalid. A Proxy can vote in the ballot process.
- (18) The results of the e-voting and physical voting shall be declared at the end of the Meeting.
- (19) The instructions for Members for e-voting are as under:
- (a) In case of Members receiving e-mail from Karvy:**
- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
  - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be **EVEN number** followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
  - iii. After entering these details appropriately, click on "LOGIN".
  - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the "EVENT" i.e., UTV Software Communications Limited.
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Record Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together not exceeding your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii. Members holding multiple folios/Demat accounts shall choose the voting process separately for each folio/Demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.,) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at **e-mail: sanjay.parabcs@gmail.com** with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format "UTV Software Communications Limited".
- (b) (I) In case of Members receiving physical copy of Notice [for Members whose e-mail IDs are not registered with the Company/ Depository Participants (s)]
- i. E-Voting **Event Number** (EVEN), User ID and Password is provided in the Attendance Slip.
  - ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.
- (c) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

In case of any query or grievance pertaining to e-voting, please visit the website <https://evoting.karvy.com> or contact Karvy Computershare Pvt. Ltd. on 44655000 or 1800-3454-001 (toll free) or contact:

**Mr. Rajendra Prasad V**

Manager – Corporate Registry

**Karvy Computershare Pvt. Ltd.**

Karvy Selenium Tower B, Plot Nos. 31 & 32,  
Gachibowli Financial District, Nanakramguda, Serilingampally,  
Hyderabad – 500 032  
E-mail: rajendra.v@karvy.com  
Phone: +91 040 6716 1510/1512

## **EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102(1) OF THE COMPANIES ACT, 2013**

### **Item Nos. 4, 5 & 6**

Members are informed that the present Authorized Share Capital of the Company is ₹ 12,391,729,000/- (Rupees One Thousand Two Hundred and Thirty Nine Crore Seventeen Lakh Twenty Nine Thousand only) divided into 139,147,900 (Thirteen Crore Ninety One Lakhs Forty Seven Thousand and Nine Hundred) Equity Shares of ₹ 10 (Rupees Ten only) each and 7,333,500/- (Seventy Three Lakh Thirty Three Thousand and Five Hundred) Compulsorily Convertible Preference Shares of ₹ 1,500/- each (Rupees One Thousand Five Hundred only) each.

Since the Company has unissued Preference Shares, hence to accommodate the intended issue of equity shares to TWDC (SEA) as contemplated in resolution No. 8, it is proposed to re-classify the authorized preference share capital of ₹ 8,501,250,000/- (Rupees Eight Hundred and Fifty Crore Twelve Lakhs Fifty Thousand only) divided into 5,667,500 (Fifty Six Lakhs Sixty Seven Thousand and Five Hundred) Preference Shares of ₹ 1,500/- each (Rupees One Thousand Five Hundred only) each into 850,125,000 (Eighty Five Crore One Lakh Twenty Five Thousand) Equity Shares of ₹ 10/- (Rupees Ten only) each and also further increase the Authorised share capital of the Company to ₹ 13,989,915,000/- (Rupees One Thousand Three Hundred and Ninety Eight Crore Ninety Nine Lakhs Fifteen Thousand only) divided into 1,398,991,500 (One Hundred and Thirty Nine Crore Eight Nine Lakh Ninety One Thousand Five Hundred) Equity Shares of ₹ 10/- (Rupees Ten) each and 1,666,000 (Sixteen Lakh Sixty Six Thousand) Compulsorily Convertible Preference Shares of ₹ 1,500/- each (Rupees One Thousand Five Hundred) each, by creation of additional 409,718,600 (Forty Crore Ninety Seven Lakh Eighteen Thousand Six Hundred) Equity Shares of ₹ 10/- (Rupees Ten only) each.”

The proposed re-classification of Preference Shares into Equity Shares and increase in Authorised Share Capital necessitates alteration in the Clause V of the Memorandum of Association of the Company dealing with Share Capital as set out in resolution 7 of this Notice.

As per the provisions of Section 13 of the Companies Act, 2013, any change in the provisions of the Memorandum of Association of the Company requires a special resolution to that effect.

A copy of the draft amendment to the Memorandum of Association incorporating new clause referred in the special resolution is available for inspection of the members at the Company's registered office on any working day between 10.00 a.m. to 4.00 p.m. upto the date of the Annual general meeting.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested in the said resolution as set out in item Nos. 4, 5, & 6 above except to the extent of their shareholding in the Company, if any.

Your Directors recommend the resolutions at item Nos. 4, 5, & 6 for your approval.

### **Item No. 7**

The Walt Disney Company (Southeast Asia) Pte. Limited (“TWDC (SEA)”) is the promoter of the Company and is its single largest shareholder. As on the date of this notice, TWDC (SEA) owns 5,26,80,473 Equity Shares of the Company representing 99.70% of the issued and paid up equity share capital of the Company.

Members are informed that the Company proposes to issue and allot 1,346,153,846 equity shares of ₹ 10/- (“Equity Shares”) each at a premium of ₹ 3 per share to TWDC (SEA) on Preferential basis, so as to utilise the issue proceeds for implementing the Company's business strategy and general corporate purposes including repayment of debt of the Company and its subsidiaries and meet working capital and capex requirement and making downstream investments in other companies and its subsidiaries. The equity shares to be issued and allotted shall rank *pari passu* with the existing equity shares of the Company in all respects.

The new Equity Shares shall be allotted in accordance with pricing guidelines of the Reserve Bank of India.

Members are also informed that allotment of shares to TWDC (SEA) shall be made only after the approval is received from the shareholders.

Your Directors recommend the resolution at Item No. 7 for your approval.

None of the Directors, Key Managerial Personnel of the Company and their relatives, in any way, concerned or interested in the said resolution as set out in Resolution No. 7 above except to the extent of their shareholding in the Company, if any.

Additional Information required to be given under the Companies (Share Capital and Debentures) Rules, 2014.

- (a) The size of the issue and number of equity shares to be issued and nominal value of each share along with the names of the proposed allottees and the percentage of post preferential offer capital that may be held by them;**  
1,346,153,846 equity shares of ₹ 10/- ("Equity Shares") each at a premium of ₹ 3 per share are proposed to be issued to TWD (SEA) and post preferential offer, TWD (SEA) will hold 99.99% of the total Equity share capital of the Company.
- (b) The change in control, if any, in the company that would occur consequent to the preferential offer;**  
There will be no change in control consequent to the preferential offer.
- (c) The objectives of the issue/ the object/ s of the issue through preferential offer;**  
For implementing the Company's business strategy and for general corporate purposes including repayment of debts of the Company, its affiliate companies and its subsidiaries, meeting working capital and capex requirements, and making downstream investments in other companies and all subsidiaries and affiliates of the Company.
- (d) The manner of issue of shares;**  
Equity Shares will be issued on preferential basis to TWD (SEA).
- (e) The price at which such shares are proposed to be issued/ the price or price band at/ within which the allotment is proposed;**  
Issue of Equity Shares of ₹ 10/- each will be at a premium of ₹ 3/- per share on preferential basis to TWD (SEA).
- (f) The basis on which the price has been arrived at/basis on which the price has been arrived at along with report of the registered valuer;**  
The price has been arrived basis the valuation report obtained by the Company from M/s. Deloitte Haskins & Sells, Chartered Accountants. A copy of the valuation report has been annexed to this notice as **ANNEXURE A**.
- (g) Relevant date with reference to which the price has been arrived at**  
The relevant date for the purpose of determination of price of proposed allotment of the equity shares is August 29, 2016, which is the day the Board approved the issue of shares to TWD (SEA) and is based on the valuation report dated August 29 2016 of M/s. Deloitte Haskins & Sells, Chartered Accountants.
- (h) The terms of issue including terms and rate of dividend on each share etc.;**  
That the equity shares to be issued and allotted shall rank *pari passu* with the existing equity shares of the Company in all respects.
- (i) The class or classes of persons to whom the allotment is proposed to be made;**  
The allotment of equity shares referred to in resolution No. 7 above is proposed to be issued and allotted exclusively to The Walt Disney Company (Southeast Asia) Pte. Ltd., a parent company of the Company incorporated under the laws of Singapore and having its registered office at One Marina Boulevard # 28-00, Singapore 018989.
- (j) Intention of promoters, directors or key managerial personnel to subscribe to the offer;**  
TWD (SEA), the existing promoter and shareholder of the Company shall subscribe to the entire issue of equity shares as stated in resolution No. 7 above.
- (k) The proposed time within which the allotment shall be completed;**  
The allotment of equity shares shall be completed within sixty days from the receipt of application money and in any case the special resolution will be acted upon within a period of twelve months.
- (l) The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price;**  
During the year, the company has made allotment of 11,73,814 equity shares of ₹ 10/- each at a premium of ₹ 433/- per share to TWD (SEA) on preferential basis.
- (m) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer;**

N.A

**(n) The current shareholding pattern of the Company;**

The pre issue and post issue shareholding pattern of the Company in the following format-

Category	Pre Issue*		Post Issue	
	No. of Shares held	% of share holding	No. of Shares held	% of share holding
<b>Promoters' holding:</b>				
<b>Indian:</b>				
Individual	-	-	-	-
Bodies Corporate	-	-	-	-
Sub-Total	-	-	-	-
Foreign Promoters				
Individual	-	-	-	-
Bodies Corporate	5,26,80,473	99.70	1,39,88,34,319	99.99
<b>Sub-Total (A)</b>	<b>5,26,80,473</b>	<b>99.70</b>	<b>1,39,88,34,319</b>	<b>99.99</b>
<b>Non-Promoters' holding:</b>				
Institutional Investors	-	-	-	-
<b>Non-Institution:</b>				
Private Corporate Bodies	3,787	0.01	3,787	0.00
Directors and Relatives	1	0.00	1	0.00
Indian Public	1,44,702	0.27	1,44,702	0.01
HUF	3,906	0.01	3,906	0.00
Others (Including NRIs)	4,605	0.01	4,605	0.00
<b>Sub-Total(B)</b>	<b>157,000</b>	<b>0.30</b>	<b>157,000</b>	<b>0.01</b>
<b>GRAND TOTAL</b>	<b>5,28,37,473</b>	<b>100.00</b>	<b>1,39,89,91,320</b>	<b>100.00</b>

\* As per benpos dated August 26, 2016

**Item No. 8**

The Board of Directors of the Company had at its meeting held on December 22, 2015, approved the Composite Scheme of Amalgamation and Arrangement between The Walt Disney Company (India) Pvt. Ltd. ("Transferor Company 1"); Indiagames Ltd. ("Transferor Company 2"); and the Company ("Scheme") under the provisions of Sections 391 to 394 of the Companies Act, 1956, read with Section 52 of the Companies Act, 2013, Section 78 and Sections 100 to 103 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 1956 and the Companies Act, 2013, as applicable.

The proposed Scheme, if sanctioned, shall be effective from the Effective Date (the last of the dates on which all the conditions and matters referred to in Clause 22 of the Scheme occur or have been fulfilled or waived in accordance with the Scheme but shall be operative from the Appointed Date i.e. April 1, 2015 or such other date as may be directed or imposed by any appropriate authority.

Pursuant to the Order dated July 01, 2016 read together with the modificatory order dated August 12, 2016 passed by the Hon'ble High Court of Judicature at Bombay, approval by way of a special resolution of the shareholders (both equity and preference) of the Company is required for confirming reduction of the securities premium account in terms of Section 52 of the Companies Act, 2013 read with , Section 78 and Sections 100 to 103 of the Companies Act, 1956, before the Company files a petition to obtain the sanction of the High Court of Judicature at Bombay.

The confirmation of reduction of the securities premium account as stated in Clause 18 is sought as an integral part of the Scheme to be sanctioned by the Hon'ble High Court of Judicature at Bombay under the provisions of Sections 391-394 read with Sections 100 to 103 of the Act and Section 52 of the Companies Act 2013.

The Transferee Company has a debit balance of ₹ 16,547.82 Million as at March 31, 2015. The proposed resolution seeks to write off the debit balance upto ₹ 1600 crores (upto ₹ 16,000 million) representing substantial part of the existing debit balance in profit & loss account of the Transferee Company as at March 31, 2015 against all or any of (a) the balance in Business Restructuring Reserve, (b) the balance in General Reserve, (c) the balance in Capital Reserve and (d) the Securities Premium Account, as may be decided by the Board of the Company in this regard.

The proposed restructuring will not cause any prejudice either to the shareholders or to the creditors of the Company. For the sake of clarity, it is specified that the reduction in the securities premium account shall be effected as an integral part of the Scheme and does not involve either the diminution of the liability in respect of the unpaid share capital or payment to any shareholder of any unpaid share capital. The above restructuring will have no impact on the shareholding pattern and the paid up equity share capital of the Company. Further, the proposed restructuring would not in any way adversely affect the creditors and the ordinary operations of the Company or the ability of the Company to honour its commitments or to pay its debts in ordinary course of business.



The members are requested to read the entire text of the Scheme to get acquainted with the provisions thereof.

The Resolution is subject to the confirmation of the Scheme by the Hon'ble High Court of Judicature at Bombay and/or appropriate authorities as may be applicable.

Your Directors recommend approval of the Special Resolution at Item No. 8.

None of the Directors, the Key Managerial Personnel of the Company and their respective relatives have any interest in the Scheme except to the extent of equity shares held by them in the Company, if any.

The effect of the Scheme on the interests of the Directors and Key Managerial Personnel and their relatives, is not any different from the effect of the Scheme on other shareholders of the Company.

By Order of the Board of Directors

**For UTV Software Communications Limited**

**Sd/-**

**Puneet Juneja**

**Company Secretary**

**ACS 17151**

**Registered Office:**

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

August 29, 2016

**Annexure "A"**  
**STRICTLY PRIVATE AND CONFIDENTIAL**

Ref: DHS/G-200/390

29th August, 2016

To  
The Board of Directors  
**UTV Software Communications Limited**  
1st Floor, Building No. 14, Solitaire Corporate Park,  
Guru Hargovindji Marg, Chakala, Andheri (E),  
Mumbai - 400 093.

Dear Sir,

**Re: Valuation of the Equity Shares of UTV Software Communications Limited.**

This has reference to our engagement letter, the discussions that we had with and the information that we have received from the management of UTV Software Communications Limited (hereinafter referred to as "UTV" or the "Company") from time to time in the above matter.

**SCOPE AND PURPOSE OF THIS REPORT**

We have been informed as under:

UTV is an integrated media and entertainment company. The Walt Disney Company (Southeast Asia) Pte. Limited ("TWDC") currently holds 99.70% of the equity shares of UTV.

UTV is proposing to issue equity shares to TWDC on a preferential basis ("Proposed Issue"). We understand that the Proposed Issue will require adherence to, inter alia, the provisions of Section 62 of the Companies Act 2013 (the "Act") read with Companies (Share Capital and Debentures) Rules, 2014 (the "Rules"). In terms of the provisions of Section 62 of the Act read with the Rules, when companies issue shares and securities on a preferential basis, the price of shares or other securities to be issued shall not be less than the price determined on the basis of a valuation report.

It is in this connection that we have been requested by the Company, for its internal purposes pursuant to the provisions of the Act read with the Rules, to carry out a valuation of the equity shares, on a going concern basis, as at 30 June 2016, being the valuation date, to determine the minimum price of the equity shares for the purpose of the Proposed Issue and provide a report thereon to the Board of Directors of the Company.

The Board of Directors of the Company had, subject to various approvals, approved the Schemes of Arrangement and Amalgamation proposing mergers between 1. the Company, The Walt Disney Company (India) Private Limited, ("TWDCI") and Indiagames Limited ("IG"), and between 2. Disney Broadcasting (India) Limited ("DBIL") and United Home Entertainment Private Limited ("UHEPL") ("Proposed Mergers"). However, considering that the Proposed Mergers are yet to be consummated, the current valuation has been carried out on an 'as is where is' basis.

It should also be understood that the value at which investments are made / price paid in a transaction may differ from the value computed in this report due to factors such as the motivation of parties, negotiation skills of the parties, the structure of the transaction (i.e. financing structure, transition of control, etc.) or other factors unique to the transaction.

This report and the information contained herein is absolutely confidential. It is intended only for the sole use and information of the Board of Directors of the Company. We understand that our report containing our opinion on the value of the equity shares of the Company will be required to be furnished by the Company to the existing shareholders of the Company and the requisite regulatory authority, pursuant to the applicable provisions of the Act in connection with the Proposed Issue. We hereby give consent to such disclosure of our report to them on the basis that i) we owe responsibility to only the Board of Directors of the Company that have engaged us and no other person; ii) to the fullest extent permitted by law, we accept no responsibility or liability to any other party including shareholders of the Company, in connection with this report.

The results of our valuation are not permitted to be used or relied by the Company for any other purpose or by any other party for any purpose whatsoever. We will not be responsible or liable to any other person / party, including any shareholders of the Company, for any decision of such person / party based on our valuation. If any person / party (other than the Company) chooses to place reliance upon any matters included in the report, they shall do so at their own risk and without recourse to us. Any person / party intending to provide finance / invest in the shares / business of the Company / its subsidiaries / their businesses, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is hereby notified that reproduction, copying or otherwise quoting of our valuation report or any part thereof, except for the purpose and in the circumstances as set out earlier in this report, is not permitted.

## SOURCES OF INFORMATION

Valuation analysis was undertaken on the basis of the following information relating to the Company, its subsidiaries, and their businesses furnished to us by the management of the Company and information available in public domain:

1. Standalone profit and loss accounts and balance sheets of the Company for two years ended 31 March 2016 and three months ended 30 June 2016.
2. Consolidated profit and loss accounts and balance sheets of the Studio business (defined herein after) for two years ended 31 March 2016 and three months ended 30 June 2016.
3. Consolidated profit and loss accounts and balance sheets of Media Networks business (defined herein after) for two years ended 31 March 2016 and three months ended 30 June 2016.
4. Profit and loss accounts and balance sheets of Interactive business (defined herein after) for two years ended 31 March 2016 and three months ended 30 June 2016.
5. Projected cash flows for the Studio business, Media Networks business and the Interactive business for the next 3 months and 9 years starting 1 July 2016 and ending 30 September 2025 as approved by the management of the Company.
6. Other relevant details such as shareholding pattern, present activities, details of restructuring of business operations, future plans and prospects, tax position and other relevant information and data.

We have also received the necessary explanations, information and representations, which we believed were reasonably necessary and relevant to the present valuation exercise from the management of the Company.

## SCOPE LIMITATIONS

Our report is subject to the terms of our engagement letter and the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to in this report.

Our work does not constitute an audit, due diligence or certification of the historical financial statements and projections of the Company / its subsidiaries / their businesses referred to in this report. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this report. Valuation analysis and result are specific to the purpose of valuation and the valuation date mentioned in the report is as agreed per terms of our engagement. The valuation analysis may not be valid for any other purpose or as at any other date.

A valuation of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particular. This report is issued on the understanding that the management of the Company have drawn our attention to all the matters, which it is aware of concerning the financial position of the Company / its subsidiaries / their businesses and any other matter, which may have an impact on the valuation analysis of the equity shares of the Company, including any significant changes that have taken place or are likely to take place in the financial position of the Company / its subsidiaries / their businesses. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

In the course of the valuation, we were provided with both written and verbal information, including financial data. We have evaluated the information provided to us by the management of the Company through broad inquiry and analysis (but have not carried out a due diligence, audit or review of the Company / its subsidiaries / their businesses for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided). Also, we have been given to understand by the management of the Company that it has not omitted any relevant and material factors. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. We assume no responsibility for any errors in the above information furnished by the management of the Company and their impact on the present exercise. In accordance with the terms of our engagement, we have assumed and relied upon, without independently verifying the accuracy of the information that was publicly available and formed a basis for this report. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information.

We express no opinion on the achievability of the forecasts relating to the Company / its subsidiaries / their businesses given to us. The said projected working results of the Company / its subsidiaries / their businesses are the responsibility of the management of the Company. The assumptions used in their preparation, as we have been explained, are based on the Company's management's present expectation of both - the most likely set of future business events and circumstances and the management's course of action related to them. It is usually the case that some events and circumstances do not occur as expected or are not anticipated. Therefore, actual results during the forecast period may differ from the forecast and such differences may be material.

No investigation of the Company's / its subsidiary's claim to title of assets has been made for the purpose of this valuation and the Company's / its subsidiary's claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

Our report is not nor should it be construed as our opining or certifying the compliance with the provisions of any law / standards including company, foreign exchange regulatory, accounting and taxation (including transfer pricing) laws / standards or as regards any legal, accounting or taxation implications or issues.

Our report is not nor should it be construed as our recommending the Proposed Issue. This report does not address the relative merits of the Proposed Issue as compared with any other alternatives or whether or not such alternatives could be achieved or are available. Any decision by the Company regarding the Proposed Issue shall rest solely with the Company. We express no opinion or recommendation as to how the shareholders of the Company should vote at any shareholders’ meeting(s) to be held in connection with the Proposed Issue. Our report and the opinion / valuation analysis contained therein is not nor should it be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities. This report does not in any manner address, opine on or recommend the prices at which the securities of the Company could or should transact at following the Proposed Issue.

We have not conducted or provided an analysis or prepared a model for any asset valuation and have wholly relied on information provided by the management of the Company in that regard.

The fee for our valuation analysis and the report is not contingent upon the results reported.

**BACKGROUND**

UTV is an integrated media and entertainment company and currently, directly and through its subsidiaries, carries on the following businesses (“Businesses”) –

<b>Line of business</b>	<b>Entities</b>	<b>Business description</b>
Studio business	Company and its subsidiaries other than those carrying on the Media Networks business and other than those carrying on the Interactive business	Production, distribution and syndication of movies
Media Networks business	Disney Entertainment (India) Limited and (“DEIL”) its 100% subsidiaries Genx Entertainment Limited (“Genx”) and Disney Broadcasting (India) Limited (“DBIL”)	Broadcast of television channels
Interactive business	Indiagames Limited (“IG”)	Creation and distribution of mobile, online and embedded gaming content

The Company holds about 90% equity stake in DEIL and about 56% equity stake in IG. All other subsidiaries are wholly owned subsidiaries.

We have been informed by the management of the Company that pursuant to an internal strategy review, the Company has initiated the process of restructuring its operations to turn around its long-term performance. As a part of the said plan, the Company has made provisions in its financial statements for the year ended 31 March 2016 including for closure of certain businesses and other than temporary diminution in value of investments resulting in a negative networth as at that date as also as at 30 June 2016. Further, the key changes are expected to be implemented over the next 3 to 4 years. The projections of the Businesses provided to us for the purpose of the current valuation take into account the impact of the aforesaid plan.

As at 30 June 2016, the Company had a paid up equity share capital of INR 528.37 million consisting of 52,837,473 equity shares of INR 10/- each fully paid up and paid up preference share capital of INR 2,499 million consisting of 1,666,000 9% non-cumulative compulsory convertible preference shares of INR 1,500 each, fully paid-up. Based on discussions with the management of the Company and having regard to the terms of the compulsorily convertible preference shares, we have carried out the current valuation analysis based on the fully diluted number of equity shares of UTV which works out to 57,896,177 equity shares assuming that the aforesaid compulsorily convertible preference shares are converted into 5,058,704 equity shares of UTV of INR 10/- each fully paid up.

As informed to us, there is no change in the paid up share capital of the Company till date.

**APPROACH**

There are several internationally accepted and commonly used pricing methodologies for determining the value of the shares of a company, whose shares are not listed on a stock exchange such as:

1. Discounted Free Cash Flow (DCF) methodology
2. Comparable Companies Multiples (CCM) methodology.
3. Comparable Transaction Multiples (CTM) methodology.
4. Net Asset value (NAV) methodology

In the present valuation exercise, we have considered and applied the aforesaid internationally accepted pricing methodologies, to the extent relevant and applicable, to arrive at the value of the Studio business, the Media Networks business and the Interactive business. The value of Media Networks business (carried on by DEIL and its 100% subsidiaries) and the Interactive business (carried on by IG) (taking into account the % stake held by the Company in the businesses) has been added to the value of the Studio business to arrive at the value of the equity shares of the Company as at the Valuation Date.

**NAV methodology**

The present valuation is on a going concern basis with no intention to dispose off operating assets. In the circumstances, the net asset value of the shares of the Company based on the value of its net assets is of relatively less relevance. Hence, the NAV Method, in the present case, has not been considered.

**CTM methodology**

The CTM methodology involves applying derived transaction multiples of comparable transactions / transactions in the shares of the subject company to the maintainable earnings of the subject company.

We have performed a search for suitable comparable transactions for valuing the equity shares of the Company under the CTM method. However, we couldn't find any recent comparable transaction between unrelated parties, in respect of which complete details of the deal structure, profitability, etc are available in public domain, and hence the CTM Method, in the present case, could not be applied.

**CCM methodology**

Under the CCM Methodology, one attempts to measure the value of the shares of a company by applying the derived market revenue / earnings multiples based on the market quotations of comparable public / listed companies possessing attributes similar to the business of such company to the company's future maintainable revenues / profits (based on past and / or projected working results adjusted to reflect the future earnings potential) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued.

Generally past profits would be a reliable indicator for determining maintainable profits. However, considering the proposed changes to the Businesses - pursuant to the internal strategy review- which are expected to be implemented over the next 3 to 4 years, one will have to entirely rely on the forecasts of the Businesses to determine the maintainable profits. In such circumstances, we have considered it appropriate to apply DCF as the primary method of valuation as it takes into account the principle of time value of money and the management approved forecasts of the Businesses incorporating the impact of the aforesaid plan, and not apply the CCM method in the present case.

**DCF methodology**

The DCF methodology is considered the most theoretically sound approach and scientific and acceptable methodology for determination of the value of a company. Under this technique the projected free cash flows from business operations are discounted at the weighted average cost of capital to the providers of capital to the company, and the sum of the present discounted value of such free cash flows is the value of the company.

The future free cash flows are derived considering, inter alia, the changes in the working capital and investments in capital expenditure. They are an aggregation of the free cash flows during the explicit forecast period - prepared based on the business plan - and during the post explicit forecast period, estimated using an appropriate method, and are available to all providers of the company's capital - both debt and equity.

The discount rate i.e. weighted average cost of capital ("WACC"), which is applied to the free cash flows should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. Determining the WACC, involves determining the Debt Equity ratio, Cost of Debt and the Cost of Equity.

To the value of the operating business so arrived, the value of surplus / non-operating assets, debt and contingent liabilities / assets, if any, and other assets / liabilities as appropriate have to be adjusted to arrive at the total value of the business for the equity shareholders of the company.

In the present case, we have applied the DCF methodology to the projected working results of the Businesses as furnished to us by the management of the Company. We have considered the projections for the next 3 months and 9 years starting 1 July 2016 and ending 30 September 2025 as provided to us by the management of the Company, as projections for the explicit forecast period. Terminal value of cash flows beyond 30 September 2025 (post the explicit forecast period) is based on the perpetuity formula on the maintainable free cash flows.

The operating enterprise value of the Studio business so arrived at has been adjusted for debt, cash and bank balances and the value of investments in the subsidiaries carrying on Media Networks and Interactive businesses as at 30 June 2016 to arrive at the 100% equity value of the Company.

Accordingly, in the present case, the value of 100% of the equity share capital of the Company, on a fully diluted basis, works out to INR 743 million and the value per equity share of the Company of INR 10/- each fully paid up works out to INR 13/- under the DCF methodology.

**CONCLUSION**

It would be in the light of the aforesaid, and after taking into consideration the principles of valuation as propounded by various authorities, that one would have to consider the value of the equity shares of the Company.

For the reasons set out earlier in this report, we have valued the equity shares of the Company using the DCF methodology.

Accordingly, in the present case, the value of 100% of the equity share capital of the Company, on a fully diluted basis, works out to INR 743 million and the value per equity share of the Company of INR 10/- each fully paid up works out to INR 13/-.

In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. For example, Viscount Simon said in Gold Coast Selection Trust

Ltd. Vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:

“If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible.”

On a consideration of all the relevant factors and issues discussed herein, in our analysis, for the purpose of the Proposed Issue, the value per equity share of the Company of INR 10/- each fully paid up, on a fully diluted basis, as at 30 June 2016 works out to INR 13/- (Indian Rupees Thirteen only).

We trust the above meets with your requirements.

Thanking you,

Yours faithfully,

**For Deloitte Haskins & Sells,**

Chartered Accountants

(Regn.No. 117365W)

Sd/-

**Anjum A. Qazi**

Partner

Membership No. 104968

# UTV SOFTWARE COMMUNICATIONS LIMITED

CIN: U72200MH1990PLC056987

**Registered Office:** 1st Floor, Building No. 14, Solitaire Corporate Park,  
Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai 400 093. Phone: +91 (022) 61091000 Fax: +91 (022) 67421930  
**E-mail:** utvinvestors@disney.in **Website:** www.utvgroup.com

## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s) : \_\_\_\_\_  
 Registered address : \_\_\_\_\_  
 E-mail ID : \_\_\_\_\_  
 Folio No/Client ID : \_\_\_\_\_  
 DP ID : \_\_\_\_\_ Number of equity share(s) held \_\_\_\_\_

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

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

as my/our proxy, to act for me/us at the Annual General meeting of shareholders to be held at The Hall of Culture, Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018, on Thursday, 29<sup>th</sup> September, 2016 at 11:30 a.m. at such meeting and any adjournment or adjournments thereof to vote for me/us in my/our names in respect of such resolutions as are indicated overleaf:

SI. No.	Resolutions	Assent	Dissent
<b>Ordinary Business</b>			
1	To receive, consider and adopt the Audited Financial Statements both Standalone & Consolidated for the financial year ended March 31, 2016 together with the Reports of the Board of Directors and Auditors thereon.		
2	To appoint a Director in place of Ms. Parul Tevatia (DIN: 07129849), who retires by rotation and being eligible, offers herself for re-appointment.		
3	To re-appoint statutory auditors and fix their remuneration.		
<b>Special Business</b>			
4	To approve the Re-classification of the Authorised Share Capital of the Company.		
5	To approve the Increase in Authorised Share Capital of the Company		
6	To approve the alteration of the Capital Clause of Memorandum of Association of the Company.		
7	To approve the Preferential issue of Equity shares to The Walt Disney Company (Southeast Asia) Pte. Limited pursuant to provisions of Sections 62 & 42 of the Companies Act, 2013.		
8	To approve the reduction of Share Premium account of the Company		

Signed this ..... day of ..... 2016

Signature of shareholder(s) : \_\_\_\_\_

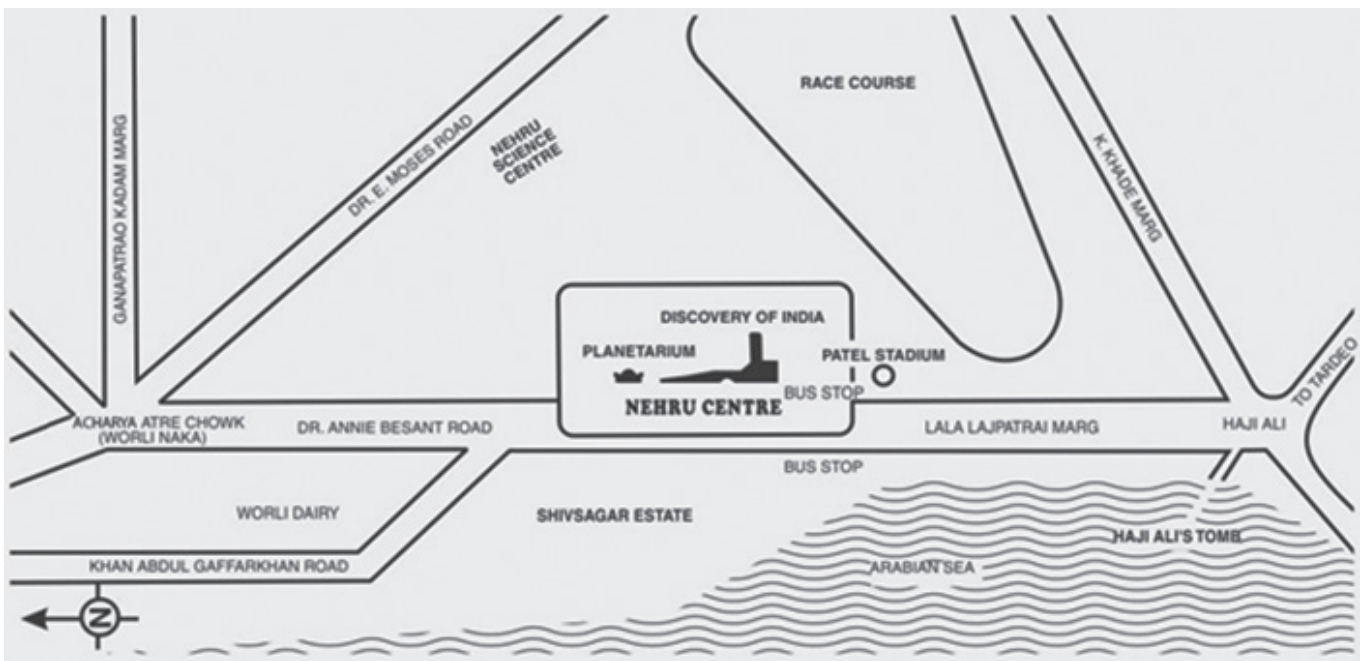
Signature of Proxy holder: \_\_\_\_\_



**Notes:**

- (1) This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Applicant not less than 48 hours before the commencement of the Meeting.
- (2) Revenue Stamp of ₹ 1/- is to be affixed on this form. The form should be signed across the stamp as per specimen signature registered with the Company/Depository participant.
- (3) A proxy need not be a member of the Company.
- (4) All alterations made in the form of proxy should be initialled.
- (5) A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Applicant carrying voting rights, then such proxy shall not act as a proxy for any other person or member.

### Route Map of Nehru Centre





## UTV SOFTWARE COMMUNICATIONS LIMITED

CIN: U72200MH1990PLC056987

**Registered Office:** 1st Floor, Building No. 14, Solitaire Corporate Park,  
Guru Hargovindji Marg, Chakala, Andheri (E), Mumbai 400 093. Phone: +91 (022) 61091000 Fax: +91 (022) 67421930

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

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

### ATTENDANCE SLIP

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

I hereby record my presence at the 26<sup>th</sup> Annual General Meeting of the shareholders of UTV Software Communications Ltd. held at The Hall of Culture, Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018\*, on Thursday, September 29, 2016 at 11:30 a.m.

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Signature of Shareholder/ Proxy/ Authorised Representative

### ELECTRONIC VOTING PARTICULARS

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

