

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT - II**

**CA 177 OF 2022  
IN  
C.A(C.A.A.)/39/MB/2021**

In the matter of the Companies Act, 2013

AND

In the matter of Section 230 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

AND

In the matter of Scheme of Arrangement between Music Broadcast Limited and its Shareholders.

**MUSIC BROADCAST LIMITED,**  
CIN: L64200MH1999PLC137729

)

)....Applicant Company

*Order delivered on :- 12.05.2022*

***Coram:***

**Hon'ble Member (Judicial) : Justice P.N. Deshmukh (Retd.)**  
**Hon'ble Member (Technical) : Mr. Shyam Babu Gautam**

***Appearances (via videoconferencing):***

**For the Applicants:** Mr. Hemant Sethi, Ms Vidisha Poonja i/b Hemant Sethi & Co.,

Advocates

**ORDER**

***Per: Shyam Babu Gautam, Member Technical***

1. The court is convened via video conferencing.
2. The present CA 177 of 2022 is filed for modification of the Order passed in C.A (C.A.A) 39 of 2021 dated 31.03.2022. The said is carried out in accordance with the clause III of the present Application. The said Order in C.A (C.A.A) 39 of 2021 shall be reads as under :-
3. The Counsel for the Applicant states that the present Scheme (“**Scheme**” or the “**Scheme of Arrangement**”) is an Arrangement among Music Broadcast Limited and (“*the Applicant Company*”) its Shareholders.
4. The Counsel for the Applicant submits that Applicant Company is *inter alia* engaged in operating FM radio stations across India under the brand of “*Radio City*” It is India’s first and leading FM Radio Station which started its operations in India in the year 2001. MBL currently has 39 stations. The Applicant Company over the years, has consistently come up with tools and initiatives to raise social awareness over a spectrum of issues including but not limited to Women Empowerment, Voter Awareness, Road Safety, etc. and also acts as a medium to spread the awareness about government campaigns such as Covid -19 awareness program of public interest.

5. The background, circumstances, rationale and benefits of the Scheme are that:

- 1) *MBL is a subsidiary company of Jagran Prakashan Limited (“Promoter / Holding Company/ JPL”) which holds 73.21% of the equity shares of MBL. JPL is one of the leading media groups in India with interests spanning across print, radio, digital, out of home, and brand activations. JPL is a public limited company and its equity shares are listed on BSE and NSE. JPL has a corporate governance framework that ensures transparency in all its dealings and the functioning of its Management and the Board. JPL enjoys the reputation of being extremely investor-friendly and has been consistent in rewarding its shareholders meaningfully. It has been its philosophy to enrich the shareholders to the extent possible in all the circumstances. It was this reputation that helped MBL close successfully its initial public offering in 2017 at a premium which was over 32 times of the then face value of Rs. 10 each.*
- 2) *The radio industry is undergoing a transformation right now and the turn of event in the industry has also impacted MBL. In the recent past, its performance has not been commensurate to the potential of the company and is reflected in its market performance as well.*
- 3) *MBL intends to ensure that it continues to get the support of its esteemed public shareholders who have supported the company so far.*
- 4) *In view of the above, the Board of Directors of MBL has formulated this*

*Scheme of Arrangement for issuance of non-convertible non-cumulative redeemable preference shares (“NCRPS”) to its non-promoter shareholders on a preferential basis by way of bonus. The face value of such NCRPS will be Rs.10 (Rupees Ten) each issued at a premium of Rs.90 (Rupees Ninety) per NCRPS to be redeemed on expiry of 36 months at a premium of Rs.20 (Rupees Twenty) each pursuant to the provisions of Section 230 and other relevant provisions of the Companies Act, 2013.*

- 5) *The Company has a strong net worth with no debt. MBL is also confident in running the business profitably and generating sufficient cash to meet its future requirements. However, it is considered prudent to conserve the cash to meet any unforeseen requirement that may arise during and aftermath of the Covid 19 pandemic which has created an unprecedented challenging business environment.*
- 6) *The above-mentioned Scheme is beneficial to MBL, its promoter (JPL being the holding company of MBL), and non-promoter shareholders as it strengthens the image of MBL as well as JPL in the market as it commits itself for higher distributions going forward. This will also augur well for future fundraising requirement, if any, of JPL and MBL.*
6. The Counsel for the Applicant Company submits that in view of the aforesaid, the Board of Directors of the Applicant Company vide its resolution dated October 22, 2020 approved the Scheme of Arrangement between the Applicant Company and its Shareholders.

7. The Counsel for the Applicant Company further submits that the shares of Applicant Company are listed on BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”). Pursuant to the Securities Exchange Board of India (“**SEBI**”) circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time (“**SEBI Circular**”) read with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), Applicant Company had applied to BSE and NSE for their “Observation Letter” / “No Objection Letter” to file the Scheme for sanction of the Tribunal by its letter dated October 29, 2020. Both BSE and NSE by its letter dated January 29, 2021 have respectively given their “No Objection Letter” letters to Applicant Company, to file the Scheme with the Tribunal.
8. This Tribunal hereby directs that a meeting of the Equity Shareholders of the Applicant Company be convened and held on June 23, 2022 at 02.00 p.m. for the purpose of considering, and if thought fit, approving the proposed Scheme, through video conferencing and/ or other audio visual means, without holding a general meeting requiring the physical presence of shareholders at a common venue, as the same in the current Covid-19 environment mandating social distancing norms shall not be feasible.
9. In view of provisions of Section 230(4) read with Section 108 of the Companies Act, 2013 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014 and in accordance with Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Applicant Company proposes to provide the facility of remote

e-voting to its Equity Shareholders in respect of the resolution to be passed at the aforesaid meeting. The Equity Shareholders of the Applicant Company are also allowed to avail the facility of e-voting during the aforesaid meeting to be held through video conferencing and/or other audio visual means on June 23, 2022 at 2.00 p.m. The e-voting facility for the Equity Shareholders of the Applicant Company shall be provided in compliance with the conditions specified under the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, as applicable.

10. That at least 30 (thirty) clear days before the aforesaid meeting of the Equity Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting at the day, date and time aforesaid, together with a copy of the Scheme, a copy of the Explanatory Statement required to be sent under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, shall be sent by e-mail to the Equity Shareholders of the Applicant Company whose email addresses are duly registered with the Applicant Company, addressed to each of the shareholders, at their last known e-mail addresses as per the records of the Applicant Company.
11. Notice of convening the Meeting of the Equity Shareholders of Applicant Company, indicating the day, date and time aforesaid, shall be advertised once each in the "Financial Express" (Mumbai edition) and Marathi translation thereof in

“Navshakti” (Mumbai edition) both having circulation in Mumbai, not less 30 days before the date fixed for the meeting. Considering the lockdown prevailing due to COVID-19 pandemic, the Applicant Company will have the option to publish notices online in the respective e-newspaper editions.

12. That Mr. Harnam Singh IAS (Retd.), Address at: Flat No. 22, Ritu Co-operative Housing Society Ltd, Juhu Versova Link Road, Andheri West, Mumbai - 400053 (Mobile No: 09930063941), shall be the Chairman of the aforesaid meeting of the Equity Shareholders of the Applicant Company with remuneration at Rs. 3,00,000/-.
13. The quorum for the aforesaid meeting of the Equity Shareholders of Applicant Company shall be as prescribed under Section 103 of the Companies Act, 2013 and would include Equity Shareholders present through video conferencing and/or other audiovisual means. In case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter the persons present shall be deemed to constitute the quorum.
14. The voting by proxy shall not be permitted as the meeting would be held through video conferencing and/ or other audiovisual means. However, voting in case of body corporate be permitted, provided the prescribed form / authorization is filed with the Applicant Company at its registered office at Music Broadcast Limited, 5<sup>th</sup> Floor, RNA Corporate Park, Off. Western Express Highway, Kala Nagar, Bandra (East), Mumbai - 400051 no later than 48 hours

before the start of the aforesaid meeting as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

15. The Chairperson appointed for the aforesaid meeting of the Equity Shareholders of the Applicant Company shall have all powers as per the Articles of Association of the Applicant Company and also under the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, to the extent necessary and applicable, in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise at the meeting or at any adjournment thereof.
16. The value and number of the shares of each Equity Shareholder shall be in accordance with the books/ register of the Applicant Company or depository records and where the entries in the books/ register/ depository records are disputed, the Chairperson of the meeting shall determine the value for the purposes of the meeting of Equity Shareholders and his/her decision in that behalf would be final.
17. The Chairperson appointed for the aforesaid meeting of the Equity Shareholders of the Applicant Company shall report to this Tribunal, the result of the aforesaid meetings within 30 (thirty) days of the conclusion of the aforesaid meeting, and the said report shall be verified by his Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.



18. The Counsel for the Applicant Company submits that the Scheme is an arrangement between the Applicant Company and their respective shareholders as contemplated under Section 230(1)(b) and not in accordance with the provisions of Section 230 (1)(a) of the Act as there is no compromise and/or arrangement with Unsecured Creditors and that the Unsecured Creditors of the Applicant Company are being paid in the normal course of business and as per the agreed terms and are not called upon to make any sacrifices hence, their interests are not getting affected in any way. Further there is no transfer of liability from one company to another as the Scheme contemplated is not merger or demerger therefore, no notice of the unsecured creditor is required to be convened. The Counsel for the Applicant Company further submitted that the Applicant Company does not have any Secured Creditors and in so far as unsecured creditors are concerned, there are 111 Unsecured Creditors of Rs 9,88,19,116/- in value.
19. This Bench directs conduct of the meetings of the unsecured creditors of Applicant Company as follows:-
- a. That the meeting of the Unsecured creditors of Applicant Company be convened and held on June 23, 2022 at 3:30 p.m. through video conferencing and/or other audio visual means for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed arrangement embodied in the Scheme of Arrangement between Applicant Company and its Shareholders. The proposed Scheme, wherein the Unsecured Creditors of the Applicant Company will be able to cast their votes electronically. In addition to the above, the Applicant

Company shall provide facility of remote e-voting to its Unsecured Creditors to cast their vote.

20. This Bench further issued directions with regard to the notices to be issued by Applicant Company as follows: -

i. That at least 30 clear days before the said meetings of the unsecured creditors of Applicant Company be held as aforesaid, a notice in the prescribed form CAA.2, convening the said meeting at the place, day, date and time as aforesaid, together with a copy of the Scheme, a copy of a statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 shall be sent by e-mail to each of the unsecured creditors at their registered email-address as per the records of the Applicant Company. The Unsecured Creditors whose e-mail address' are not available with the Applicant Company or who have not received notice convening said meetings, can access/download the said notices from the websites of the Applicant Company and on the websites of the Stock Exchanges *i.e BSE Limited and National Stock Exchange of India Limited.*

ii. That at least 30 clear days before the meetings of the unsecured creditors of Applicant Company to be held as aforesaid, a notice in the prescribed Form No. CAA.3 convening the said meeting at the place, day, date and time as aforesaid, together with a copy of the Scheme, a copy of a statement disclosing all material facts as required under Section 230(3) of the Companies

Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 and and as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations ) Rules, 2016 shall be sent by Registered A.D. or by hand delivery to (i) Central Government through the office of the Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai, (ii) the Registrar of Companies, Maharashtra, Mumbai (iii) the Income Tax Authorities within whose jurisdiction Applicant Company assessments are made, clearly indicating the PAN of Applicant Company and Reserve Bank of India, pursuant to section 230(5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016, with a direction that they may submit their representations, if any, within a period of 30 days from the date of receipt of such notice, to the Tribunal with a copy of such representations to be simultaneously served upon Applicant Company. If no response is received by the Tribunal from such Authorities, within a period of 30 (Thirty) days from the date of receipt of such notice, it will be presumed that such authorities have no representation/objection to the Scheme.

iii. That at least 30 clear days before the said meetings of the unsecured creditors of Applicant Company to be held as aforesaid, an advertisement in prescribed Form No. CAA.2 as per Rule 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, convening the said meetings indicating the place, day, date and time as aforesaid, stating that copies of the Scheme and the statement required to be furnished pursuant to Section

230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 copy of the Scheme can be obtained free of charge the Applicant Companies as aforesaid, be published once each in Financial Express in English language and the translation thereof in Marathi language in Navshakti, both be circulated in Mumbai.

iv. That Applicant Company shall also serve notice upon other sectoral regulators as may be applicable to Applicant Company pursuant to section 230 (5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016. If no response is received by the Tribunal from such sectoral regulators within 30 (thirty) days of the date of receipt of notice it will be presumed that such sectoral regulators has no objection to the proposed Scheme.

21. This Bench appoints the Chairperson for the meetings as aforesaid, as follows:

- i. That Mr. Harnam Singh IAS (Retd.) Address at Flat No.22,Ritu Co-Operative Housing Society Ltd, Juhu Versova Link Road, Andheri West, Mumbai-400053, shall be the Chairman, for the above- mentioned meeting of the unsecured creditors of Applicant Company to be held as aforesaid of any adjournments thereof.
- ii. That the Chairman to file an affidavit not less than 7 days before the date fixed for the holding of the meeting of Applicant Company and to report

this Tribunal that the direction regarding the issue of notices and advertisement have been duly complied with as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

- iii. The Chairman appointed for the aforesaid meeting of Applicant Company to issue the notices of the meeting of the unsecured creditors referred to above. The said Chairman shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).
- iv. That the quorum of the aforesaid meeting of the unsecured creditors of Applicant Company, shall be 5 or as prescribed under Section 103 of the Companies Act, 2013 present through video conferencing or other audio-visual means . However, voting in case of body corporate be permitted through authorized representative. The voting by proxy shall not be permitted as meeting would be held through video conferencing and/or other audio visual means.
- v. That the voting shall be allowed on the proposed Scheme by voting in person or through authorized representative. The voting by authorized representative in case of body corporate shall be permitted provided that/ authorization duly signed by the person entitled to attend and vote at the meeting, is filed

with the Applicant Company at its Registered Offices not later than, 48 hours before the aforesaid meeting as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

vi. That the voting shall be allowed on the proposed Scheme in case of the unsecured creditors of Applicant Company by voting through electronic means only.

vii. That the list of unsecured creditors with the value of the amount due to each of them, shall be in accordance with the books/register of Applicant Company and where the entries in the books are disputed, the Chairman shall determine the value for the purpose of the meeting.

viii. That the Chairman to report to this Tribunal, the result of the aforesaid meetings within 7 days of the conclusion of the meetings of Applicant Company and the said report shall be verified by the respective Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

22. That the scrutinizer for the aforesaid meetings of Applicant Company shall be CS Dhawal Gadda, Membership Number :- F8955, Address At: B304, 3<sup>rd</sup> Floor, Eastern Business District, LBS Marg, Bhandup W, Mumbai - 4000678 [Mobile No: 9967682228] with remuneration fixed at Rs.1,50,000/-.

23. The Applicant Company pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, is directed to serve the notice of the meeting of its Equity Shareholders and Unsecured Creditors upon:

- i. The Central Government of India (through the Regional Director, Western Region, Ministry of Corporate Affairs);
- ii. Concerned Income Tax Authority within whose jurisdiction the assessments of the Applicant Company is made: PAN: AACCM4036H
- iii. Registrar of Companies, Mumbai, Maharashtra;
- iv. BSE Limited;
- v. National Stock Exchange of India Limited;
- vi. Securities and Exchange Board of India; and

It is directed that they may submit their representation, if any, within a period of 30 (thirty) days from the date of receipt of such notice, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company failing which, it will be presumed that the aforesaid authorities have no representations to make on the Scheme.

24. The Applicant Company shall host the notices directed herein, on their respective websites, if any.

25. The Applicant Company shall file compliance report to report to this Tribunal that the directions regarding issue of notices and publication of advertisement as stated in above paragraphs have been duly complied with.

26. In view of the above CA 177 of 2022 is allowed and disposed of.

27. Ordered accordingly.

**Sd/-**

**SHYAM BABU GAUTAM**  
**MEMBER (TECHNICAL)**

**Sd/-**

**JUSTICE P.N DESHMUKH**  
**MEMBER (JUDICIAL)**



**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH-II**

**C.A(C.A.A.) 39/MB/II/2021**

In the matter of the Companies Act, 2013  
AND

In the matter of Section 230 of the Companies  
Act, 2013 and other applicable provisions of the  
Companies Act, 2013 read with Companies  
(Compromises, Arrangements and Amalgama-  
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In the matter of Scheme of Arrangement be-  
tween Music Broadcast Limited and its Share-  
holders.

**MUSIC BROADCAST LIMITED,**

CIN: L64200MH1999PLC137729

....Applicant Company

**Order Delivered on 31.03.2022**

***Coram:***

Hon'ble Member (Judicial) : Justice P. N. Deshmukh (Retd.)

Hon'ble Member (Technical) : Mr. Shyam Babu Gautam

***Appearances:***

For the Applicants : Mr. Hemant Sethi, Ms Vidisha  
Poonja i/b Hemant Sethi & Co.

**ORDER**

***Per: Shyam Babu Gautam, Member (Technical)***

1. The court is convened via video conferencing.

2. The Counsel for the Applicant states that the present Scheme (“**Scheme**” or the “**Scheme of Arrangement**”) is an Arrangement among Music Broadcast Limited and (“*the Applicant Company*”) its Shareholders.
3. The Counsel for the Applicant submits that Applicant Company is *inter alia* engaged in operating FM radio stations across India under the brand of “*Radio City*” It is India’s first and leading FM Radio Station which started its operations in India in the year 2001. MBL currently has 39 stations. The Applicant Company over the years, has consistently come up with tools and initiatives to raise social awareness over a spectrum of issues including but not limited to Women Empowerment, Voter Awareness, Road Safety, etc. and also acts as a medium to spread the awareness about government campaigns such as Covid-19 awareness program of public interest.
4. The background, circumstances, rationale and benefits of the Scheme are that:
  - 1) *MBL is a subsidiary company of Jagran Prakashan Limited (“Promoter / Holding Company/ JPL”) which holds 73.21% of the equity shares of MBL. JPL is one of the leading media groups in India with interests spanning across print, radio, digital, out of home, and brand activations. JPL is a public limited company and its equity shares are listed on BSE and NSE. JPL has a corporate governance framework that ensures transparency in all its dealings*

*and the functioning of its Management and the Board. JPL enjoys the reputation of being extremely investor-friendly and has been consistent in rewarding its shareholders meaningfully. It has been its philosophy to enrich the shareholders to the extent possible in all the circumstances. It was this reputation that helped MBL close successfully its initial public offering in 2017 at a premium which was over 32 times of the then face value of ₹10 each.*

- 2) The radio industry is undergoing a transformation right now and the turn of event in the industry has also impacted MBL. In the recent past, its performance has not been commensurate to the potential of the company and is reflected in its market performance as well.*
- 3) MBL intends to ensure that it continues to get the support of its esteemed public shareholders who have supported the company so far.*
- 4) In view of the above, the Board of Directors of MBL has formulated this Scheme of Arrangement for issuance of non-convertible non-cumulative redeemable preference shares (“NCRPS”) to its non-promoter shareholders on a preferential basis by way of bonus. The face value of such NCRPS will be ₹10 (Rupees Ten) each issued at a premium of ₹90 (Rupees Ninety) per NCRPS to be redeemed on expiry of 36 months at a premium of ₹20 (Rupees Twenty) each pursuant to the provisions of Section 230 and other relevant provisions of the Companies Act, 2013.*
- 5) The Company has a strong net worth with no debt. MBL is also confident in running the business profitably and generating sufficient cash to meet its future requirements. However, it is considered prudent to conserve the cash to meet any unforeseen requirement that may arise during and aftermath of the Covid 19 pandemic which has created an unprecedented challenging business environment.*
- 6) The above-mentioned Scheme is beneficial to MBL, its promoter (JPL being the holding company of MBL), and non-promoter shareholders as it*

*strengthen the image of MBL as well as JPL in the market as it commits itself for higher distributions going forward. This will also augur well for future fundraising requirement, if any, of JPL and MBL.*

5. The Counsel for the Applicant Company submits that in view of the aforesaid, the Board of Directors of the Applicant Company *vide* its resolution dated October 22, 2020 approved the Scheme of Arrangement between the Applicant Company and its Shareholders.
6. The Counsel for the Applicant Company further submits that the shares of Applicant Company are listed on BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”). Pursuant to the Securities Exchange Board of India (“**SEBI**”) circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time (“**SEBI Circular**”) read with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), Applicant Company had applied to BSE and NSE for their “Observation Letter” / “No Objection Letter” to file the Scheme for sanction of the Tribunal by its letter dated October 29, 2020. Both BSE and NSE by its letter dated January 29, 2021 have respectively given their “No Objection Letter” letters to Applicant Company, to file the Scheme with the Tribunal.

7. This Tribunal hereby directs that a meeting of the Equity Shareholders of the Applicant Company be convened and held on June 7, 2022 at 02.00 p.m. for the purpose of considering, and if thought fit, approving the proposed Scheme, through video conferencing and/ or other audio visual means, without holding a general meeting requiring the physical presence of shareholders at a common venue, as the same in the current Covid-19 environment mandating social distancing norms shall not be feasible.
  
8. In view of provisions of Section 230(4) read with Section 108 of the Companies Act, 2013 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014 and in accordance with Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Applicant Company proposes to provide the facility of remote e-voting to its Equity Shareholders in respect of the resolution to be passed at the aforesaid meeting. The Equity Shareholders of the Applicant Company are also allowed to avail the facility of e-voting during the aforesaid meeting to be held through video conferencing and/or other audio visual means on June 7 2022 at 02.00 p.m. The e-voting facility for the Equity Shareholders of the Applicant Company shall be provided in compliance with the conditions specified under the Companies (Management

and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, as applicable.

9. That at least 30 (thirty) clear days before the aforesaid meeting of the Equity Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting at the day, date and time aforesaid, together with a copy of the Scheme, a copy of the Explanatory Statement required to be sent under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, shall be sent by e-mail to the Equity Shareholders of the Applicant Company whose email addresses are duly registered with the Applicant Company, addressed to each of the shareholders, at their last known e-mail addresses as per the records of the Applicant Company.
10. Notice of convening the Meeting of the Equity Shareholders of Applicant Company, indicating the day, date and time aforesaid, shall be advertised once each in the "Financial Express" (Mumbai edition) and Marathi translation thereof in "Navshakti" (Mumbai edition) both having circulation in Mumbai, not less 30 days before the date fixed for the

meeting. Considering the lockdown prevailing due to COVID-19 pandemic, the Applicant Company will have the option to publish notices online in the respective e-newspaper editions.

11. That Mr. Harnam Singh IAS (Retd.), Address at: Flat No. 22, Ritu Co-Operative Housing Society Ltd, Juhu Versova Link Road, Andheri West, Mumbai-400053 [Mobile No: 09930063941], shall be the Chairman of the aforesaid meeting of the Equity Shareholders of the Applicant Company with remuneration fixed at Rs.3,00,000/-.
12. The quorum for the aforesaid meeting of the Equity Shareholders of Applicant Company shall be as prescribed under Section 103 of the Companies Act, 2013 and would include Equity Shareholders present through video conferencing and/or other audio visual means. In case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter the persons present shall be deemed to constitute the quorum.
13. The voting by proxy shall not be permitted as the meeting would be held through video conferencing and/ or other audio visual means. However, voting in case of body corporate be permitted, provided the prescribed form / authorization is filed with the Applicant Company

at its registered office at Music Broadcast Limited, 5th Floor, RNA Corporate Park, Off. Western Express Highway, Kala Nagar, Bandra (East), Mumbai - 400051 no later than 48 hours before the start of the aforesaid meeting as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

14. The Chairperson appointed for the aforesaid meeting of the Equity Shareholders of the Applicant Company shall have all powers as per the Articles of Association of the Applicant Company and also under the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, to the extent necessary and applicable, in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise at the meeting or at any adjournment thereof.
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16. The Chairperson appointed for the aforesaid meeting of the Equity Shareholders of the Applicant Company shall report to this Tribunal,



the result of the aforesaid meetings within 30 (thirty) days of the conclusion of the aforesaid meeting, and the said report shall be verified by his Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

17. The Counsel for the Applicant Company submits that the Scheme is an arrangement between the Applicant Company and their respective shareholders as contemplated under Section 230(1)(b) and not in accordance with the provisions of Section 230(1)(a) of the Act as there is no compromise and/or arrangement with Unsecured Creditors and that the Unsecured Creditors of the Applicant Company are being paid in the normal course of business and as per the agreed terms and are not called upon to make any sacrifices hence, their interests are not getting affected in any way. Further there is no transfer of liability from one company to another as the scheme contemplated is not merger or demerger therefore, no notice or meeting of the unsecured creditor is required to be convened. The Counsel for the Applicant Company further submitted that the Applicant Company does not have any Secured Creditors and in so far as unsecured creditors are concerned, there are 111 Unsecured Creditors of Rs.9,88,19,116/- in value.
18. This Bench directs conduct of the meetings of the unsecured creditors of Applicant Company as follows: -

- a. That the meeting of the unsecured creditors of Applicant Company be convened and held through video conferencing and/or other audio visual means for the purpose of considering and, if thought fit, approving with or without modifications(s) the proposed arrangement embodied in the Scheme of Demerger of the Demerged Undertaking the Transferor Company into the Transferee Company.

19. This Bench further issued directions with regard to the notices to be issued by Applicant Company as follows: -

- i. That at least 30 clear days before the said meetings of the unsecured creditors of Applicant Company be held as aforesaid, a notice in the prescribed form CAA.2, convening the said meeting at the place, day, date and time as aforesaid, together with a copy of the Scheme, a copy of a statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 and the prescribed Form of Proxy in prescribed Form No. MGT-11 as per Rule 19 of the Companies (Management and Administration) Rules, 2014, shall be sent by Registered Post A.D. or by speed post or by cou-

rier or by hand delivery or by email to each of the secured creditors and unsecured creditors at their registered or last known addresses or at their registered email address as per the records of Applicant Company.

- ii. That at least 30 clear days before the meetings of the unsecured creditors of Applicant Company to be held as aforesaid, a notice in the prescribed Form No. CAA.3 convening the said meeting at the place, day, date and time as aforesaid, together with a copy of the Scheme, a copy of a statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 and the prescribed Form of Proxy in prescribed Form No. MGT-11 as per Rule 19 of the Companies (Management and Administration) Rules, 2014, shall be sent by Registered Post A.D. or by speed post or by courier by e-mail or by hand delivery to (i) Central Government through the office of the Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai, (ii) the Registrar of Companies, Maharashtra, Mumbai (iii) the Income Tax Authorities within whose jurisdiction Applicant Company assessments are made, clearly indicating the PAN of Applicant Company and

Reserve Bank of India, pursuant to section 230(5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016, with a direction that they may submit their representations, if any, within a period of 30 days from the date of receipt of such notice, to the Tribunal with a copy of such representations to be simultaneously served upon Applicant Company. If no response is received by the Tribunal from such Authorities, within a period of 30 (Thirty) days from the date of receipt of such notice, it will be presumed that such authorities have no representation/objection to the Scheme.

- iii. That at least 30 clear days before the said meetings of the unsecured creditors of Applicant Company to be held as aforesaid, an advertisement in prescribed Form No. CAA.2 as per Rule 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, convening the said meetings indicating the place, day, date and time as aforesaid, stating that copies of the Scheme and the statement required to be furnished pursuant to Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and that the form of proxy can be obtained for

free of charge at the respective Registered Offices of the Applicant Companies as aforesaid, be published once each in 'Financial Express' in English language and the translation thereof in Marathi language in 'Navshakti', both be circulated in Mumbai.

- iv. That Applicant Company shall also serve notice upon other sectoral regulators as may be applicable to Applicant Company pursuant to section 230 (5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016. If no response is received by the Tribunal from such sectoral regulators within 30 (thirty) days of the date of receipt of notice it will be presumed that such sectoral regulators has no objection to the proposed Scheme.

20. This Bench appoints the Chairperson for the meetings as aforesaid, as follows:

- i. That Mr. Harnam Singh IAS (Retd.), Address at: Flat No. 22, Ritu Co-Operative Housing Society Ltd, Juhu Versova Link Road, Andheri West, Mumbai-400053, shall be the Chairman, for the above-mentioned meeting of the unsecured creditors of Applicant Company to be held as aforesaid of any adjournments thereof.

- ii. That the Chairman to file an affidavit not less than 7 days before the date fixed for the holding of the meeting of Applicant Company and to report this Tribunal that the direction regarding the issue of notices and advertisement have been duly complied with as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- iii. The Chairman appointed for the aforesaid meeting of Applicant Company to issue the notices of the meeting of the unsecured creditors referred to above. The said Chairman shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the meeting(s), including for deciding procedural questions that may arise or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).
- iv. That the quorum of the aforesaid meeting of the unsecured creditors of Applicant Company, shall be fixed at a majority of persons representing three-fourths in value of the unsecured creditors respectively, present in person, through video-conferencing or through proxy.

- v. That the voting shall be allowed on the proposed Scheme by voting in person or by proxy. The voting by proxy or authorised representative in case of body corporate shall be permitted, provided that a proxy in the prescribed form / authorization duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant Company at its Registered Offices not later than, 48 hours before the aforesaid meeting as required under Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- vi. That the voting shall be allowed on the proposed Scheme in case of the unsecured creditors of Applicant Company by voting through electronic means and Postal Ballot also.
- vii. That the voting at the meeting of the unsecured creditors of the Applicant Companies, as the case may be, on all resolutions to take place by poll.
- viii. That the list of unsecured creditors with the value of the amount due to each of them, shall be in accordance with the books/register of Applicant Company and where the entries in the books are disputed, the Chairman shall determine the value for the purpose of the meeting.

- ix. That the Chairman to report to this Tribunal, the result of the aforesaid meetings within 7 days of the conclusion of the meetings of Applicant Company and the said report shall be verified by the respective Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
21. That the scrutinizer for the aforesaid meetings of Applicant Company shall be CA. Avinash Jagdish Purohit, Address At: Office No. 51, 5<sup>th</sup> Floor, 'D' Wing, Rahul Complex, Paud Road, Kothrud, Pune, Maharashtra-411038 [Mobile No: 07588053127], with remuneration fixed at Rs.1,50,000/-.
22. The Applicant Company pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, is directed to serve the notice of the meeting of its Equity Shareholders upon:
- i. The Central Government of India (through the Regional Director, Western Region, Ministry of Corporate Affairs);
  - ii. Concerned Income Tax Authority within whose jurisdiction the assessments of the Applicant Company is made:  
PAN: AACCM4036H
  - iii. Registrar of Companies, Mumbai, Maharashtra;



- iv. BSE Limited;
- v. National Stock Exchange of India Limited;
- vi. Securities and Exchange Board of India; and

It is directed that they may submit their representation, if any, within a period of 30 (thirty) days from the date of receipt of such notice, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company failing which, it will be presumed that the aforesaid authorities have no representations to make on the Scheme.

- 23. The Applicant Company shall host the notices directed herein, on their respective websites, if any.
- 24. The Applicant Company shall file compliance report to report to this Tribunal that the directions regarding issue of notices and publication of advertisement as stated in above paragraphs have been duly complied with.
- 25. Ordered accordingly.

**Sd/-**

**SHYAM BABU GAUTAM**  
**MEMBER (TECHNICAL)**

31.03.2022  
SAM

**Sd/-**

**JUSTICE P. N. DESHMUKH**  
**MEMBER (JUDICIAL)**