

### **Notice pursuant to Section 110 of the Companies Act, 2013**

Notice is hereby given, pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 22 of the Companies (Management and Administration) Rules, 2014, to transact the following special business by the Member of Reliance MediaWorks Limited ("the Company") by passing Resolutions through Postal Ballot:

#### **1. Transfer of the Company's undertaking pertaining to Exhibition Business to its Subsidiary as a going concern basis.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a), 188(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) ("the Act") read with Companies (Management and Administration) Rules, 2014 and provision of the Memorandum and Articles of Association of the Company and subject to other applicable statutory provisions, rules, regulations, guidelines and also subject to necessary approvals, consents, permissions and sanctions from the concerned Authorities and such terms and conditions as may be imposed by them, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which shall be deemed to include any Committee of Directors or Director(s) or official(s) of the Company for the time being authorized by the Board to exercise the powers conferred on the Board by this resolution) to transfer, assign, deliver or otherwise dispose off identified properties and common infrastructures relating to the exhibition business ("**Exhibition Business**") of the Company on going concern basis to its Subsidiary - Reliance MediaVentures Private Limited ("the Subsidiary") at a consideration not less than the tax written down values as the Board may decide and on such terms and conditions including but not limited to issuance of securities of the Subsidiary and in such manner as may be agreed to by the Board and the Subsidiary.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto and to settle and finalise all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation, negotiating, finalising and executing necessary agreements, memoranda, deeds of assignment/conveyance and such other documents as may be deemed necessary or expedient in its own discretion and in the best interest of the Company, and to delegate all or any of the powers or authorities herein conferred to any Director(s) or other official(s) of the Company, or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to this resolution."

#### **2. Investment of the funds of the Company.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) ("the Act") read with Companies (Management and Administration) Rules, 2014 and the provisions of the Articles of Association of the Company and subject to other statutory approvals, consents, sanctions and permissions, as may be necessary, consent of the Company be and is hereby accorded to 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 have constituted or hereinafter constitute to exercise its powers, including the powers conferred by this resolution) to give any loan(s) and to give any guarantee(s) or provide any security(ies) in connection with any loan(s) and/

or to make further investment / acquisition by way of subscription, purchase or otherwise, the securities of any other body(ies) corporate, from time to time and in one or more tranches, for such amount(s) as the Board may in its absolute discretion determine provided that the aggregate outstanding amount of such loan(s) / guarantee(s) / security(ies)/investment(s) (apart from the loan(s) / guarantee(s) / security(ies) / investments already given / made / held by the Company) shall not any time exceed ₹ 2,000 crore (Rupees two thousand crore only).

RESOLVED FURTHER THAT the Board be and is hereby authorised to decide and finalise in its absolute discretion the terms and conditions, the timing and all related matters in respect of the above mentioned loan(s) / guarantee(s) / security(ies) / investment(s) including but not limited to timing, the amount and the nature of each such loan(s) / guarantee(s) / security(ies) / investment(s), with power to transfer, sell, settle or otherwise dispose off the same, from time to time and to do all such acts, deeds, matters and things, as may be necessary and / or expedient to give effect to this resolution."

**By Order of the Board of Directors  
For Reliance MediaWorks Limited**

**Neelam Samant**  
**Company Secretary**  
ACS No. 22694

**Registered Office:**

Film City Complex, Goregaon (East)  
Mumbai - 400 065  
CIN: L29299MH1987PLC045446  
Website: [www.reliancemediaworks.com](http://www.reliancemediaworks.com)

Place: Mumbai

Date: November 5, 2014

**Notes:**

1. The statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed hereto.
2. In terms of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the items of business set out in the Notice above is sought to be passed through Postal Ballot.
3. The Board of Directors have appointed Shri Anil Lohia, Partner, M/s. Dayal & Lohia, Chartered Accountants, as Scrutinizer for conducting postal ballot voting process in a fair and transparent manner.
4. The Postal Ballot Notice is being sent through e-mail to the Members whose e-mail addresses are registered with the Company.
5. Members are requested to carefully read the instructions given in the enclosed Postal Ballot Form. Postal Ballot Form duly completed with the assent (for) or dissent (against) and signed should be returned directly to the Scrutinizer so as to reach the Scrutinizer not later than close of working hours on Saturday, December 13, 2014 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member. The Scrutinizer will submit his report after completion of the scrutiny and the result of postal ballot will be announced on or before Saturday, December 20, 2014, at the Registered Office of the Company at Film City Complex, Goregaon (East), Mumbai - 400 065.
6. The resolutions shall be taken as passed effectively on the date of declaration of the result. The result of the Postal Ballot will be posted on the website of the Company at [www.reliancemediaworks.com](http://www.reliancemediaworks.com).

7. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays between 11:00 a.m. and 1:00 p.m. upto Saturday, December 13, 2014.

**Statement pursuant to Section 102 of the Companies Act, 2013  
to the accompanying Notice dated November 5, 2014.**

**Item No. 1**

The Board of Directors of Reliance MediaWorks Limited ('RMWL' or 'the Company'), at its meeting held on November 5, 2014, has resolved, subject to approval by the Members and other requisite approvals, to transfer identified properties and common infrastructures in relation to exhibition business ("Exhibition Business") of the Company on a going concern basis to its Subsidiary - Reliance MediaVentures Private Limited (the "Subsidiary"). There are a number of dynamics that has made it expedient to transfer the Exhibition Business to the Subsidiary.

The Exhibition Business of RMWL operates one of India's largest cinema chains under the brand "BIG Cinemas", with approximately 250 screens spread all over India. BIG Cinema has launched certain innovative concepts such as Cine Diner, 180 Degree amongst others.

The proposed transfer of Exhibition Business to a subsidiary would enable the Company to pursue a complete / partial transfer of the Exhibition Business (including by way of sale of shares of the Subsidiary) for which the Company is under discussion with various potential investors. This transfer also enhances the provision of focused leadership to the Exhibition Business to pursue value enhancement for shareholders, lenders and employees.

In terms of the provisions of Section 180(1)(a) of the Companies Act, 2013 (the "Act"), consent of the Shareholders would be required by way of a special resolution to transfer the said Exhibition Business of the Company to its Subsidiary.

In terms of the provisions of Section 110 of the Act read with Companies (Management and Administration) Rules, 2014 the approval of the Members has to be obtained, mandatorily through Postal Ballot process.

As per the provisions of Section 188 of the Companies Act, 2013, the Company can enter into transactions mentioned under aforesaid resolution, which are not in the ordinary course of business and / or are not on an arms length basis, only with the approval of the shareholders accorded by way of a special resolution. The transaction with the Subsidiary of the Company being a transaction by way of a transfer of the Exhibition Business may not be considered to be in the ordinary course of business and the terms and conditions of such transfer may not be considered to be arrived at on an arms length basis and hence, prior approval of the shareholders is sought by way of a special resolution.

All the prescribed disclosures as required to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of the Board and its Powers) Rules, 2014 are given herein below for perusal of the members:

Name of the related party: Reliance MediaVentures Private Limited (Subsidiary of the Company)

Name of the director or key managerial personnel who is related: Key Managerial Personnel of the Company - Shri Mohan Umrotkar is director in Reliance MediaVentures Private Limited.

Nature of relationship: Reliance MediaVentures Private Limited is a subsidiary of the Company and Key Managerial Personnel of the Company - Shri Mohan Umrotkar is a director in the Subsidiary. The entire share capital of Reliance MediaVentures Private Limited is held by the Company and Reliance Media Consultant Private Limited, a wholly owned subsidiary of the Company.

Nature, material terms, value and particulars of the contract or arrangement: The Company proposes to transfer certain Exhibition properties and identified common infrastructures ("Exhibition Business") relating to exhibition business of the Company on a going concern basis to its Subsidiary at a consideration not less than tax written down value as the Board may decide and on such terms and conditions as may be decided by the Board and subsidiary.

In terms of the provisions of Section 188 of the Companies Act, 2013, no Member of the Company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party in the context of the specified transaction, namely transfer of Exhibition Business to a Subsidiary.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Shri Mohan Umrotkar being Director in Subsidiary of the Company is deemed to be concerned or interested, financial or otherwise in the said resolution except to the extent of their shareholding, if any, in the Company or any of their interest as Director or Shareholder or otherwise mentioned herein above, in the Company.

The Board accordingly recommend the Special Resolution set out at Item No. 1 of the accompanying Notice for approval of the Members.

## **Item No. 2**

As per the provisions of Section 186 of the Companies Act, 2013, a company cannot make investment, give loan and guarantee or provide any security in connection with any loan or acquire by way of subscription, purchase or otherwise securities of any other body corporate in excess of 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, unless it is previously authorized by a special resolution.

The proposed transaction of transfer of the Exhibition Business referred to in the Resolution at Item No. 1 of the Notice may involve part of the consideration being discharged in the form of Securities of the Transferee Company. The acceptance of such Securities may be construed to constitute investment of the Company's funds.

As a measure of achieving greater financial flexibility and to enable the Company to enter into appropriate transactions including, in particular, transactions requiring the Company to receive and / or accept Securities of the Transferee Subsidiary company for the transfer of the Exhibition Business, it is proposed that the Board of Directors be authorized to invest up to ₹ 2000 crore in any body corporate by way of grant of loan(s) and/or provide any other form of debt to and/or place inter-corporate deposit(s) with and/or investment(s) in and/or purchase security(ies) and/or give guarantee(s) or provide security(ies) in connection with loan(s) made by any other person to anybody corporate or entity.

None of the Directors and/or Key Managerial Personnel of the Company and / or their relatives except Shri Mohan Umrotkar being Director in Subsidiary of the Company is deemed to be concerned or interested, financial or otherwise in the said resolution except to the extent of their shareholding, if any, in the Company or any of their interest as Director or Shareholder or otherwise mentioned herein above, in the Company.

The Board accordingly recommend the Special Resolution set out at Item No. 2 of the accompanying Notice for approval of the Members.

**By Order of the Board of Directors  
For Reliance MediaWorks Limited**

**Neelam Samant**  
**Company Secretary**  
ACS No. 22694

### **Registered Office:**

Film City Complex, Goregaon (East)  
Mumbai - 400 065  
CIN: L29299MH1987PLC045446  
Website: [www.reliancemediaworks.com](http://www.reliancemediaworks.com)

Place: Mumbai

Date: November 5, 2014