

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY APPLICATION NO. 1671 OF 2008**

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 read with Sections 78 and  
100 to 103 of the Companies Act, 1956;

AND

In the matter of Scheme of Arrangement between Adlabs Films  
Limited ('the Demerged Company')

AND

Reliance Unicom Limited ('the Resulting Company')

AND

their respective shareholders and creditors

**ADLABS FILMS LIMITED**, a company incorporated under  
the provisions of the Companies Act, 1956 and having its  
Registered Office at Film City Complex, Goregaon (East),  
Mumbai 400 065

}

.....Applicant Company

**NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF  
ADLABS FILMS LIMITED, THE APPLICANT COMPANY**

To,

The equity shareholders of Adlabs Films Limited ("Applicant Company")

**TAKE NOTICE** that by an Order made on the 19<sup>th</sup> day of December, 2008, in the above Company Application, the Hon'ble High Court of Judicature at Bombay has directed that a meeting of the equity shareholders of the Applicant Company be convened and held at Rangsharda Natyamandir, K. C. Marg, Bandra Reclamation, Bandra (West), Mumbai - 400 050, on Thursday, 22<sup>nd</sup> day of January 2009 at 11.00 a.m., for the purpose of considering and, if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Arrangement ('the Scheme') between Adlabs Films Limited, the Demerged Company and Reliance Unicom Limited, the Resulting Company and their respective shareholders and creditors.

**TAKE FURTHER NOTICE** that in pursuance of the said Order and as directed therein, a meeting of the equity shareholders of the Applicant Company will be convened and held at Rangsharda Natyamandir, K. C. Marg, Bandra Reclamation, Bandra (West), Mumbai - 400 050, on Thursday, 22<sup>nd</sup> day of January, 2009 at 11.00 a.m., at which place, day, date and time you are requested to attend.

**TAKE FURTHER NOTICE** that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, or your authorised representative, is deposited at the Registered Office of the Applicant Company at Film City Complex, Goregaon (East), Mumbai 400 065, not later than 48 hours before the said meeting.

The Hon'ble Court has appointed Justice M. H. Kania (Retired Chief Justice of India), failing him, Mr. Gautam Doshi, Director of the Applicant Company, and failing him, Mr. Darius J. Kakalia, Director of the Applicant Company to be the Chairman of the said meeting.

A copy of the Scheme, the statement under Section 393 of the Companies Act, 1956, the Form of Proxy and Attendance Slip are enclosed herewith.

Sd/-

Justice M. H. Kania  
(Former Chief Justice of India)  
Chairman appointed for the meeting

Dated: 19<sup>th</sup> day of December, 2008

**Registered Office:**

Film City Complex,  
Goregaon (East),  
Mumbai 400 065

**Notes:**

1. All alterations made in the Form of Proxy should be initialed.
2. Only Registered shareholders of the Applicant Company may attend and vote (either in person or by proxy or by authorized representative under Section 187 of the Companies Act, 1956) at the shareholders' meeting.

Enclosure: As above

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY APPLICATION NO. 1671 OF 2008**

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 read with Sections 78 and  
100 to 103 of the Companies Act, 1956;

AND

In the matter of Scheme of Arrangement between Adlabs Films  
Limited ('the Demerged Company')

AND

Reliance Unicom Limited ('the Resulting Company')

AND

their respective shareholders and creditors

**ADLABS FILMS LIMITED**, a company incorporated under  
the provisions of the Companies Act, 1956 and having its  
Registered Office at Film City Complex, Goregaon (East),  
Mumbai 400 065

.....Applicant Company

**EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956**

- 1 Pursuant to the Order dated the 19<sup>th</sup> day of December, 2008 passed by the Hon'ble High Court of Judicature at Bombay, in the Company Application referred to herein above, a meeting of the equity shareholders of the Applicant Company is convened at Rangsharda Natyamandir, K. C. Marg, Bandra Reclamation, Bandra (West), Mumbai - 400 050, on Thursday, 22<sup>nd</sup> day of January 2009 at 11.00 a.m. for the purpose of considering and, if thought fit, approving with or without modification(s), the arrangement embodied in the proposed Scheme of Arrangement between Adlabs Films Limited and Reliance Unicom Limited and their respective Shareholders and Creditors ("the Scheme").
- 2 In this statement Adlabs Films Limited, hereinafter referred to as 'AFL' or 'the Demerged Company' or the 'Applicant Company' and Reliance Unicom Limited is hereinafter referred to as 'RUL' or 'the Resulting Company'. The other definitions contained in the Scheme shall apply to this Explanatory Statement also.
- 3 The proposed Scheme envisages demerger of Radio Business of AFL into RUL pursuant to Sections 391 to 394 read with Sections 78 and 100 to 103 and other applicable provision of the Companies Act, 1956.
- 4 A copy of the Scheme setting out the terms and conditions of the arrangement, which has been approved by the Board of Directors of the Applicant Company at its meeting held on 25<sup>th</sup> day of October, 2008 is forming part of this Explanatory Statement.

**5 Background of the Companies**

**5.1 Adlabs Films Limited**

- a. Adlabs Films Limited was incorporated on 30<sup>th</sup> day of November, 1987 under the provisions of Companies Act, 1956, under the name and style of 'Adlabs Films Private Limited'. Subsequently the status of the Company was changed to public limited company, and the name was changed to 'Adlabs Films Limited' vide fresh certificate of incorporation dated 2<sup>nd</sup> December, 1999.
- b. The Registered Office of the Applicant Company is situated at Film City Complex, Goregaon (East), Mumbai 400 065.
- c. The main objects for which the Applicant Company has been established are set out in its Memorandum of Association. The main objects are as follows :
  1. To carry on the business of manufacturers, producers, exporters, importers, hirers, dealers, distributors and exhibitors of raw films, chemicals, photographic and optical goods, cinematographic films, video cassettes, apparatus, recorders, machinery and equipments pertaining to or required for the film developing, printing, processing, editing, sound recording, re-recording, transferring, dubbing of sound, video taping, transferring film to video, duplicating video cassettes, discs or any format and to edit various formats.
  2. To arrange to produce, secure, procedure, acquire, retain, purchase, publish, dispose off and distribute advertisement films, TV serials, feature films, and programmes of educational, cultural, devotional, industrial, health, entertainment, family welfare, tourism, Governmental and of other subjects of interest.

- d. The Applicant Company is presently engaged in the business of production, processing, exhibition and distribution of films and FM Radio broadcasting.
- e. The share capital of the Applicant Company as per the latest Audited Balance Sheet as on 31<sup>st</sup> March, 2008 was as under:

<b>Authorised capital</b>	<b>Amount (Rs.)</b>
60,000,000 equity shares of Rs. 5 each	300,000,000
<b>Issued, subscribed and paid-up capital</b>	<b>Amount (Rs.)</b>
46,126,170 equity shares of Rs. 5 each fully paid-up	230,630,850
<b>Total</b>	<b>230,630,850</b>

Subsequent to the above, the issued, subscribed and paid up capital of the Applicant Company has not changed till date.

- f. The equity shares of the Applicant Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.
- g. The summary of the Audited Statement of Accounts of the Applicant Company for the 3 periods ended 31<sup>st</sup> March, 2008 (Nine Months ended), 30<sup>th</sup> June, 2007 (Fifteen months ended) and 31<sup>st</sup> March, 2006 (year ended) is enclosed as **Annexure A**

## 5.2 Reliance Unicom Limited

- a. Reliance Unicom Limited ('RUL' or 'the Resulting Company') was incorporated under the provisions of Companies Act, 1956 on the 27<sup>th</sup> day of December, 2005 under the name and style 'Reliance Unicom Limited'. Subsequently the name was changed to 'Big Radio Limited' vide fresh Certificate of Incorporation dated 6<sup>th</sup> day of October, 2006. The name was again changed to 'Reliance Unicom Limited' vide fresh subsequent Certificate of Incorporation dated 18<sup>th</sup> day of September, 2007.
- b. The Registered Office of RUL is situated at H Block, 1st floor, Dhirubhai Ambani Knowledge City, Thane Belapur Road, Navi Mumbai 400710.
- c. The main objects for which RUL has been established are set out in its Memorandum of Association. The main objects are as follows:
1. To own, establish, manage and operate Radio Broadcast Station(s), subject to necessary governmental approvals, allotment of frequency, license(s) on FM / MW / SW / AM, if any, anywhere in India or out of India, including but not limited to digital broadcast, web broadcast, satellite broadcast and broadcast by any medium now known or that may be developed in the future and to produce talk shows, promos, jingles, capsules, serials, program software, advertisements etc., and to make , buy, sell and / or trade in content, programmes, software either produced by the Company or outsourced; to hire equipments and to set up transponders to broadcast programmes subject to necessary approvals and to own, establish, run and operate a recording studio, sound mixing studio, dubbing studio, editing unit and theatre.
  2. To broadcast television programmes by hiring, leasing, buying transponders on satellites and also to carry on, subject to the necessary government and other approvals, the activities or business of broadcasters of sound and/or audio-visual recordings and cable and wireless communications.
- d. RUL is presently not engaged in any major business activity.
- e. The Share Capital of the RUL as per the latest Audited Balance Sheet as on 31<sup>st</sup> March, 2008 was as under:

<b>Authorised capital</b>	<b>Amount (Rs.)</b>
2,110,000 Equity Shares of Rs. 5 each	10,550,000
<b>Issued, subscribed and paid-up capital</b>	<b>Amount (Rs.)</b>
2,110,000 Equity Shares of Rs. 5 each	10,550,000
<b>Total</b>	<b>10,550,000</b>

The entire share capital of the Resulting Company is at present held by the Applicant Company and its nominees. Subsequent to the above, the issued, subscribed and paid up capital of RUL has not changed till date.

- f. The summary of the Audited Statement of Accounts of the Resulting Company for the 3 years ended 31<sup>st</sup> March, 2008, 31<sup>st</sup> March, 2007 and 31<sup>st</sup> March, 2006 is enclosed as **Annexure B**

## 6 Rationale of the Scheme of Arrangement

The rationale for the proposed Scheme of Arrangement is as under:

- (i) Business of AFL can be segregated into two broad segments (a) film business and (b) radio business.
- (ii) The Radio Business promises tremendous growth and profitability potential. In order to explore this potential to the fullest and provide focused leadership and management attention, it is intended to demerge the Radio Business of the Applicant Company to RUL.
- (iii) Further in the interest of the shareholders of AFL it is believed that the demerger of Radio Business to a separate company with focused strategy would enhance shareholder value.
- (iv) The demerger proposed by the Scheme of Arrangement will enable the shareholders of AFL to hold shares directly in RUL.
- (v) Further, AFL has already invested significant amount of funds in the Radio Business. To improve the quality of output & for technology improvisation, significant fund requirement is envisaged in the future.
- (vi) The future fund requirements could be met by raising fresh funds by way of rights issue from existing shareholders or by way of raising debts from financial institutions / private parties.
- (vii) At present, the business operations of AFL are a mixture of Film & Radio Business. In order to ensure that the fresh funds raised are exclusively used for the development of Radio Business and no part of it is diverted to other businesses and also to provide focused leadership and management attention to Radio Business, it is intended to demerge the Radio Business to RUL. This will provide financial flexibility to RUL and it will have various fund raising options for its business.

## 7 Salient features of the Scheme of Arrangement

- a. "Appointed Date" means the 1st day of April, 2008 or such other date as may be approved by the High Court of Judicature at Bombay or any other appropriate authority.
- b. With effect from the Appointed Date, the whole of the Undertaking of the Demerged Company comprising its Radio Business, all assets and liabilities of whatsoever nature and wheresoever situated related to the Radio Business, shall, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Resulting Company as a going concern so as to become as from the Appointed Date the Undertaking of the Resulting Company and to vest in the Resulting Company all the rights, title, interest or obligations of the Demerged Company therein.
- c. Upon the Scheme becoming effective and in consideration of demerger including the transfer and vesting of the undertaking of the Radio Business of the Demerged Company in the Resulting Company, the Resulting Company shall, without any further application or deed, issue and allot to all shareholders of the Demerged Company whose name appears in the Register of Members of the Demerged Company as on the Record Date or to his/her heirs, executors, administrators or the successors-in-title, as the case may be, fully paid-up equity shares in the following ratio:
  - In respect of every 1(one) Equity Share of Rs. 5 each fully paid up, held by the shareholders in the Demerged Company, 1 (one) Equity Share of the Resulting Company of Rs. 5 each, fully paid up.
- d. The entire existing issued, subscribed and paid-up share capital of RUL is held by the Demerged Company. Upon allotment of shares pursuant to the Scheme, the entire existing issued, subscribed and paid-up share capital of RUL held by AFL whether in its own name or in the name of any nominee shall stand cancelled.
- e. On the Scheme becoming operative, all staff, workmen and employees of AFL, in relation to the Radio Business in service on the Effective Date shall be deemed to have become staff, workmen and employees of RUL without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with RUL shall not be less favourable than those applicable to them with reference to AFL, in relation to the Radio Business respectively on the Effective Date.

The features set out above being only the salient features of the Scheme of Arrangement; the members are requested to read the entire text of the Scheme of Arrangement annexed hereto to get fully acquainted with the provisions thereof.

- 8 The rights and interests of the members and the creditors of the Applicant Company and RUL will not be prejudicially affected by the Scheme.
- 9 The Scheme was approved by the Board of Directors of the Applicant Company on 25<sup>th</sup> day of October, 2008.
- 10 No investigation proceedings have been instituted or are pending in relation to the Applicant Company under Sections 235 to 251 of the Companies Act, 1956.
- 11 On the Scheme being approved by the equity shareholders as per the requirements of Section 391 of the Act, the Applicant Company and RUL will seek the sanction of the Hon'ble High Court of Judicature at Bombay.

- 12 The Financial position of the Applicant Company will not be adversely affected by the Scheme. The financial position of Applicant Company will continue to remain strong and it will be able to meet and pay its debts as and when they arise in the normal course of business.
- 13 The Applicant Company has obtained the approval to the Scheme, in terms of Clause 24(f) of the Listing Agreement, of Bombay Stock Exchange Limited vide its letter dated 25<sup>th</sup> day of November, 2008. The Applicant Company expects to receive the approval of the National Stock Exchange of India Limited before receiving final sanction of the Scheme from the Honourable High Court of Judicature at Bombay.
- 14 The Scheme provides that in the event of the Scheme not being sanctioned by the High Court or any of the said sanctions and approvals not being obtained as provided in the Scheme, the Scheme shall stand revoked, cancelled and be of no effect, save and except any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and / or in connection with the Scheme.
- 15 The Directors of the Applicant Company and RUL, may be deemed to be concerned and / or interested in the Scheme only to the extent of their shareholding in the Companies, or to the extent the said directors are common directors in the Companies, or to the extent the said Directors are the partners, Directors, members of the companies, firms, association of persons, bodies corporate and / or beneficiary of trust that hold shares in any of the companies.
- 16 The details of shareholding of Directors of the Applicant Company in the Applicant Company and RUL as on 30<sup>th</sup> day of September, 2008, is as under:

Sr. No.	Name	Designation	No. of shares held in Applicant Company	No. of shares held in RUL
1.	Mr. Gautam Doshi	Director	Nil	2*
2.	Mr. Amit Khanna	Director	Nil	Nil
3.	Mr. Sujal Shah	Director	Nil	Nil
4.	Mr. Pradeep Shah	Director	Nil	Nil
5.	Mr. Anil Sekhri	Director	Nil	Nil
6.	Mr. Darius Kakalia	Director	Nil	Nil

\*These shares are held as a nominee of the Applicant Company which owns the entire Share Capital of RUL.

- 17 The details of shareholding of Directors of RUL in the Applicant Company, and RUL as on 30<sup>th</sup> day of September, 2008.

Sr. No.	Name	Designation	No. of shares held in Applicant Company	No. of shares held in RUL
1.	Mr. Abhijit Banerjee	Director	20	Nil
2.	Mr. Paresh Rathod	Director	7	Nil
3.	Mr. Ashish Karyekar	Director	Nil	Nil
4.	Mr. Tarun Katial	Director	Nil	Nil

- 18 The Shareholding pattern of the Applicant Company as on 30<sup>th</sup> September, 2008 is as follows:

Particulars	Pre Scheme (as on 30 <sup>th</sup> September, 2008)	
	No. of Shares	As a % of (A+B+C)
<b>(A) Shareholding of Promoter and Promoter Group</b>		
Bodies Corporate	26,655,000	57.79%
<b>Sub Total</b>	<b>26,655,000</b>	<b>57.79%</b>
<b>Total shareholding of Promoter and Promoter Group (A)</b>	<b>26,655,000</b>	<b>57.79%</b>
<b>(B) Public Shareholding</b>		
<b>(1) Institutions</b>		
Mutual Funds / UTI	2,488,040	5.39%
Financial Institutions / Banks	204,810	0.44%
Foreign Institutional Investors	2,640,581	5.73%
<b>Sub Total</b>	<b>5,333,431</b>	<b>11.56%</b>

Particulars	Pre Scheme (as on 30 <sup>th</sup> September, 2008)	
	No. of Shares	As a % of (A+B+C)
Bodies Corporate	3,772,629	8.18%
Individuals		
Individual shareholders holding nominal share capital up to Rs. 1 lakh	6,392,693	13.86%
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2,644,621	5.73%
<b>Any Others (Specify)</b>		
Clearing Members	417,376	0.90%
Market Makers	86,300	0.19%
Non Resident Indians	261,386	0.57%
Hindu Undivided Family	347,771	0.75%
Overseas Corporate Bodies	214,963	0.47%
<b>Sub Total</b>	<b>14,137,739</b>	<b>30.65%</b>
<b>Total Public shareholding (B)</b>	<b>19,471,170</b>	<b>42.21%</b>
<b>Total (A)+(B)</b>	<b>46,126,170</b>	<b>100%</b>
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>	-	-
<b>Total (A)+(B)+(C)</b>	<b>46,126,170</b>	<b>100%</b>

There would be no change in the shareholding pattern of the Applicant Company pursuant to the Scheme as there is no issue of share capital by the Applicant Company.

There would be no change in the capital structure of the Applicant Company pursuant to Scheme as there is no issue of share capital by the Applicant Company.

19 Inspection of the following documents may be had at the Registered Office of the Applicant Company up to one day prior to the date of the meeting between 11 a.m. and 5 p.m. on all working days (except Saturdays):

- Certified copy of the Order dated 19<sup>th</sup> December, 2008 of the High Court of Judicature at Bombay, passed in Company Application No. 1671 of 2008, directing the convening of the meeting of the equity shareholders of the Applicant Company.
- Scheme of Arrangement.
- Memorandum and Articles of Association of the Applicant Company and RUL.
- Audited Statement of Accounts of the Applicant Company for the 3 periods ended on 31<sup>st</sup> March, 2008 (Nine months ended), 30<sup>th</sup> June, 2007 (Fifteen Months ended), 31<sup>st</sup> March, 2006 (Year ended).
- Audited statement of RUL for 3 years ended on 31<sup>st</sup> March, 2008, 31<sup>st</sup> March, 2007 and 31<sup>st</sup> March, 2006 respectively.
- Unaudited Financial Results of the Applicant Company and RUL as on 30<sup>th</sup> September, 2008.
- Share entitlement report issued by M/S Haribhakti MRI Corporate Services Pvt. Ltd.

This statement may be treated as an Explanatory Statement under Section 393 of the Companies Act, 1956. A copy of the Scheme of Arrangement and Explanatory Statement may be obtained from the Registered Office of the Applicant Company and / or at the office of the Advocates for the Applicant Company, M/s Rajesh Shah & Co, 16, Oriental Building, 30, Nagindas Master Road, Flora Fountain, Mumbai -400 001.

Sd/-  
Justice M. H. Kania  
(Former Chief Justice of India)  
Chairman appointed for the meeting

Dated: 19<sup>th</sup> day of December, 2008

**Registered Office:**

Film City Complex,  
Goregaon (East),  
Mumbai 400 065

**Annexure A**

**SUMMARY OF AUDITED BALANCE SHEET OF ADLABS FILMS LIMITED FOR PAST THREE PERIODS**

(Rs. In Lacs)

Particulars	31 <sup>st</sup> March, 2008 (Nine Months Ended)	30 <sup>th</sup> June, 2007 (Fifteen Months Ended)	31 <sup>st</sup> March, 2006 (Year Ended)
<b>Sources of Funds</b>			
Shareholder's funds			
Equity share capital	2,306.30	1,990.04	1,990.04
Reserves and surplus	65,502.10	29,128.58	31,867.76
Loan funds			
Secured	40,294.00	348.12	518.03
Unsecured	51,974.50	57,993.60	45,992.48
Deferred Tax Liability (net)	-	1,286.18	704.07
<b>Total</b>	<b>160,076.90</b>	<b>90,746.52</b>	<b>81,072.38</b>
<b>Application of Funds</b>			
Fixed Assets	83,334.80	33,994.51	30,612.02
Investments	24,419.90	8,165.28	44,240.67
Net Current Assets	52,322.20	48,586.73	6,219.69
Miscellaneous Expenditure	-	-	-
<b>Total</b>	<b>160,076.90</b>	<b>90,746.52</b>	<b>81,072.38</b>

**SUMMARY OF AUDITED PROFIT & LOSS ACCOUNTS OF ADLABS FILMS LIMITED  
FOR PAST THREE PERIODS**

(Rs. In Lacs)

Particulars	31 <sup>st</sup> March, 2008 (Nine Months Ended)	30 <sup>th</sup> June, 2007 (Fifteen Months Ended)	31 <sup>st</sup> March, 2006 (Year Ended)
<b>INCOME</b>			
Sales & Other Income	32,420.70	39,623.90	11,045.32
<b>Total</b>	<b>32,420.70</b>	<b>39,623.90</b>	<b>11,045.32</b>
<b>EXPENDITURE</b>			
Operating & Other Expenses	16,711.00	19,467.90	6,205.28
Interest	1,329.00	441.70	88.73
Depreciation	10,341.60	9,298.70	887.76
<b>Total</b>	<b>28,381.60</b>	<b>29,208.30</b>	<b>7,181.77</b>
<b>Profit Before Tax</b>	<b>4,039.10</b>	<b>10,415.60</b>	<b>3,863.55</b>
Less: Provision for Taxation			
- Current	375.00	1,242.60	1,300.00
- MAT Credit	(1,502.00)	-	-
- Fringe Benefit Tax	71.50	47.70	11.70
- Deferred	621.40	582.10	(78.73)
- (Excess) / Short provision for earlier years	(117.30)	9.70	-
- (Loss) after tax for the period from 1 <sup>st</sup> April, 2005 to 31 <sup>st</sup> March, 2006 incorporated pursuant to Scheme of amalgamation and arrangement	-	-	-
Profit after Tax	4,590.50	8,338.30	2,630.58
Balance brought forward from the previous year	8,794.80	2,474.58	1,129.11
Transfer to General Reserve	11,500.00	854.00	264.00
Proposed Dividend	1,153.20	995.00	895.52
Tax on Proposed Dividend	196.00	169.08	125.59
<b>Balance carried to Balance Sheet</b>	<b>536.10</b>	<b>8,794.80</b>	<b>2,474.58</b>

**Annexure B**

**SUMMARY OF AUDITED BALANCE SHEET OF RELIANCE UNICOM LIMITED FOR PAST THREE YEARS**

(Rs. In Lacs)

<b>Particulars</b>	<b>31<sup>st</sup> March, 2008</b>	<b>31<sup>st</sup> March, 2007</b>	<b>31<sup>st</sup> March, 2006</b>
<b>Sources of Funds</b>			
Shareholder's funds			
Equity share capital	105.50	5.00	5.00
Share Application Money	-	1,005.00	1,005.00
Reserves and surplus	985.07	-	-
Loan funds			
Unsecured	2,348.95	6,000.00	-
Deferred Tax Liability (net)	0.16	-	-
<b>Total</b>	<b>3,439.68</b>	<b>7,010.00</b>	<b>1,010.00</b>
<b>Application of Funds</b>			
Fixed Assets	0.88	-	-
Net Current Assets	3,438.80	7,001.52	1,009.83
Profit and Loss account	-	8.48	0.17
<b>Total</b>	<b>3,439.68</b>	<b>7,010.00</b>	<b>1,010.00</b>

**SUMMARY OF AUDITED PROFIT & LOSS ACCOUNTS OF RELIANCE UNICOM LIMITED  
FOR PAST THREE YEARS**

(Rs. In Lacs)

<b>Particulars</b>	<b>31<sup>st</sup> March, 2008</b>	<b>31<sup>st</sup> March, 2007</b>	<b>31<sup>st</sup> March, 2006</b>
<b>INCOME</b>			
Interest			
From Banks	192.54	41.87	-
From Others	233.79	148.57	-
<b>Total</b>	<b>426.33</b>	<b>190.44</b>	<b>-</b>
<b>EXPENDITURE</b>			
Operating & Other Expenses	6.09	99.51	0.17
Interest	284.24	99.24	-
Depreciation	0.16	-	-
<b>Total</b>	<b>290.49</b>	<b>198.75</b>	<b>0.17</b>
<b>Profit Before Tax</b>	<b>135.84</b>	<b>(8.31)</b>	<b>(0.17)</b>
Less: Provision for Taxation			
- Current	46.62	-	-
- Deferred	0.16	-	-
<b>Profit after Tax</b>	<b>89.06</b>	<b>(8.31)</b>	<b>(0.17)</b>
Balance brought forward from the previous year	(8.48)	(0.17)	-
<b>Balance carried to Balance Sheet</b>	<b>80.58</b>	<b>(8.48)</b>	<b>(0.17)</b>

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY APPLICATION NO.1671 OF 2008**

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 read with Sections 78 and 100 to 103 of the Companies Act, 1956;

AND

In the matter of Scheme of Arrangement between Adlabs Films Limited ('the Demerged Company')

AND

Reliance Unicom Limited ('the Resulting Company' )

AND

their respective shareholders and creditors

ADLABS FILMS LIMITED, a company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at Film City Complex, Goregaon (East), Mumbai 400 065



.....Applicant Company

**FORM OF PROXY**

I/We the undersigned, being the equity shareholder(s) of Adlabs Films Limited, the Applicant Company do hereby appoint \_\_\_\_\_ of \_\_\_\_\_ and failing him / her \_\_\_\_\_ of \_\_\_\_\_ as my / our proxy to act for me/ us at the meeting of the equity shareholders of the Applicant Company to be held at Rangsharda Natyamandir, K. C. Marg, Bandra Reclamation, Bandra (West), Mumbai – 400 050, on Thursday, 22<sup>nd</sup> day of January, 2009 at 11 a.m. for the purpose of considering and, if thought fit, approving, with or without modification, the arrangement embodied in the proposed Scheme of Arrangement between Adlabs Films Limited and Reliance Unicom Limited and their respective shareholders and creditors at such meeting, and at any adjournment or adjournments thereof, to vote, for me/us and in my/our name(s) \_\_\_\_\_ (here, if for, insert 'for', if against, insert 'against', and in the latter case strike out the words "either with or without modifications" after the word "Arrangement") the said arrangement embodied in the Scheme of Arrangement either with or without modification(s) \* as my/our proxy may approve.

\* strike out what is not necessary

Dated this \_\_\_\_ day of \_\_\_\_\_ 2009

Name: \_\_\_\_\_

Address: \_\_\_\_\_

(For Demat holding)

DP Id. \_\_\_\_\_ Client Id. \_\_\_\_\_

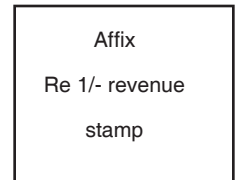
(For Physical holding)

Folio No. \_\_\_\_\_ No. of Shares held : \_\_\_\_\_

Signature of Shareholder(s) : Sole holder / First holder \_\_\_\_\_

Second holder \_\_\_\_\_

Third holder \_\_\_\_\_



Signature across the stamp

**NOTES:**

1. Proxy need not be a member.
2. Alterations, if any, made in the Form of Proxy should be initialed.
3. Proxy must be deposited at the Registered Office of the Applicant Company, not later than FORTY EIGHT hours before the time scheduled/ fixed for the said meeting.
4. In case of multiple proxies, the proxy later in time shall be accepted.

## ATTENDANCE SLIP

### ADLABS FILMS LIMITED

Registered Office: Film City Complex, Goregaon (East), Mumbai 400 065

**PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.**

Joint shareholders may obtain additional Attendance Slip at the venue of the meeting.

DP. Id\* \_\_\_\_\_ Folio No. \_\_\_\_\_

Client Id\* \_\_\_\_\_ No. of Share(s) held \_\_\_\_\_

**NAME AND ADDRESS OF THE EQUITY SHAREHOLDER (in block letters):**

\_\_\_\_\_  
\_\_\_\_\_

**NAME AND ADDRESS OF THE PROXY HOLDER**

(in block letters, to be filled in by the proxy attending instead of the equity shareholder):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I hereby record my presence at the meeting, convened pursuant to the Order dated 19<sup>th</sup> December, 2008 of the Hon'ble High Court of Judicature at Bombay of the equity shareholders of the Company at Rangsharda Natyamandir, K. C. Marg, Bandra Reclamation, Bandra (West), Mumbai - 400 050 on Thursday, 22<sup>nd</sup> January, 2009 at 11.00 a.m.

Signature of the equity shareholder or proxy:

\_\_\_\_\_

\*Applicable for shareholders holding shares in dematerialized form.

**Notes:**

1. Shareholders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after fixing their signature on it.
2. Shareholders who come to attend the meeting are requested to bring with them copy of the Scheme of Arrangement.