

# FILMCITY MEDIA LIMITED

Regd. Office : Filmcity House, 307 Raut Lane, Opposite ISKCON, Juhu, Mumbai - 400049

## NOTICE

NOTICE is hereby given that the Extra Ordinary General Meeting of the Members of Filmcity Media Limited will be held at Registered Office of the Company at Filmcity House, 307 Raut Lane, Opposite ISKCON, Juhu, Mumbai - 400049 on 15th January, 2007 at 3.30 p.m. to transact following business:

## SPECIAL BUSINESS

1. To consider and if thought fit, to pass with or without modifications the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT subject to the provisions of section 198, 269,309 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII to the Companies Act, 1956, consent of the members be and is hereby accorded to the appointment of Mr.Surendra Gupta, as Managing Director of the Company for a period of **five** years with effect from 1<sup>st</sup> January, 2007 to 31<sup>st</sup> December, 2011 on the following terms and conditions:

- (a) **Basic Salary** :- Rs. 20,000/- per month with annual increment of Rs. 5000/- per month.
- (b) **Perquisites** :- Mr.Surendra Gupta, Managing Director shall also be eligible to such allowances and perquisites as may be paid or allowable to other senior executives of the Company and in addition to that be paid leave encashment, car with driver, Telephone at Home, mobile, Annuity or gratuity, Insurance ,General Insurance, Life Insurance, including Key man policy.

RESOLVED FURTHER THAT the remuneration payable to the appointee, in the event of absence or inadequacy of profit, be paid within the permissible under, and in accordance with, the provisions of section 198 of the Companies Act, 1956, read with the provisions section II of Part II of Schedule XIII thereto.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter and vary any or all of the terms and conditions as approved vide this resolution as may be deemed fit or expedient or proper from time to time which may have the effect of increasing the remuneration or perquisites or benefits and for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper in the best interest of the Company.

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

“RESOLVED THAT pursuant to Section 293(1)(d) of the Companies Act, 1956 and all other enabling provisions, if any, the approval of the members, be and is hereby accorded to the Board of Directors of the Company (herein after referred to as “the Board or any Committee of the Board”) for borrowing from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s Bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Company shall not at any time exceed the limit of **Rs. 50 Crore (Rupees Fifty Crore Only)** plus paid up Capital and free reserves.”

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

“RESOLVED THAT -

pursuant to section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), and in accordance with the provisions of Articles of Association of the Company, the provisions of the Listing Agreement entered into between the Company and the Bombay Stock Exchanges, the Guidelines and Regulations issued by the Securities and Exchange Board of India (the “SEBI”) as amended from time to time, such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed in granting such approvals, permissions and sanctions which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which

term shall be deemed to include any committee thereof for the time being exercising the powers conferred by the Board) the consent of the members be and is hereby accorded to the Board to offer, issue and allot **30,60,000 Equity Shares** of the Company to promoters namely.

Sr. No	Name of Promoters	No. of Equity shares
1	Mr. Surendra Gupta	3,00,000
2	Mrs. Renu S. Gupta	3,00,000
3	Filmcity Communications Technologies Limited	24,60,000
	<b>Sub Total (A)</b>	<b>30,60,000</b>

having a face value of Re. 1/- each at a price of Re. 1/- each (Rupee One Only) per equity share being not less than price calculated as per DIP Guideline 13.1.1. as stated below :

- a) The average of weekly high and low of the closing prices of the related shares quoted on the Stock exchange during the six month preceding the relevant date; or
- b) The average of weekly high and low of the closing prices of the related shares quoted on the stock exchange during the two weeks preceding the relevant date on the following terms and conditions;
  - (i) The issued equity shares shall be subject to Memorandum and Articles of Association of the Company;
  - (ii) The issued equity shares shall rank pari passu in all respects with the existing equity shares of the company; and
  - (iii) The "Relevant Date" for the preferential issue, as per the SEBI (Disclosure & Investor Protection) Guidelines, 2000, as amended up to date, for the determination of the applicable price for the issue of the abovementioned equity shares is 16<sup>th</sup> December, 2006, being the date 30 days prior to the date of passing of this Resolution."

**RESOLVED FURTHER THAT the Equity shares issued to the promoters will bear a lock – in period of 36 months from the date of allotment shares.**

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board is hereby authorised to do all such acts, deeds, matters and things and resolve any doubts or questions that may arise in the issue and allotment of fresh Equity Shares, to effect any modification to the foregoing (including any modification to the terms of the issue) in the best interests of the Company and its shareholders and to execute all such writings and instrument as the Board may in its absolute discretion deem necessary or desirable.

**RESOLVED FURTHER THAT the Board is hereby authorised to accept such terms and conditions as the SEBI and/ or Stock Exchange may stipulate in that behalf.**

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the power conferred on its by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution.

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

"RESOLVED THAT -

pursuant to section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), and in accordance with the provisions of Articles of Association of the Company, the provisions of the Listing Agreement entered into between the Company and the Bombay Stock Exchanges, the Guidelines and Regulations issued by the Securities and Exchange Board of India (the "SEBI") as amended from time to time, such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed in granting such approvals, permissions and sanctions which may be agreed by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof for the time being exercising the powers

conferred by the Board) the consent of the members be and is hereby accorded to the Board to offer, issue and allot 25903000 warrants of the Company to promoters and Non-Promoters of the Company namely entitling holder thereof to exchange one equity share against one warrant .

**TABLE “A”**

Sr. No	Name of Promoters	No. of warrants
1	Mr. Surendra Gupta	9,59,277
2	Mrs. Renu S. Gupta	9,03,723
3	Filmcity Communication Technologies Limited	25,40,000
<b>TOTAL “A”-→</b>		<b>44,03,000</b>

**“TABLE B”**

Sr. No	Name of Non - Promoters	No. of warrants
1	Mr. Shatrughana Singh	75,00,000
2	Mr. Arvind Agarwal	25,00,000
3	Mr. Vinay Agarwal	25,00,000
4	Mr. Pawan Kumar Mishra	30,00,000
5	Mrs. Kiran Jha	30,00,000
6	Mr. Hemant Verma	30,00,000
<b>TOTAL “B”→</b>		<b>2,15,00,000</b>
<b>TOTAL “A” + “B”</b>		<b>2,59,03,000</b>

having a face value of Re. 1/- each at a price of Re. 1/- each (Rupee One Only) per warrant or price calculated as per DIP Guideline 13.1.1. as stated below and 10% shall be payable before the allotment of warrants and balance on or before 18 months from the date of allotment or else money received for the allotment of the warrants shall be forfeited to the company :

- c) The average of weekly high and low of the closing prices of the related shares quoted on the Stock exchange during the six month preceding the relevant date; or
  - d) The average of weekly high and low of the closing prices of the related shares quoted on the stock exchange during the two weeks preceding the relevant date on the following terms and conditions;
- (i) The Warrants shall be converted within 18 months from the date of allotment. The equity shares so issued on conversion shall be subject to Memorandum and Articles of Association of the Company;
  - (ii) The issued equity shares on conversion shall rank pari passu in all respects with the existing equity shares of the company; and
  - (iii) The “Relevant Date” for the preferential issue, as per the SEBI (Disclosure & Investor Protection) Guidelines, 2000, as amended up to date, for the determination of the applicable price for the issue of the abovementioned equity shares is 16<sup>th</sup> December, 2006, being the date 30 days prior to the date of passing of this Resolution.”

**RESOLVED FURTHER THAT the warrants so issued to promoters will bear a lock – in period of 36 months and the non promoters will bear a lock – in period of 12 months from the date of allotment warrants respectively.**

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board is hereby authorised to do all such acts, deeds, matters and things and resolve any doubts or questions that may arise in the issue and allotment of fresh Equity Shares, to effect any modification to the foregoing (including any modification to the terms of the issue) in the best interests of the Company and its shareholders and to execute all such writings and instrument as the Board may in its absolute discretion deem necessary or desirable.

**RESOLVED FURTHER THAT the Board is hereby authorised to accept such terms and conditions as the SEBI and/ or Stock Exchange may stipulate in that behalf.**

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the power conferred on its by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution.

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**Mr.Surendra Gupta**  
**(Chairman)**

**Place** :- Filmcity House, 307 Raut Lane,  
Opposite ISKCON, Juhu,  
Mumbai - 400049

**Date** :- 18.12.2006

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**NOTES**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself, and proxy so appointed need not be a member of the company. In order to be effective, proxy form must be lodged with the company not less than 48 hours before the commencement of the meeting.
2. The Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of special business as set out above is annexed hereto.
3. Members are requested to bring their copy of notice will not be distributed at the meeting.
4. Members/proxies are requested to produce the Attendance Slip at the entrance Hall.

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**Mr.Surendra Gupta**  
**(Chairman)**

**Place** :- Filmcity House, 307 Raut Lane,  
Opposite ISKCON, Juhu,  
Mumbai - 400049

**Date** :- 18.12.2006

## ANNEXTURE TO THE NOTICE

### EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT 1956.

#### Item No.1

Mr. Surendra Gupta is proposed to be appointed as a Managing Director for the period of five years with effect from 1<sup>st</sup> January, 2007 to 31<sup>st</sup> December, 2011 on the terms and conditions stated in the resolution. Mr. Surendra Gupta, has contributed towards the growth of company's business since inception, and is able to run the affairs of the Company, and was able to manage legal and finance, administration.

His services to the Company are very essential and therefore the Board recommends to pass this resolution as an ordinary resolution.

This may be treated as an abstract under section 302 of the Companies Act, 1956

None of the Directors of the Company, except Mr. Surendra Gupta and Ms. Ruchika Gupta, being directors are interested and concerned in this resolution.

#### Item No. 2

In View of project in hand and future requirements of the Company, it becomes necessary to borrow funds. Under Section 293(1) (d) of the Companies Act, 1956, inter alia provides that Board of Directors of the Company shall not without consent of the members of the Company in general meeting, borrow in excess of the paid up Capital and its free reserve/s unless authorised by Members, hence the resolution under is proposed for approval.

None of the Directors are concerned or interested in this resolution.

#### Item No. 3 & 4

- (i) In view of the project in hand for setting up 24 hours health based Satellite Channel and to meet the working capital requirements, it has proposed to raise fund through preferential allotment of shares and warrants to the promoters and non promoters.

The Company is considering to issue and allot 30,60,000 equity shares to Mr. Surendra Gupta and others who are person acting in concert (PAC), and the warrants to Promoters upto **44,03,000** and to the Non Promoters, upto **2,15,00,000 warrants**. Each warrant would provide the holder the option to exchange one Equity Shares for every warrant (aggregating to up to **2,59,03,000** warrants) at a price of Re. 1/- each (Rupee One Only) per equity share/warrant being price not less than calculated as per the prescribed SEBI guideline herein before. The Shares so issued shall rank Paripassu in all respect including right to Dividend.

The Equity shares issued to the Promoters would bear a lock-in period of 36 months. The warrants will have a currency of 18 months from the date of allotment to promoters would bear a lock – in period of 36 months and the Non –Promoters, which would bear a lock-in period of 12 months from date of allotment of warrants. Pursuant to the SEBI (Disclosure and Investor Protection )Guidelines, 2000 (“**the SEBI DIP Guidelines**”) The “relevant date” for the purpose of calculating the price of the Equity Share being allotted pursuant to this resolution (including the Equity shares to be issued on conversion of the warrants) is 16<sup>th</sup> December, 2006 , being the date 30 days prior to the date of passing of this Resolution.

The proposed preferential allotment shall not result in any change in the Management/Control, and that the existing promoters will remain in management and control.

- (ii) **There is Intention of Promoters, Directors and Key Managerial Personnel to subscribe.**

**(iii) The consequential change in shareholding pattern will be as follows:**

	Existing shareholding		Post Issue of Equity shares		Post Conversion of warrants	
	No. of shares	%	No. of shares	%	No. of shares	%
Mr. Surendra Gupta	49000	0.10	349000	0.64	1308277	1.64
Mrs. Renu S. Gupta	0	0	300000	0.55	1203723	1.50
Filmcity Communications Technologies Limited	0	0	2460000	4.55	50,00,000	6.25
Mr. Shatrughana Singh	2000	0.003	0	0	75,02,000	9.38
Mr. Arvind Agarwal	0	0	0	0	25,00,000	3.12
Mr. Vinay Agarwal	0	0	0	0	25,00,000	3.12
Mr. Pawan Kumar Mishra	0	0	0	0	30,00,000	3.75
Mrs. Kiran Jha	0	0	0	0	30,00,000	3.75
Mr. Hemant Verma	0	0	0	0	30,00,000	3.75
Public Holding	50986000	99.897	50988000	94.23	5,09,86,000	63.74
<b>Total</b>	<b>51037000</b>	<b>100.00</b>	<b>54097000</b>	<b>100.00</b>	<b>8,00,00,000</b>	<b>100</b>

**(iv) Proposed time within which the allotment will be completed:**

The allotment of the Equity Shares and Warrants are expected to be completed within 15 days of the date of passing of the above resolution. Provided that where the allotment is pending on account of pendency of any approval for such allotment by any Regulatory authority such as getting in principle approval of the Stock Exchange or any Central Government, the allotment is expected to be completed within 15 days from the date of such approval.

**(v) The identities of the proposed allottees and the percentage of the post preferential issue capital that may be held by it:**

The details of the proposed allottee and the percentages of the post preferential issue capital is a mentioned herein above under item No. (iii) of Disclosures pursuant to the SEBI DIP Guidelines. The allottees for warrants are known to Promoters as business friends.

A copy of the certificate of statutory Auditors of the Company certifying that the issue of Equity shares and warrants is being made in accordance with the requirements of SEBI's Guidelines for Preferential Issues as contained in the SEBI DIP Guidelines shall be placed before the shareholders at the Meeting of Extra Ordinary General Meeting.

Issuance of shares on preferential basis is governed, inter alia, by the provisions of Section 81(1A) of the Companies Act, 1956 and the relevant provisions of the SEBI DIP Guidelines.

As per section 81(1A) of the Companies Act, 1956 and SEBI Guidelines approval of the members of the Company by way of Special Resolutions are required to be obtained for issuance of Equity shares and warrants into Equity Shares on preferential allotments basis.

The Board of Directors believes that the proposed offer will be in the best interest of the Company and its members. The Board of Directors recommends the Special Resolutions for your approval.

None of the Directors of the Company, except Mr. Surendra Gupta and Ms. Ruchika Gupta are concerned or interested in these resolutions.

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**Mr. Surendra Gupta**  
(Chairman)

**Place** :- Filmcity House, 307 Raut Lane,  
Opposite ISKCON, Juhu,  
Mumbai - 400049

**Date** :- 18.12.2006

# FILMCITY MEDIA LIMITED

Regd. Office : Filmcity House, 307 Raut Lane, Opposite ISKCON, Juhu, Mumbai - 400049

## ATTENDANCE SLIP

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

Joint shareholder may obtain additional slip on request.

D.P. Id*		Folio No.	
Client Id*		No. of Share/(s) held	
NAME OF THE SHAREHOLDER:		NAME OF THE PROXY:	

I hereby record my presence at EXTRA ORDINARY GENERAL MEETING of the Company held at Filmcity House, 307 Raut Lane, Opposite ISKCON, Juhu, Mumbai – 400049 on 15th January, 2007 at 11.30 a.m.

SIGNATURE OF THE ATTENDING MEMBER/PROXY

\* Applicable for investors holding shares in electronic form.

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# FILMCITY MEDIA LIMITED

Regd. Office : Filmcity House, 307 Raut Lane, Opposite ISKCON, Juhu, Mumbai - 400049

## PROXY FORM

D.P. Id*		Folio No.	
Client Id*		No. of Share/(s) held	

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a Member/Members of the above-named company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our Proxy to attend and vote for me/us and on my/our behalf at the EXTRA ORDINARY GENERAL MEETING of the Company held at Filmcity House, 307 Raut Lane, Opposite ISKCON, Juhu, Mumbai – 400049. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2006

Affix  
15 Paise  
Revenue  
Stamp

\*Applicable for investors holding shares in electronic form.

NOTE :The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than FORTYEIGHT HOURS before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.

**BOOK - POST**

*If undelivered, please return to :*

**FILMCITY MEDIA LIMITED**

Filmcity House, 307 Raut Lane,  
Opposite ISKCON, Juhu,  
Mumbai - 400049

**Phone** : + 91-22-2671 3919

**Fax** : + 91-22-2623 5205