

NETWORK18 MEDIA & INVESTMENTS LIMITED

Registered Office: 503,504 & 507, 5th Floor, Mercantile House, 15 Kasturba Gandhi Marg, New Delhi- 110 001

Corporate Office: Express Trade Tower, Plot No. 15 & 16, Sector 16 A, Noida-201301

NOTICE is hereby given that an Extra-Ordinary General Meeting of the Members of Network18 Media and Investments Limited will be held on Friday, the 3rd day of June, 2011 at 11.30 A.M. at M.P.C.U Shah Auditorium, Mahatma Gandhi Sanskrit Kendra, 2, Raj Nivas Marg, Shree Gujarati Samaj Marg, Delhi-110 054 to transact the following business :

Item 1

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

"RESOLVED THAT in accordance with (i) the provisions of Section 81(1A), 292 and 293 (1)(d) and other applicable provisions of the Companies Act, 1956 as also any other applicable law or laws (including any statutory modification(s) or re-enactments thereof for the time being in force), (ii) the Memorandum and Articles of Association of the Company, (iii) the Listing Agreement(s) entered into by the Company with Stock Exchange(s) where the shares of the Company are currently listed, (iv) Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI (ICDR) Regulations"), and other applicable regulations/guidelines framed by the Government of India, and subject to requisite approvals, consents, permissions and/or sanctions from regulatory and all other authorities as may be required, and subject to such terms and conditions, alterations and modifications as may be considered appropriate, and agreed to, by the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any duly authorised Committee which the Board may constitute to exercise its powers or any person authorized by the Board, including the powers conferred by this Resolution), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot on a preferential basis:

a) 18,691,585 10% Secured Optionally Fully Convertible Debentures ("SOFCDs") of a par value of Rs. 160.50 per SOFCD, each convertible into 1 (One) fully paid up equity share of face value Rs. 5 each at a price of Rs. 160.50 per equity share (including premium of Rs. 155.50 per equity share) or such other price calculated as per SEBI (ICDR) Regulations, for an aggregate consideration of Rs. 2,999,999,393 (Rupees Two Hundred Ninety Nine Crores Ninety Nine Lakhs Ninety Nine Thousand Three Hundred and Ninety Three only);

(b) Fully paid up equity shares arising from the conversion of the SOFCDs; to below mentioned entities (the "Allottee(s)") being a part of the Promoter Group, in accordance with the SEBI (ICDR) Regulations and that the Board be and is hereby authorized to finalise all matters incidental thereto as it may in its absolute discretion think fit, in accordance with all applicable laws, rules and regulations for the time being in force in that behalf:

Name of the proposed Allottees	No. of SOFCDs	Aggregate Amount Rs.*
RB Media Holdings Private Limited	3,115,264	499,999,872
Watermark Infotech Private Limited	3,115,264	499,999,872
Adventure Marketing Private Limited	3,115,264	499,999,872
Colorful Media Private Limited	3,115,264	499,999,872
RB Holdings Private Limited	6,230,529	999,999,905

*rounded off to nearest rupee

RESOLVED FURTHER THAT

(a) the 'Relevant Date' under the SEBI (ICDR) Regulations in relation to the offer and issue of SOFCDs, for the purpose of determining the issue price shall be May 4, 2011 (being the 30th day prior to the date on which the Extra Ordinary General Meeting of the Members of the Company is to be held, in terms of Section 81(1A) of the Companies Act, 1956 to consider the proposed issue);

(b) for the allotment of the SOFCDs, the Allottee(s) shall be required and liable to pay Rs. 160.50 (Rupees One Hundred Sixty and Paise Fifty only) per SOFCD, aggregating to Rs. 2,999,999,393 (Rupees Two Hundred Ninety Nine Crores Ninety Nine Lakhs Ninety Nine Thousand Three Hundred and Ninety Three only); for 18,691,585 SOFCDs;

(c) the SOFCDs shall be subject to the following terms and conditions:

1. Each SOFCD shall have a face value of Rs 160.50 and tenure of 18 months from the date of issuance of the SOFCDs ("SOFCD Conversion Period") and shall be convertible into 1 fully paid up equity share of Network18 Media and Investments Limited.

2. Conversion Option:

a) Conversion Option: Any time prior to the expiry of the Conversion Period, the Allottee(s) shall have the right but not the obligation to exercise the conversion option ("SOFCD Conversion Option") in relation to some or all of the SOFCDs. SOFCDs conversion into equity shares will be subject to compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

b) Conversion Option Shares: In order to exercise its SOFCD Conversion Option, the Allottee(s) shall give a written notice (the "SOFCD Conversion Option Notice") to the Company, which written notice shall state the number of SOFCDs held by the Allottee(s), which it proposes to convert into equity shares of the Company. Within 2 business days of the issuance of the SOFCD Conversion Option Notice, the Company shall allot to the Allottee(s) such number of

equity shares of the Company that is equal to the number of SOFCDs proposed to be converted, subject to (3) below, ("Conversion Shares") and thereafter credit the Conversion Shares in a dematerialized share account of the Allottee(s).

c) Title to Conversion Shares: The Conversion Shares shall be (i) duly authorized, validly issued, fully paid and non-assessable; (ii) free and clear of any encumbrances and free of any restrictions on transfer; and (iii) shall rank *pari passu* with the other equity shares of the Company; and the Company shall so represent and warrant. Any stamp duty or fees payable on the issuance of such Conversion Shares shall be borne by the Company.

3. Number of Equity Shares - The number of equity shares of the Company to be allotted to the Allottee(s) on conversion of an SOFCD shall be adjusted for events such as any share split, sub-division or consolidation, bonus issue, stock dividend, rights issue, buyback, recapitalization, restructuring or recombination affecting equity securities of the Company and any other transaction having the effect of any of the foregoing in relation to the Company.

4. Interest - Interest shall be payable at the rate of 10% p.a. on the SOFCDs on quarterly basis till the time of conversion.

5. Redemption

a) Any SOFCDs which remain unconverted on 1 day prior to the expiry of the SOFCD Conversion Period shall be automatically redeemed by the Company at the par value of Rs 160.50 + outstanding interest thereon.

b) For the purposes of this clause outstanding interest means any unpaid interest calculated from the date of issue of the SOFCDs up to and including the date of redemption of the SOFCDs.

c) the equity shares issued and allotted as a result of conversion of the SOFCDs shall rank *pari-passu* with the then existing equity shares of the Company in all respects and be listed on the stock exchanges where the equity shares of the Company are listed.

RESOLVED FURTHER THAT for the purpose of giving effect to the issue and allotment of SOFCDs, including that of equity shares arising from conversion of SOFCDs, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable for such purpose and with power on behalf of the Company to agree, make, accept all such term(s), condition(s), as it may deem fit including condition(s), modification(s) and alteration(s) stipulated or required by any relevant authority or by their bye-laws, rules, regulations or guidelines and the Board is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise in regard to such offer, issue and allotment of the SOFCDs (and equity shares arising there from), including utilization of the issue proceeds, to finalise and execute all agreement(s), document(s) and writing(s) and to do all acts, deeds and things in this connection and incidental as the Board may in its absolute discretion deem fit without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have given approval thereto expressly under the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred on it through this resolution to a Committee of Directors of the Company, to any director or directors, or to any other officer or officers of the Company to give effect to the aforesaid Resolutions."

By Order of the Board
For Network18 Media & Investments Limited

Sd/-

Shilpa Verma

Manager-Corporate Affairs
& Company Secretary

Place : Noida

Date : May 6, 2011

NOTES:

1. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the business to be transacted is annexed.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE EXTRA-ORDINARY GENERAL MEETING.

3. Corporate Members are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Meeting.

4. Queries, if any, in regard to the business mentioned in the notice convening the meeting may kindly be sent at the registered office of the Company at least 7 days prior to the date of the meeting.

5. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.

6. All documents referred in the notice convening this meeting and the explanatory statement attached thereto are open for inspection at the registered office of the Company between 11.00 a.m. and 1.00 p.m. on any working day up to the date of the Extra-ordinary General Meeting.

Explanatory Statement under Section 173(2) of the Companies Act, 1956

Item No. 1

The Company is pursuing growth opportunities and expanding its business and to augment the long term resources for the working capital of the Company, your Board, at its meeting held on May 6, 2011, has proposed, subject to approval by the Company in General Meeting pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 and requisite statutory approvals, to offer for subscription by way of preferential allotment following securities/ instruments:

- 18,691,585 10% Secured Optionally Fully Convertible Debentures ("SOFCDs") of a par value of Rs. 160.50 per SOFCD, each convertible into 1 (One) fully paid up equity share of face value of Rs. 5 each at a price of Rs. 160.50 per equity share (including premium of Rs. 155.50 per equity share), or such other price calculated as per SEBI (ICDR) Regulations for an aggregate consideration of Rs. 2,999,999,393 (Rupees Two Hundred Ninety Nine Crores Ninety Nine Lakhs Ninety Nine Thousand Three Hundred and Ninety Three only);

- Fully paid up equity shares arising from the conversion of the SOFCDs;

to the below mentioned Allottee(s), being part of the Promoter Group of the Company, in accordance with the SEBI (ICDR) Regulations.

In conformity with the provisions of Section 81(1A) and Section 173(2) of the Companies Act, 1956 and Chapter VII of the SEBI (ICDR) Regulations, the following Explanatory Statement contains the necessary disclosures, and sets out all material facts relating to the special business mentioned in the accompanying Notice and should be taken as forming part of the Notice.

(a) Object of the offer:

The Company is pursuing growth opportunities in the business of the Company and as a step in that direction, the proceeds from the proposed issue of the SOFCDs will be utilized to augment the long term resources for the working capital of the Company. Further, the proceeds may also be utilized for general corporate purposes.

(b) Intention of the promoters, directors and key management personnel of the Issuer to subscribe to the offer:

The select Promoter Group companies named herein intend to fully subscribe to the offer.

(c) Shareholding pattern before and after the offer:

The information on shareholding pattern before and after the proposed offer (considering shareholding as on April 29, 2011) is given below:

Category	Pre-Allotment of SOFCDs on Preferential Basis		Post Allotment of SOFCDs on Preferential basis		Post Allotment of Equity Shares upon conversion of SOFCDs #	
	Shares	%age	Shares	%age	Shares	%age
Promoters Group	68,535,371	57.64	68,535,371	57.64	68,535,371	49.82
Preferential Allottees (Belonging to Promoter Group)	-	-	-	-	18,691,585*	13.58
Non-Promoter Shareholding	50,360,270	42.36	50,360,270	42.36	50,360,270	36.60
Total	118,895,641	100.00	118,895,641	100.00	137,587,226	100.00

*18,691,585 SOFCDs being allotted to pursuant to this resolution. This excludes 18,181,818 equity shares already held by one of the Allottees i.e. RB Holdings Private Limited.

Will only come into being upon the conversion of all the SOFCDs, at a future date within the 18 months of allotment of SOFCDs.

(d) Proposed time within which the allotment shall be completed:

The Board proposes to allot the SOFCDs within a period of 15 days from the date of grant of approval by the members at this General Meeting or within 15 days from obtaining all relevant statutory, governmental and/or regulatory approvals for the proposed issuance, whichever is later.

(e) Proposed Allottee details:

- Names of the proposed Allottees and their relation, if any, with the existing promoters or persons in control of the Company and the Percentage of post preferential issue capital that may be held by them.

Name of the proposed Allottees	Category	Pre Issue Shareholding		Post Issue Shareholding	
		No. of shares	%age	No. of shares	%age
RB Media Holdings Private Limited	Promoter Group	Nil	Nil	3,115,264	2.26
Watermark Infotech Private Limited	Promoter Group	Nil	Nil	3,115,264	2.26
Adventure Marketing Private Limited	Promoter Group	Nil	Nil	3,115,264	2.26
Colorful Media Private Limited	Promoter Group	Nil	Nil	3,115,264	2.26
RB Holdings Private Limited	Promoter Group	18,181,818	15.29	24,412,347	17.76

- Relationship with the Promoters and persons in control of the Company

All the proposed Allottees are promoter group entities

- Percentage of post preferential issued capital that may be held by them:

Please refer to the Table provided above. Assuming allotment of all the equity shares upon conversion of the SOFCDs, referred to in the resolution, the Allottees will hold 26.80% of the post conversion, post preferential issue share capital of the Company. Till date one of the Allottees i.e. RB Holdings Private Limited holds 18,181,818 equity shares of the Company.

(f) Consequential changes in the control over the Company:

The proposed preferential allotment does not result in any change in the management control of the Company.

(g) Lock-in Period:

The SOFCDs and the resulting equity shares to be allotted on preferential basis shall be subject to lock-in period as per applicable regulations under Chapter VII of SEBI (ICDR) Regulations.

(h) Undertakings:

In terms of SEBI (ICDR) Regulations, 2009 issuer hereby undertakes that :

- it shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.
- if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the Allottee(s).

(i) Equity shares:

The shares to be allotted upon conversion of SOFCDs, shall be subject to the Memorandum and Articles of Association of the Company and the terms of the issue. Such equity shares shall rank *pari-passu* in all respects with, and carry the same rights including dividend as, the then existing equity shares of the Company.

The Board believes that the proposed offer and issue of the SOFCDs to the Allottees will be in the interest of the Company and its members.

Pursuant to the provisions of Section 81(1A) of the Companies Act, 1956, any offer or issue of shares in a company to persons other than the holders of the equity shares of a company requires prior approval of the members in a general meeting by a Special Resolution. Accordingly, the consent of the equity shareholder is being sought, pursuant to the provisions of Section 81(1A) and other applicable provisions of the Act, Chapter VII on Preferential Issues in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, and in terms of the provisions of the Listing Agreements, to issue and allot the SOFCDs as stated in the Special Resolution.

A certificate from M/s. G.S. Ahuja & Associates, the Statutory Auditors of the Company, certifying that the issue of SOFCDs are in accordance with SEBI (ICDR) Regulations for preferential issue as in force till date, is kept open for inspection at the registered office of the Company between 11.00 a.m. and 1.00 p.m. on any working day up to the date of the Extra Ordinary General Meeting.

None of the Directors of the Company are in any way concerned or interested in the Special Resolution, except to the extent of their holding in the Company.

The Board recommends your approval and authorizing the Board to go ahead with the proposed issuance and allotment of the SOFCDs and the equity shares upon conversion of the SOFCDs, by passing the Special Resolution as set out in the Notice.

By Order of the Board
For Network18 Media & Investments Limited

Sd/-

Shilpa Verma

Manager-Corporate Affairs
& Company Secretary

Place : Noida

Date : May 6, 2011

NETWORK18 MEDIA & INVESTMENTS LIMITED

Regd. Off.: 503, 504 & 507, 5th Floor, 'Mercantile House', 15, Kasturba Gandhi Marg, New Delhi 110001, India

ATTENDANCE SLIP

(TO BE SIGNED AND HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

I/We hereby record my/our presence at the EXTRA ORDINARY GENERAL MEETING of the above named Company held on Friday, the 3rd day of June, 2011 at 11.30 A.M. at MPCU Shah Auditorium, Mahatma Gandhi Sanskritik Kendra, 2, Raj Nivas Marg, Shree Gujarati Samaj Marg, Delhi-110 054

NAME(S) OF THE MEMBER(S)	Registered Folio No.
	Client ID No.
	DP ID No.
	No. of shares held

Name of Proxy (in block letters)

(To be filled in, if the Proxy attends instead of the Member)

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Member's/Proxy's Signature

NETWORK18 MEDIA & INVESTMENTS LIMITED

Regd. Off.: 503, 504 & 507, 5th Floor, 'Mercantile House', 15, Kasturba Gandhi Marg, New Delhi 110001, India

PROXY FORM

I/We of being a
Member(s) of NETWORK18 MEDIA & INVESTMENTS LIMITED hereby appoint
of or falling him
of or falling him
of

as my/our Proxy in my/our absence to attend and vote* for me/us and on my/our behalf at the EXTRA ORDINARY GENERAL MEETING of the Company to be held on Friday, the 3rd day of June, 2011 at 11.30 A.M. at MPCU Shah Auditorium, Mahatma Gandhi Sanskritik Kendra, 2, Raj Nivas Marg, Shree Gujarati Samaj Marg, Delhi-110 054

AS WITNESSED under my/our hand(s) this day of 2011

Signed by the said

Regd. Folio No./Client ID No.

DP ID No.

Re. 1
Revenue
Stamp

NOTES :

* only for equity shareholders

1. This Proxy need not be a member
2. The Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.

NETWORK18 MEDIA & INVESTMENTS LIMITED

Regd. Off.: 503, 504 & 507, 5th Floor, Mercantile House, 15, Kasturba Gandhi Marg, New Delhi-110001, India

ATTENDANCE SLIP

(TO BE SIGNED AND HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

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NAME(S) OF THE MEMBER(S)	
Registered Folio No.	
Client ID No.	
DP ID No.	
No. of shares held	

Name of Proxy (in block letters)
(To be filled in, if the Proxy attends instead of the Member)

Member's/Proxy's Signature

NETWORK18 MEDIA & INVESTMENTS LIMITED

Regd. Off.: 503, 504 & 507, 5th Floor, Mercantile House, 15, Kasturba Gandhi Marg, New Delhi-110001, India

BOOK POST

AS WITNESSED under my/our hands) this day of 2011

as my/our Proxy in my/our absence to attend and vote, for me/us and on my/our behalf at the EXTRA ORDINARY GENERAL MEETING of the Company to be held on Friday, the 3rd day of June, 2011 at 11.30 A.M. at MPCU Shah Auditorium, Mahatma Gandhi Sanshodhik Kendra, S, Raj Nivas Marg, Shree Gujarat Samaj Marg, Delhi-110 054

or failing him of of NETWORK18 MEDIA & INVESTMENTS LIMITED hereby appoint being a

Signed by the said

Regd. Folio No./Client ID No.

DP ID No.

Rs. 1
Revenue
Stamp

If undelivered please return to:

NETWORK18 MEDIA & INVESTMENTS LIMITED

503,504 & 507, 5th Floor, Mercantile House,
15 Kasturba Gandhi Marg, New Delhi-110 001

NOTES :
1. This Proxy need not be a member
2. The Proxy form must be deposited at the Registered Office of the Company holding the meeting
* only for equity shareholders