

VIDYUTANU VIGYAN ANUPRAYOG NIGAM PVT. LTD.

30th April 2022

Instructions for the Chief Executive Officer (CEO) & Counsel

for

Confidential Settlement Conference

in

Vidyutanu Vigyan Anuprayog Nigam Pvt. Ltd. v. Dakshinpanthi Patrakarita Pvt. Ltd. & Ors., et cetera

Legal Opinion

The legal advisors have opined that the law is on VVAN's side. On conducting an in-depth analysis of the broadcasts made over a period of five months starting from the inaugural broadcast on 1st July 2018, a retired High Court Judge came to the following conclusions:

- (a) That the statements made by Adheer Swami were *per se* false on the face of it, and that any reasonable person (and certainly, a journalist) ought to have known that they were false.
- (b) That they were broadcast by Adheer Swami and Gantantra TV recklessly, without necessary due diligence. Both could be acted against.
- (c) That the nature and content of the statements was highly likely to be adjudicated as defamatory under civil and criminal defamation standards.
- (d) That the shield of freedom of the press and the defence of fair reporting of newsworthy facts would likely fail.
- (e) That its three founders could succeed in a civil suit as well as criminal complaint.

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- (f) That VVAN would likely succeed in their civil suit, and secure compensatory as well as punitive damages.
- (g) That VVAN had the avenue to pursue criminal defamation charges under Section 500 of the Indian Penal Code, wherein it would likely succeed.

[Both sides are privy to these conclusions of the retired High Court Judge.]

Legal Considerations

You should adopt and refer to the relevant constitutional and legal arguments to advance your interests during the negotiation. You should take the support of any relevant judicial decisions to make your case during the negotiation.

You should adopt and refer to all relevant facts to establish the falsity of Adheer Swami's claims aired on Gantantra TV.

VVAN had already filed a civil suit for Rs. 1,000 crore in the Delhi High Court. The witness testimony of the Producer of Gantantra TV two days ago further cemented our case. She stated, in response to various questions by our lawyers:

"Yes, Adheer Swami was aware we had not and could not prove the allegations we were making. ...

Yes, there were discussions on whether to bring on a skeptical voice during the show, but Adheer said that it would infuriate our viewers, and cost us subscribers. ...

No, Adheer Swami did not really believe the conspiracy theory. But he said those that believed it were not bad people, they were honest citizens and patriots who wanted what would be best for the country. ..."

This testimony has significantly strengthened our case, and there is a likelihood that the testimony of other employees and producers will be on the same lines. You should emphasize that, if taken to its conclusion, VVAN would have a strong likelihood of prevailing in its Rs. 1,000 crore suit, though the quantum would be uncertain.

You should leverage the following to press your interests:

- (a) VVAN can still file a criminal complaint, and likely succeed.
- (b) The three founders of VVAN can still file a separate civil suit as well as a criminal complaint, and likely succeed.

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You have the authority to settle the existing claim in Delhi High Court as well as the authority to agree not to press / prosecute (a) and (b) above, subject to legal restrictions.

It has been estimated that pursuing all of these cases to their end (including appeals) would cost upwards of Rs. 50 crore and many years of productive time.

While not directly applicable, the recent blockbuster settlement recently received by Dominion Election Systems Inc. from Fox News in a similar case in the United States has given even more cause for hope.

Other Considerations & Interests

The interest of the public and the buzz surrounding the Q-India conspiracy theory has dried up over the last few years, as have the attacks by Gantantra TV against VVAN and its founders and employees. The successful conduct of successive elections over the last four years has played a key role in this.

While there are still a number of people who are adherents of the conspiracy theory, it has lost its place in public imagination and consciousness. VVAN enjoys a relatively positive brand image at this stage. Pursuing various legal cases and relitigating the issue in the public sphere would be extremely detrimental to the same. Our guess is that a similar consideration probably operates on the other side as well.

There are two concrete time-sensitive reasons why a settlement at this meeting is essential:

- (a) There is an existing call for tender bids (worth Rs. 100 crore) by the Ministry of Defence for a specialized radar component that VVAN manufactures. We have been advised that while there is pending litigation against Dakshinpanthi Patrakarita Pvt. Ltd., we will not be considered for selection for the same.
- (b) VVAN is currently developing a novel navigational chip for use in hypersonic missiles which it hopes to be able to sell to the Government of India. To complete development of the same, VVAN needs two capital infusions of Rs. 250 crore each by 31st September 2023 and 31st December 2023 respectively to maintain the competitive edge and to ensure it completed the prototype before its competitors.

This, therefore, is the minimum viable settlement amount.

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Quantum of Damages

When VVAN had filed a defamation suit for Rs. 1,000 crore, its enumerated components included (in order of magnitude):

decreased enterprise value / goodwill / brand image
Rs. 500 crore,
lost revenue from contracts missed
Rs. 280 crore,
punitive damages
Rs. 200 crore,
security expenses to protect the founders and employees
Rs. 20 crore.

You may, of course, seek a settlement amount higher than the one previously claimed, subject to the above enumerated minimum amount of Rs. 500 crore (required for the capital infusions). You may work out a suitable time-table for payment, subject to fulfilling the two deadlines of 31st September 2023 and 31st December 2023 enumerated above.

Remedial Measures

Ideally, a component of the settlement ought to be an unequivocal written as well as an on-air apology and clarification by Adheer Swami on Gantantra TV's 'Knowing What's Right'. However, it is unclear if the other side will be in a position to agree to that. You should press for the same as an important condition of the settlement.

However, you have the authority to relent on the same only if Dakshinpanthi Patrakarita Pvt. Ltd. agrees to issue a written public statement at least acknowledging the lack of any proof to substantiate the allegations against VVAN.

You must agree on the language and content of the statement at the meeting.

<u>Note</u>: This is likely to be the only settlement conference, and it would be advisable to reach a settlement within the provided timeframe.

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On behalf of the Board of Directors of the Vidyutanu Vigyan Anuprayog Nigam Pvt. Ltd.

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