

Balaji Telefilms Ltd.

C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industries
New Link Road, Andheri (West), Mumbai - 400 053.
Tel.: 40698000 • Fax : 40698181 / 82 / 83
Website : www.balajitelefilms.com
CIN No. : L99999MH1994PLC082802



September 27, 2016

Manager-Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai - 400 051
Fax : No. 022 - 26598237/8
Scrip Code: BALAJITELE

General Manager-Department of
Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001
Fax No. 022 - 22723121
Scrip Code: 532382

Subject: Disclosures under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

Dear Sir,

We would like to inform you that the Board of Directors of Balaji Telefilms Limited ("Company") at its meeting held today i.e. September 27, 2016:

- (a) Considered and approved the recommendations of its Audit Committee in relation to the Scheme (as defined below), the meeting of which was held on September 27, 2016;
- (b) Considered and approved the valuation report dated September 27, 2016 prepared by M/s PKMSRS & Associates, Chartered Accountants;
- (c) Considered and approved the fairness opinion dated September 27, 2016 prepared by Axis Capital Limited, a SEBI registered merchant banker; and subsequently;
- (d) Considered and approved a composite scheme of arrangement between the Company and its two wholly owned subsidiaries viz. Balaji Motion Pictures Limited (BMPL) and Bolt Media Limited (Bolt), and their respective shareholders and creditors (Scheme). The Scheme, inter alia, envisages:
 - (i) the demerger of the film production undertaking of BMPL (engaged in inter alia the business of production and distribution of motion pictures and films) and vesting of the same in the Company, and consequential reduction in the share capital of BMPL; and
 - (ii) the amalgamation of Bolt (engaged in inter alia the business of production of non-fiction, fiction, reality, factual television shows, event management, branded entertainment, digital content, consultancy and creative services related to it) with the Company.

Kindly note that the implementation of the Scheme is subject to receipt of all relevant regulatory, corporate and third party approvals.

In compliance with Regulation 30 of the Listing Regulations read with paragraph 1.2 of Part A of Annexure I of the SEBI circular (CIR/CFD/CMD/4/2015) dated 9 September 2015, the details of the Scheme are set out below.

a)	Name of the entity(ies) forming part of the amalgamation/merger;	Balaji Telefilms Limited Balaji Motion Pictures Limited Bolt Media Limited
----	--	--



<p>Details in brief such as size, turnover, etc.</p>	<table border="1"> <thead> <tr> <th data-bbox="795 75 1047 209">Company name</th> <th data-bbox="1047 75 1269 209">Net Worth as on March 31, 2016 (Rs. in cr)</th> <th data-bbox="1269 75 1529 209">Revenue as on March 31, 2016 (Rs. in cr)</th> </tr> </thead> <tbody> <tr> <td data-bbox="795 209 1047 276">Balaji Telefilms Limited</td> <td data-bbox="1047 209 1269 276">612.78</td> <td data-bbox="1269 209 1529 276">256.85</td> </tr> <tr> <td data-bbox="795 276 1047 344">Balaji Motion Pictures Limited</td> <td data-bbox="1047 276 1269 344">(47.58)</td> <td data-bbox="1269 276 1529 344">22.82</td> </tr> <tr> <td data-bbox="795 344 1047 411">Bolt Media Limited</td> <td data-bbox="1047 344 1269 411">(1.74)</td> <td data-bbox="1269 344 1529 411">0.65</td> </tr> </tbody> </table>	Company name	Net Worth as on March 31, 2016 (Rs. in cr)	Revenue as on March 31, 2016 (Rs. in cr)	Balaji Telefilms Limited	612.78	256.85	Balaji Motion Pictures Limited	(47.58)	22.82	Bolt Media Limited	(1.74)	0.65
Company name	Net Worth as on March 31, 2016 (Rs. in cr)	Revenue as on March 31, 2016 (Rs. in cr)											
Balaji Telefilms Limited	612.78	256.85											
Balaji Motion Pictures Limited	(47.58)	22.82											
Bolt Media Limited	(1.74)	0.65											
<p>b) Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"?</p>	<p>The proposed Scheme involves the Company and its wholly owned subsidiaries.</p> <p>Pursuant to MCA circular no. 30/2014 dated July 17, 2014 it has been clarified that transactions arising out of Compromises, Arrangements and Amalgamations dealt with under specific provisions of the Companies Act, 1956/Companies Act, 2013, will not attract the requirements of section 188 of the Companies Act, 2013.</p>												
<p>c) Area of business of the entity(ies)</p>	<p>Media and Entertainment</p>												
<p>d) Rationale of Scheme</p>	<ol style="list-style-type: none"> <li data-bbox="795 895 1529 1271">1. <u>Streamlining of group structure</u>: The demerger of the Film Production Undertaking (more particularly defined in the Scheme) of BMPL and vesting of the same in the Company and the amalgamation of Bolt with the Company will enhance efficiencies and combine similar business interest into one corporate entity, resulting in operational synergies, simplification, focused management, streamlining and optimization of the group structure and efficient administration. <li data-bbox="795 1271 1529 1932">2. <u>Consolidation of business operations</u>: Pursuant to the effectiveness of the Scheme, the Company will have enhanced shareholder's value accruing from consolidation of the business operations resulting in economies of scale, improving allocation of capital, operational efficiency, integration of processes and optimizing cash flows, thus contributing to the overall growth prospects of the Company. The Scheme will enable the consolidation of the film production business in the Company, which is well established and has requisite expertise in the film production business. Further, the transfer of the Film Production Undertaking (more particularly defined in the Scheme) by BMPL and the transfer of Bolt and the vesting of both in the Company, will not only result in operational synergies, simplification and optimization of resources but will also enable BMPL to concentrate on its core business of film distribution. 												



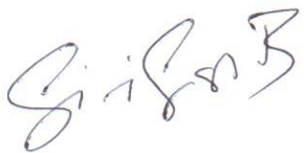
		3. <u>Reduction in Costs</u> : The Scheme is expected to enable pooling of resources of Bolt, BMPL and the Company resulting in more productive utilization of the said resources and cost and operational efficiencies which would be beneficial for all stakeholders.
e)	In case of cash consideration – amount or otherwise share exchange ratio	The Scheme does not involve any cash consideration.
f)	Brief details of change in shareholding pattern (if any) of the listed entity i.e. Balaji Telefilms Limited	There will be no change in the shareholding of the Company pursuant to the Scheme.

As part of the composite scheme of arrangement, there will also be amendment(s) to the memorandum and articles of association of the Company, as may be considered necessary.

A press release for the same is enclosed. The same is also available on the Company's website www.balajitelefilms.com

Yours sincerely,

For and on behalf of Balaji Telefilms Limited




Simmi Singh Bisht
Group Head- Secretarial

Encl: a/a

Balaji Telefilms Limited



C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industries,
New Link Road, Andheri (West), Mumbai 400 053
Tel: 40698000 Fax: 40698181/82/83
Website: www.balajitelefilms.com

Board of Directors approves Amalgamation of Bolt Media Limited and Demerger of the Film Production Undertaking of Balaji Motion Pictures Limited with Balaji Telefilms Limited

MUMBAI, India, September 27, 2016–The Board of Directors of India's leading television Company, Balaji Telefilms Limited (BTL), at their meeting held today approved the composite scheme of arrangement and amalgamation among BTL, Balaji Motion Pictures Limited (BMPL) (a wholly owned subsidiary of BTL), Bolt Media Limited (Bolt)(a wholly owned subsidiary of BTL) and their respective shareholders and creditors (Scheme), for the demerger of the business and the business interests of BMPL in the film production undertaking into BTL and the amalgamation of Bolt with BTL. This Scheme is subject to the requisite approvals of shareholders of the Company, Stock Exchanges, SEBI, High Court and any other regulatory/statutory authorities as may be required and if approved would be effective from April 1, 2016.

The demerger of the film production undertaking of BMPL into BTL will enable the consolidation of the film production business of BMPL with BTL, which is well established and has proven capabilities in content and production. Post demerger, BMPL will focus on the business of film distribution.

BOLT is in a similar line of business as BTL and its amalgamation with BTL will help in focussed and effective utilisation of the production activities.

The implementation of the Scheme shall not affect the share capital of BTL as both entities are wholly owned subsidiaries of BTL. However, there shall be consequential reduction of the share capital of BMPL pursuant to the implementation of the Scheme.

The rationale of Board for approving this Scheme in brief is as follows:

- **Streamlining of Group structure:** The Scheme is expected to enhance efficiencies and combine similar business interests, optimise operational synergies resulting in focused management and efficient administration.
- **Consolidation of the business operations:** The Scheme is expected to result in economies of scale, improving allocation of capital, operational efficiency, integration of processes and optimizing cash flows, thus contributing to the overall growth prospects of BTL.
- **Reduction in Costs:** The Scheme is expected to enable pooling of resources of BTL, BMPL and BOLT resulting in more productive utilization of resources, cost and operational efficiencies which would be beneficial to all the stakeholders.

Commenting on these transactions post approval from Board, **Ms. Ekta Kapoor–Joint Managing Director** said, *“We are happy to receive approval from the Board of Directors for the scheme of demerger of BMPL and merger of BOLT. This will help us to focus more efficiently on our content creation capabilities across the genres and formats.”*

Added **Mr. Sameer Nair - Group CEO** said, *“We are committed to improving margins and profitability and consolidation of our operations is a step in that direction leading to a better value creation for all our shareholders. This will also ensure more efficient use of senior management’s bandwidth, thereby allowing more time to focus on ALT Digital our digital foray which is set to redefine the entertainment viewing experience of Indians in India and across the globe.”*

In relation to the transaction, Axis Capital Limited is acting as advisor and Shardul Amarchand Mangaldas & Co, Advocates & Solicitors is acting as legal advisor to Balaji Telefilms Limited.

About Balaji Telefilms Limited:

Balaji Telefilms is India’s leading integrated media conglomerate with market leadership in the television content industry, among other entertainment-led businesses. It has demonstrated success in both films and television. Pioneering widely different genres of content, the Company has completely aligned its brand architecture to reflect the far-reaching changes of our time.

The Company, under the stewardship of Mrs. Shobha Kapoor and Ms. Ekta Kapoor, operates various prominent brands within its fold namely Balaji Telefilms – a production house synonymous with ground-breaking television content; Balaji Motion Pictures – a producer of large-scale feature films with the topmost industry talent; Alt Entertainment – a developer of film content with alternate sensibilities. Marinating Films Private Limited – a creator of IP and producer of reality shows and events. Chhayabani Balaji Entertainment Private Limited – a creator and producer of Bengali content. BOLT Media Limited – catering to genres and segments of the media industry which are presently not covered by BTL and Event Media LLP – a producer of event based shows.

In recent years, the Company has strengthened its leadership team and is now poised to make a strategic foray into the Digital B2C entertainment category with Alt Digital Media a wholly owned subsidiary - to build a consumer facing brand that offers unique enjoyable, engaging content for a global digital audience in an endeavour to monetise the incredible potential of original on-demand entertainment.

For further details please contact:

Sanjay Dwivedi–Group CFO
Simmi Singh Bisht (Group Head - Secretarial)
Balaji Telefilms Limited
Tel: +91 22 40698000
Fax: +91 22 40698181
Email: sanjay.dwivedi@balajitelefilms.com
simmi.bisht@balajitelefilms.com

Gavin Desa
Rabindra Basu
Citigate Dewe Rogerson (CDR India)
Tel: +91 22 6645 1237 / 1248
Fax: +91 22 6645 1200
Email: gavin@cdr-india.com
rabindra@cdr-india.com



Salaji Telefilms Ltd.

Safe Harbor:

Certain statements in this update concerning our future growth prospects are forward looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The achievement of such results is subject to risks, uncertainties and even inaccurate assumptions. Readers may please take a note of this.