



THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH – I

C.A.(CAA) / 44 (MB) / 2025

In the matter of
The Companies Act, 2013 (18 of 2013)
and
Section 232 r/w Section 230 of
The Companies Act, 2013 and other
applicable provisions of the Companies
Act, 2013
read with the Companies (Compromises,
Arrangements and Amalgamations) Rules,
2016;
In the matter of
Composite Scheme of Arrangement
between

Alt Digital Media Entertainment Limited

CIN: U74999MH2015PLC266206 ...Applicant Company 1/
Transferor Company 1

Marinating Films Private Limited

CIN: U74120MH2011PTC220971 ...Applicant Company 2/
Transferor Company 2

Balaji Telefilms Limited

CIN: L99999MH1994PLC082802 ...Applicant Company 3/
Transferee Company

Order delivered on 12.03.2025



Coram:

Shri Prabhat Kumar

Hon'ble Member (Technical)

Justice V.G. Bisht (Retd.)

Hon'ble Member (Judicial)

(Appearances)

For the Applicant Companies : Mr. Harsh Ruparelia, CA

ORDER

1. The present Scheme is a Composite Scheme of Arrangement sought u/s 232 r/w Section 230 of the Companies Act, 2013 and read with Section 52 and Section 66 of the Companies Act, 2013 and other Applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements, and Amalgamation) Rules, 2016 amongst **ALT Digital Media Entertainment Limited** (Transferor Company 1), **Marinating Films Private Limited** (Transferor Company 2) and **Balaji Telefilms Limited** (Transferee Company) and their respective Shareholders ('the Scheme' or 'this Scheme')
2. The Board of Directors of the respective Applicant Companies vide their resolution dated 30th May 2024 have approved the Scheme. The Appointed Date for the purpose of the Scheme means 1st April 2024.
3. The Scheme involves the following parts:
 - a. Reorganization of reserves and reduction of equity share capital of the First Transferor Company;
 - b. The amalgamation of the Transferor Companies with the Transferee Company on a going concern basis and



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- consequent dissolution of the Transferor Companies without winding-up; and
- c. Reorganisation of reserves and adjustment of retained earnings of the Transferee Company, post amalgamation.
4. The First Applicant Company is engaged in the business of production of movies and web-series, and telecasting / broadcasting the same through a subscription-based video on demand (SVOD) over the top (OTT) platform operated under the name “ALTT”. The First Transferor Company is also engaged in the B2B business of providing content creation services to third-parties. The Second Applicant Company is engaged in the business of production of reality shows, web-series and organizing events. The Third Applicant Company is engaged in the business of production and creation of films and television content in India particularly in Hindi language. The Third Applicant Company is also engaged in business of production of television content in regional languages, and in event organization business. The equity shares of Third Applicant Company are listed on the BSE Limited and National Stock Exchange of India Limited.
5. **Rationale of the Scheme:**
- The Composite Scheme of Arrangement would help in reorganization of reserves and reduction of Equity Share Capital of the First Transferor Company and consolidating and effectively managing the business of the Companies in a single entity, which will provide several benefits including synergy, economies of scale, attain efficiencies, cost competitiveness, etc. Various benefits arising pursuant to the Scheme are enlisted



below:

Benefits in respect of reorganization of reserves and reduction of equity capital of the First Transferor Company

- The First Transferor Company shall be able to represent its true and fair financial position; and
- This Scheme would not have any impact on the shareholding pattern of the First Transferor Company, since it is a wholly-owned subsidiary of Transferee Company.

Benefits in respect of amalgamation of the Transferor Companies with the Transferee Company

- The Transferor Companies are wholly owned subsidiaries of the Transferee Company, so merger will help to consolidate the multiple entities into a single legal entity. Further, the Transferor Companies and the Transferee Company are engaged in similar line of businesses related to production and distribution of contents on various platforms. The merger would enable management focus and combined synergies for various projects;
- The merger will provide a greater efficiency in the overall combined business including economies of scale, efficiency of operations, operational rationalization, organizational efficiency, cash flow management and unfettered access to cash flow generated by the combined business which can be deployed more effectively for the purpose of development of businesses of combined entity and their growth opportunities, eliminate inter corporate dependencies,



minimize administrative compliances and to maximize shareholder value;

- The merger will result in enhancement of net worth of the combined business to capitalize on future growth potential, optimal utilization of resources;
- The merger will result in a reduction in the overheads including administrative, managerial and other expenditure, and optimal utilization of resources by elimination, and avoiding of unnecessary duplication of activities and related costs. It will also result in a reduction in the multiplicity of legal and regulatory compliances required at present to be separately carried out by each of the Transferor Companies and the Transferee Company;
- The merger would motivate employees of the Transferor Companies by providing better opportunities to scale up their performance with a larger corporate entity having large revenue base, resources, assets base etc. which will boost employee morale and provide better corporate performance ultimately enhancing shareholder value;
- The merger will help in achieving operational efficiencies and management efficiencies;
- The other operational benefits due to merger are as follows:
 - Optimize the resources at consolidated entity level to facilitate greater ability of the Transferee Company to raise financial resources for future expansion;
 - Reducing operational and compliance cost;



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- Elimination of duplicative communication and coordination efforts across multiple entities and pooling of resources as well as optimum utilization of resources;
 - Simplification of group structure under common management; and
 - Economies of scale, greater integration, flexibility and market reach for the amalgamated entity.
- Further, there is no adverse effect of this Scheme on the Directors, Key Managerial Personnel, Promoters, Non-promoter Members, Creditors, and employees of the Companies and the same would be in the best interest of all stakeholders.

Benefits in respect of reorganization of reserves and adjustment of retained earnings of Transferee Company

- The Transferee Company shall be able to represent its true and fair financial position;
6. The Professional for the Applicant Companies submits that the equity shares in the First Transferor Company and the Second Transferor Company are entirely held by the Transferee Company and its nominees. Thus, upon the Scheme becoming effective, neither any consideration will be paid, nor any shares shall be issued by the Transferee Company to the shareholders of the First Transferor Company and the Second Transferor Company.
7. Upon the Scheme becoming effective, all equity shares of the



First Transferor Company and the Second Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled without any further application, act, instrument or deed and be of no effect without any necessity of them being surrendered.

8. The Professional for the Applicant Companies submits that the Audit Committee and Committee of Independent Directors, wherever applicable of the Third Applicant Company vide their resolution dated 30th May 2024, approved Scheme of Amalgamation between the Applicant Companies.
9. The Third Applicant Company is an entity listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). Hence, before filing a Company Scheme Application before this Tribunal, it was required to seek approval from the stock exchanges where its shares are listed and Securities and Exchange Board of India ('SEBI'), in terms of master circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20.06.2023 and other applicable SEBI Circulars. In compliance with the aforesaid requirement, the Third Applicant Company submitted documents to BSE and NSE on 20th June 2024. The Third Applicant Company has received an observation letter from the NSE on 3rd January 2025 and from the BSE on 2nd January 2025.
10. There are no inquiry, investigation or proceedings instituted or are pending under the Companies Act, 1956 / Companies Act, 2013 against the Applicant Companies or by any other regulatory authorities. Further, there are no petitions for winding-up or under the Insolvency and Bankruptcy Code, 2016



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pending or admitted against the Applicant Companies as on the date.

11. The Authorized Share Capital of the Applicant No. 1 as on March 31, 2024 was as under:

Particulars	Amount (in Rs.)
Authorized Capital	
1,00,00,00,000 Equity Shares of INR 10/- each	10,00,00,00,000
2,00,000 Preference Shares of INR 10/- each	20,00,000
Total	10,00,20,00,000
Issued, Subscribed and Paid-up	
69,46,45,893 Equity Shares of INR 10/- each, fully paid-up	6,94,64,58,930
Total	6,94,64,58,930

The entire paid-up share capital of the First Transferor Company is held by the Transferee Company i.e. the First Transferor Company is a wholly owned subsidiary of the Transferee Company. Subsequent to the 31st March 2024, there has been no change in the Authorized, Issued and Paid Up Share Capital of the First Transferor Company.

12. The Authorized Share Capital of the Applicant No. 2 as on March 31, 2024 was as under:

Particulars	Amount (in Rs.)
Authorized Capital	
1,05,50,000 Equity Shares of INR 10/- each	10,55,00,000
44,50,000 Redeemable Preference Shares of INR 10/- each	4,45,00,000
Total	15,00,00,000
Issued, Subscribed and Paid-up	
44,60,000 Equity Shares of INR 10/- each	4,46,00,000
Total	4,46,00,000

The entire paid-up share capital of the Second Transferor Company is held by the Transferee Company i.e. the Second



Transferor Company is a wholly owned subsidiary of the Transferee Company. Subsequent to the 31 st March 2024, there has been no change in the Authorized, Issued and Paid-Up Share Capital of the Second Transferor Company.

The Second Transferor Company has also issued 32,50,000 Zero Percent Compulsorily Convertible Debentures (CCD) of INR 10 each to the Transferee Company.

13. The Authorized Share Capital of the Applicant No. 3 as on March 31, 2024 was as under:

Particulars	Amount (in Rs.)
Authorized Capital	
15,00,00,000 Equity Shares of INR 2/- each	30,00,00,00,000
3,00,00,000 Preference Shares of INR 2/- each	6,00,00,000
Total	36,00,00,000
Issued, Subscribed and Paid-up	
10, 15,28,968 Equity Shares of INR 2/- each	20,30,57,986
Total	20,30,57,986

Subsequent to 31st March 2024, there has been no change in the Authorized, Issued and Paid-Up Share Capital of the Transferee Company.

Apart from above, as on 31st March 2024, the Transferee Company has 33,46,272 number of outstanding stock options which are issued to employees under its Employee Stock Option Plan viz. Balaji Telefilms ESOP, 2017 and Balaji Telefilms ESOP Scheme, 2023.

14. There are 7 (Seven) Equity Shareholders (including 6 nominee shareholders of the Transferee Company) holding 69,46,45,893 Equity Shares of Rs. 10/- each having total value of Rs.



694,64,58,930 in the Applicant Company 1 and that the First Applicant Company has procured the consent affidavits from its equity shareholders representing 100% shares. In view of the fact that all the equity shareholders of Applicant Company 1 have given consent for approval of the scheme, the question of convening of meeting does not arise, accordingly, dispensed with.

15. There are 2 (Two) Equity Shareholders (including 1 nominee shareholder of the Transferee Company) holding 44,60,000 Equity Shares of Rs. 10/- each having total value of Rs. 4,46,00,000 in the Second Applicant Company and that the Second Applicant Company has procured the consent affidavits from its shareholder representing 100% shares in the Second Applicant Company. In view of the fact that all the equity shareholders of Applicant Company 2 have given consent for approval of the scheme, the question of convening of meeting does not arise, accordingly, dispensed with.
16. There is 1 (One) Debenture-holder holding 32,50,000 Debentures of Rs. 10/- each having total value of Rs. 32,50,000 in the Second Applicant Company and that the Second Applicant Company has procured the consent affidavit from its debenture-holder representing 100% debentures in the Second Applicant Company. In view of the fact that since the sole Debenture Holder of Applicant Company 2 has given consent for approval of the scheme, the question of convening of meeting does not arise, accordingly, dispensed with.
17. There are no Preference Shareholders in the Applicant Companies and therefore, the question of issuing notices and



convening of meeting of the Preference Shareholders does not arise.

18. A meeting of the Equity Shareholders of the Third Applicant Company be convened and held on date and time convenient to the Chairperson of the Meeting on or before 30th April 2025 (so as to comply with 30 days' timelines for issuing notices) through video conferencing or other audio-visual means and not in the physical presence of shareholders, for the purpose of considering, and, if thought fit, approving, with or without modification(s), the proposed Scheme. In addition to the above, the Third Applicant Company shall also provide the facility of remote e-voting to each of its equity shareholders to cast their vote in accordance with Rule 20 of the Companies (Management & Administration) Rules, 2014, and therefore, in accordance thereto, the remote e-voting period shall remain open for at least 3 days and shall close at 5 p.m. on the date preceding the date of meeting of equity shareholders.
19. In terms of the meeting to be convened of equity shareholders of the Third Applicant Company, it is hereby directed as under:
 - i. At least 30 (thirty) clear days before the meeting of the equity shareholders of the Third Applicant Company, a notice in the prescribed form CAA.2, indicating the place, day, date, and time of convening the said meeting, together with a copy of the Scheme and a statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013, read with Rule 6 of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016, shall be sent to the equity shareholders who are holding shares at least



7 (seven) days prior to the dispatch of the notice to the equity shareholders. The notice will be sent either by electronic mail (to those shareholders whose e-mail addresses are available) or by registered post, air mail, courier, speed post, or hand delivery (for those whose e-mail addresses are not available), as per the records of the Third Applicant Company.

- ii. That at least 30 clear days before the said meeting of the concerned equity shareholders of the Third Applicant Company, to be held as aforesaid, an advertisement of notice in prescribed Form No. CAA.2 as per Rule 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, indicating the place, day, date and time of convening the said meeting of the equity shareholders of Third Applicant Company, stating that the copies of the Scheme and the statement required to be furnished pursuant to Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 shall be obtained free of charge at the registered office of the Third Applicant Company, be published one each in 'The Business Standard' in English language and the translation thereof in and 'Navshakti' in Marathi language both having circulation in Mumbai.

20. The Third Applicant Company undertakes to:
 - i. Issue notice convening meeting of the Equity Shareholders as per Form No. CAA.2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;



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- ii. Issue statement containing all the particulars as per Section 230 of the Companies Act, 2013; and
 - iii. Advertise the notice convening meeting as per Form No. CAA.2 (Rule 7) of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016.

The undertaking is accepted.

- 21. Mr L.N. Gupta, IRS (Retd.) Former Member NCLT, Mob: 8076489376, email mbtgln@gmail.com shall be the Chairperson of the meeting of Equity Shareholders of the Transferee Company with a remuneration of Rs.2,00,000/-. The Scrutinizer for the meeting of the Transferee Company shall be Mr. Ashwini Ramakant Gupta, Company Secretary, COP 18163, Mob: 8600629115, email guptaashwin@gmail.com with a remuneration of Rs.75,000/-.
- 22. The Transferee Company shall issue notice of the meeting of Equity Shareholders of Applicant Company 3 after approval of the notice by the Chairman. The said Chairperson of the Third Applicant Company shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as may be applicable for meeting of Equity Shareholders convened and held through video conferencing or other audio-visual mode, in relation to the conduct of the meeting including for deciding procedural questions that may arise at the meeting or at any adjournment thereof or any other matter including, an amendment to the Scheme or resolution, if any, proposed at the meeting by any Equity Shareholder.
- 23. The quorum for the aforesaid meeting of the Equity Shareholders of the Third Applicant Company shall be as



prescribed under Section 103 of the Companies Act, 2013.

24. The value and number of the equity shares of each equity shareholder of Third Applicant Company shall be in accordance with the books/ register of the Third Applicant Company or depository records which should be dated not earlier than 7 days from date of meeting of equity shareholders and where the entries in the books/ register/ depository records are disputed, the Chairperson of the meeting shall determine the value for the purpose of the aforesaid meeting and his/her decision in that behalf would be final.
25. The Chairperson of the meeting as aforesaid, shall file a compliance affidavit not less than 7 (Seven) days before the date fixed for holding of the meeting of the Equity Shareholders of the Third Applicant Company and report to this Tribunal that the directions regarding the issue of notices and advertisements have been duly complied with, as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
26. The voting for the meeting of the Equity Shareholders of the Third Applicant Company on the proposed Scheme shall be allowed by mechanism of e-voting by shareholders or by their respective authorized representative. The voting by authorized representative, in case of a body corporate be permitted, provided that the authorization duly signed by the person entitled to attend and vote at the meeting is filed with the Third Applicant Company respectively, in physical or electronic mode, at its registered office or emailed to the Company Secretary at tannu.sharma@balajitelefilms.com or to the



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- scrutinizer, at least 48 (Forty-Eight) hours before the aforesaid meeting, as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
27. The Chairperson(s) of the meeting shall report to this Tribunal, the result of the aforesaid meeting within 30 (Thirty) days of the conclusion of the said Meeting of the Equity Shareholders of the Third Applicant Company respectively, and the said report shall be verified by the undertaking as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
28. That as on September 30, 2024, there are no Secured Creditors in the First Transferor Company and the Second Transferor Company and therefore the question of conducting the meeting of the Secured Creditors of the First Applicant Company and the Second Applicant Company does not arise.
29. The Professional for the Applicant Companies submits that as on 30th September 2024, there is 1 (One) Secured Creditor in the Third Applicant Company amounting to Rs. 173 Lakhs. The Professional for the Applicant Companies further submits that a No Objection Letter/Consent letter issued by the Axis Bank on 19.06.2024. There is no compromise and / or arrangement envisaged in the Scheme with the Secured Creditors of the Third Applicant Company. Furthermore, there is no dilution in security / asset cover provided to the Secured Creditors who will continue to hold charge over the respective assets post sanctioning of the Scheme. The Secured Creditors of the Third



Applicant Company are also not likely to be affected by the approval of the Scheme since there will be no reduction in claims of the Secured Creditors of the Third Applicant Company. Further, the rights of Secured Creditors of the Third Applicant Company will not be affected by the proposed Scheme. In view of the fact that, the consent has given by the sole secured creditor for approval of the scheme, the question of convening of meeting does not arise, accordingly, dispensed with.

30. The Professional for the Applicant Companies submits that as on 30th September 2024, there are 152 (One Hundred and Fifty-Two) Unsecured Creditors in the First Applicant Company amounting to Rs. 1,82,46,80,571 (Rupees One Eighty-Two Crores Forty-Six Lakhs Eighty Thousand Five Hundred Seventy One).
31. The Professional for the Applicant Companies submits that as on 30th September 2024, there are 8 (Eight) Unsecured Creditors in the Second Applicant Company amounting to Rs. 4,87,46,670 (Rupees Four Crore Eighty-Seven Lakhs Forty-Six Thousand Six Hundred Seventy).
32. The Professional for the Applicant Companies submits that as on 30th September 2024, there are 2,797 (Two Thousand Seven Hundred and Ninety-Seven) Unsecured Creditors in the Third Applicant Company amounting to Rs. 98,92,25,922 (Rupees Ninety-Eight Crores Ninety-Two Lakhs Twenty-Five Thousand Nine Hundred Twenty Two).
33. The Scheme of Amalgamation is not an arrangement



under Section 230(1)(a) of the Act as it does not involve any compromise or arrangement with the Creditors, and post Scheme, the assets of the Transferee Company will be more than sufficient to discharge the Unsecured Creditors of the First Applicant Company, the Second Applicant Company and the Third Applicant Company. The Net-Worth of the Transferee Company is significantly positive and there would not be any material adverse impact on the financial position, post amalgamation of the Transferor Companies. Further, no reconstruction or arrangement is proposed by the Applicant Companies either with its shareholders or with its creditors, as the case may be. Further, the Scheme involves amalgamations of wholly-owned subsidiaries with its Holding Company and thus, it does not require to hold creditors meeting for approval of the proposed Scheme, in view of the ratio laid down by the Hon'ble NCLAT in the matter of DLF Limited in Company Appeal No. 180 of 2019 and the Hon'ble NCLT in the matter of Sunteck Realty Limited in CSA no. 155 of 2023. The said observations are squarely applicable to the proposed Scheme, wherein the Transferor Companies are being amalgamated into the Transferee Company and the Transferor Companies are direct wholly owned subsidiaries of the Transferee Company. The Professional for the Applicant Companies submits that the facts in the present case are similar to the facts of above case, therefore, no meeting of the Creditors of the Applicant Companies is required to be convened. The Applicant Company 1 is directed to issue notice to the unsecured creditors whose outstanding is above Rs.1.00 Lakh and Applicant Company 3 is directed to issue notice to the Unsecured Creditors whose outstanding is Rs.10.00 Lakhs through



R.P.A.D, Speed Post and Email along with proposed scheme with a direction that they may submit their representations, if any, within a period of 30 (thirty) days from the date of receipt of such intimation to the Tribunal with copy of such representations shall simultaneously be served upon the respective Applicant Companies, failing which, it shall be presumed that they have no representations to make on the proposed Scheme. In view of above, the meeting of the Unsecured creditors of the Applicant Companies is hereby dispensed with

34. Being a merger of wholly owned subsidiary companies into its holding company, no shares would be issued or allotted as consideration pursuant to the merger. Accordingly, the rights of members of the Transferee Company are not affected since there will be no issue of shares pursuant to the Scheme and there would be absolutely no change in the equity share capital of the Transferee Company. Also, the present Scheme will not result in any dilution in shareholding of the shareholders of the Transferee Company;
35. The existence of the Transferee Company will remain as before without any change either to its shareholding pattern or debt position pursuant to the Scheme;
 - a. No undertaking of the Applicant Companies is being parted away or being disposed-off and hence provisions of Section 180 of the Companies Act, 2013 are also not applicable.
36. There are no corporate guarantees given by the Applicant Companies.



37. The Applicant Companies are directed to serve notices along with a copy of the Scheme under the provisions of Section 230(5) of the Companies Act, 2013 and Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 upon the:
- a) Central Government through the Office of Regional Director, Western Region, Mumbai;
 - b) Registrar of Companies,
 - c) Jurisdictional Income Tax Authority within whose jurisdiction the respective Applicant Companies are assessed to tax, clearly indicating the PAN and the Nodal Authority in the Income Tax Department having jurisdiction over such authority;
 - d) Goods and Service Tax Authority (GST) within whose jurisdiction the GSTIN of the Applicant Companies is registered, clearly indicating GSTIN of the Company concerned;
 - e) BSE and NSE,
 - f) Official Liquidator, High Court of Bombay
 - g) Any other Sectoral Regulator or Authority that the Applicant Companies are subjected to as per the laws in force.
38. Additionally, the Demerged Company is directed to serve notice along with copy of the Scheme upon the Official Liquidator, pursuant to Section 230(5) of the Companies Act, 2013 and as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
39. The Notice shall be served through Registered Post-AD/Speed Post/through email along with a copy of the Scheme and state that “If no response is received by the Tribunal from the concerned Authorities within 30 days of the date of receipt of the notice it will be presumed that the concerned Authorities have no objection to the proposed Scheme”. It is clarified that notice served through courier shall be



taken on record only in cases where it is supported with Proof of Delivery having acknowledgement of the notice.

40. The Applicant Companies will submit –
- i. List of pending IBC cases, if any, along with all other litigations, if any, pending against the Applicant Company having material impact on the proposed Scheme;
 - ii. Details of all Letters of Credit sanctioned and utilized as well as Margin Money details, if any.
41. The Applicant Companies to file Affidavit of Service within 15 (fifteen) days from the last of the compliances as stated in above paragraphs are made and do report to this Tribunal that the directions regarding the issue of notices have been duly complied with.

Sd
Prabhat Kumar
Member (Technical)

/rohit nanepag/

Sd
Justice V.G. Bisht
Member (Judicial)