

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

BENCH, AT MUMBAI

COMPANY SCHEME APPLICATION NO. 433 OF 2017

In the matter of the Companies Act, 2013

AND

In the matter of Section 230 to 232 of the
Companies Act, 2013

AND

Other applicable provisions of the
Companies Act, 2013

AND

In the matter of Scheme of Arrangement
and Amalgamation ("Composite
Scheme") between Balaji Motion Pictures
Limited having CIN
U22300MH2007PLC168515 ("Demerged
Company") and Bolt Media Limited
having CIN U74900MH2012PLC237999
("Transferor Company"), and Balaji
Telefilms Limited having CIN
L99999MH1994PLC082802 ("Transferee
Company/ Applicant Company") and their
respective Shareholders.

BALAJI TELEFILMS LIMITED, a Listed company)

incorporated under the provisions of Companies Act,)

1956 having its registered office at C-13, Balaji)

House, Dalia Industrial Estate, Opposite Laxmi)

Industrial Estate, New Link Road, Andheri (w),)

Mumbai – 400053:)

CIN L99999MH1994PLC082802)

... Applicant Company

Mr. Hemant Sethi i/b Hemant Sethi & Co; Ameya Gokhale a/w Meghna
Rajadhyaksha and Pulkitesh Dutt Tiwari i/b Shardul Amarchand Mangaldas,
Advocates for the Applicant Company

Coram: M. K. Shrawat, Member (Judicial)
V. Nallasenapathy, Member (Technical)

DATE: 12th April, 2017

MINUTES OF ORDER

1. The Counsel for the Applicant Company states that the present Scheme of
Arrangement and Amalgamation ("Scheme") involves (a) the demerger of

the Film Production Undertaking, inter-alia, the undertaking, business, activities and operations of Balaji Motion Pictures Limited ("Demerged Company") as on 1 April 2016 including all the assets, liabilities, deposits and balances, investments, contracts, exploitation rights, intellectual property rights, licenses, employees and books and records pertaining to such business of the Demerged Company relating to producing, co-producing, recording, reproducing, duplicating, processing, acquiring or otherwise coming into possession of motion pictures, cinematographic films, feature films, or any other films or audio/visual content, whether in India or abroad and whether in any Indian or foreign language and its transfer as a going concern to Balaji Telefilms Limited ("Applicant Company"/ "Transferee Company") ("Demerger"); and (b) the amalgamation of Bolt Media Limited ("Transferor Company") with the Applicant Company, as a going concern, together with all the properties, assets, rights, liabilities, benefits and interest therein ("Amalgamation").

2. The Counsel for the Applicant Company further states that the Applicant Company is engaged in 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 and also in the production and distribution of motion pictures.
3. The Counsel for the Applicant Company further submits that the rationale for the Scheme is as under:

(a) The Demerged Company and the Transferor Company are wholly owned subsidiaries of the Applicant Company. Further, the Demerged Company, the Transferor Company and the Applicant Company are engaged in similar business. The Demerger and the Amalgamation 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.

(b) Pursuant to the Demerger and the Amalgamation, the Applicant 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 Applicant Company. The Scheme will enable the consolidation of the film production business in the Applicant Company, which is well established and has requisite expertise in the film production business. Further, the Demerger will enable the Demerged Company to concentrate on its core business of film distribution.

(c) The Scheme is expected to enable pooling of resources of the Transferor Company, the Demerged Company and the Applicant Company resulting in more productive utilization of the said resources and cost and operational efficiencies which would be beneficial for all stakeholders.

4. That a meeting of the Equity Shareholders of the Applicant Company be convened and held at The Club, 197, D N Nagar, Andheri West, Mumbai 400053, on 24th May 2017 at 1 p.m. for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed arrangement embodied in the Scheme between Balaji Motion Pictures Limited, Bolt Media Limited, and Balaji Telefilms Limited and their respective Shareholders.
5. In compliance with Clause 9 of the Securities and Exchange Board of India Circular No. CIR/CFD/CMD/16/2015 dated 30th November 2015, the Applicant Company will also give an option to the Equity Shareholders to

vote for the approval of the Scheme through postal ballot and remote e-voting.

6. That at least one month before the said meeting of the Equity Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting at the place, day, date and time aforesaid, together with a copy of the Scheme, a copy of the statement disclosing all material facts as required under Section 230 (3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromise, Arrangement and Amalgamations) Rules, 2016 and the prescribed Form of Proxy, shall be sent by Registered Post or by Air mail or by Courier or by Speed Post or by hand delivery to each of the Equity Shareholders of the Applicant Company at their respective registered or last known addresses or by e-mail to the registered e-mail address of the Equity Shareholders as per the records of the Applicant Company.
7. That at least one month before the said meeting of the Equity Shareholders of the Applicant Company to be held as aforesaid, a notice convening the said meeting, at the place, date and time of meeting as aforesaid be published and 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 (Compromise, Arrangement and Amalgamations) Rules, 2016 and the prescribed Form of Proxy can be obtained free of charge at the Registered Office of the Applicant Company as aforesaid and/or the offices of its Advocates, M/s Shardul Amarchand Mangaldas & Co., 23rd Floor, Express Towers, Nariman Point, Mumbai – 400 021.
8. That the Notice of the meeting of the Equity Shareholders shall be advertised in two local newspapers viz. 'Business Standard' in English and 'Mumbai Lakshdweep' in Marathi, both circulated in Mumbai not less than 30 days before the date fixed for the meeting.

9. That Mr. Jeetendra Kapoor, Director of the Applicant Company, failing whom Mr. Virendra Babubhai Dalal, Director of the Applicant Company, failing whom Duraiswamy Gunaseela Rajan, Director of the Applicant Company shall be the Chairman of the aforesaid meeting of the Equity Shareholders to be held at The Club, 197, D N Nagar, Andheri West, Mumbai 400053, on 24th May 2017 at 1 p.m. or any adjournments thereof.
10. The Chairman appointed for the aforesaid meeting of the Equity Shareholders to issue the advertisement and send out the notices of meeting referred to above. The said Chairman shall have all powers as per Articles of Association of the Applicant Company and also under the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the conduct of the said meeting of the Equity Shareholders, including for deciding procedural questions that may arise at the meeting or at any adjournment thereof or resolution, if any, proposed at the meeting by any person(s).
11. The quorum for the aforesaid meeting of the Equity Shareholders shall be as prescribed under Section 103 of the Companies Act, 2013.
12. The voting by proxy or authorised representative in case of body corporate be permitted, provided that a proxy in the prescribed form/ authorisation duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant Company at its Registered Office at C-13, Balaji House, Dalia Industrial Estate, Opposite Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai, not later than, 48 hours before the aforesaid meeting.
13. The value and number of the shares of each Equity Shareholder shall be in accordance with the books/ register of the Applicant Company or depository records and where the entries in the books / register / depository records are disputed, the Chairman of the meeting shall determine the value for the

purpose of the aforesaid meeting and his decision in that behalf would be final.

14. That Mr. Bhavesh Desai, Practicing Company Secretary (Membership No. 7711) is hereby appointed as Scrutinizer of the meeting of the Equity Shareholders of the Applicant Company proposed to be held on 24th May 2017 at 1 p.m. at The Club, 197, D N Nagar, Andheri West, Mumbai 400053.
15. That the Chairman to file an affidavit not less than seven (7) days before the date fixed for the holding of the meeting and do report to this Tribunal that the direction regarding the issue of notices and the advertisement have been duly complied with.
16. That the Chairman of the meeting of the Equity Shareholders to report to this Tribunal, the result of the aforesaid meeting within thirty days of the conclusion of the meeting.
17. That the Applicant Company is directed to serve notices along with copy of Scheme upon: (a) the concerned Income Tax Authority within whose jurisdiction the Applicant Company's assessments are made, (b) to the Central Government through the office of Regional Director, Western region, Mumbai, (c) to the Registrar of companies, Mumbai, (d) to the Securities Exchange Board of India, (e) to the BSE Limited, (f) to the National Stock Exchange of India Limited, with the direction that they may submit their representations, if any, within a period of thirty days from the date of the receipt of such notice to the Tribunal with copy of such representations shall simultaneously be served to the Applicant Company, failing which, it shall be presumed that the authorities have no representations to make on the proposal.

18. That the Counsel for the Applicant Company submits that there are no Secured Creditors in the Applicant Company, therefore the question of sending notices to the Secured Creditors does not arise. The Counsel for the Applicant further submits that since the Scheme is an arrangement and amalgamation between the Applicant Company and their respective shareholders only, a meeting of the Equity Shareholders is proposed to be held in accordance with the provisions of Section 230 (1) (b) of the Companies Act, 2013. This bench hereby directs the Applicant Company to issue notice to the Unsecured Creditors of the Applicant Company as on 31 December 2016 with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company.
19. The Applicant to file an affidavit of service in the Registry proving dispatch of the notices upon the Equity Shareholders, the Unsecured Creditors, the Regulatory Authorities as stated in clause 17 above and do report to this Tribunal that the direction regarding the issue of notice have been duly complied with.

Sd/-
V. Nallasenapathy, Member (Technical)

Sd/- 17/11/16
M. K. Shrawat, Member (Judicial)