

PKMSRS & ASSOCIATES

Chartered Accountants

Date: 27th September, 2016.

To,

1. The Board of Directors,
Balaji Telefilms Limited
C-13, Balaji House,
Dalia Industrial Estate,
Opp Laxmi Industrial Estate,
New Link Road, Andheri (West),
Mumbai 400 053

And

2. The Board of Directors,
Balaji Motion Pictures Limited
C-13, Balaji House,
Dalia Industrial Estate,
Opp Laxmi Industrial Estate,
New Link Road, Andheri (West),
Mumbai 400 053

And

3. The Board of Directors,
Bolt Media Limited
C-13, Balaji House,
Dalia Industrial Estate,
Opp Laxmi Industrial Estate,
New Link Road, Andheri (West),
Mumbai 400 053

Re: Composite Scheme of Arrangement and Amalgamation between Balaji Telefilms Limited, Balaji Motion Pictures Limited and Bolt Media Limited and their Respective Shareholders and Creditors.

Sub: Valuation Report in terms of Para I(A)(4) of Annexure I of SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30 November 2015

Based on the draft Composite Scheme of Arrangement and Amalgamation between Balaji Telefilms Limited, Balaji Motion Pictures Limited and Bolt Media Limited and their respective shareholders and creditors (the “**Proposed Scheme**”) and according to the information and explanations provided to us, we here by certify as under:

- a. As on date, Balaji Telefilms Limited holds entire issued capital of Balaji Motion Pictures Limited and Bolt Media Limited.

- b. The Proposed Scheme provides for:
- i. the transfer of the business of Balaji Motion Pictures Limited relating to producing, co-producing, recording, reproducing, duplicating, processing, acquiring, or otherwise coming into possession of motion pictures, cinematographic films, featured films or any other films or audio/visual content whether in India or abroad and whether in any Indian or foreign language to the Company as a "going concern" pursuant to Sections 391 and Section 394 and all other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 (to the extent notified). Balaji Motion Pictures Limited is a wholly owned subsidiary of Balaji Telefilms Limited. Since the entire share capital of Balaji Motion Pictures Limited is held by Balaji Telefilms Limited and its nominees, there shall be no issue of shares by Balaji Telefilms Limited for the demerger of the Film Production Undertaking of Balaji Motion Pictures Limited (more particularly defined in the Proposed Scheme) and vesting of the same in Balaji Telefilms Limited pursuant to the Proposed Scheme; and
 - ii. the amalgamation of Bolt Media Limited with the Company pursuant to Sections 391 and Section 394 and all other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 (to the extent notified). Bolt Media Limited is a wholly owned subsidiary of Balaji Telefilms Limited. Since the entire share capital of Bolt Media Limited is held by Balaji Telefilms Limited and its nominees, there shall be no issue of shares by Balaji Telefilms Limited in respect of its holding in Bolt Media Limited pursuant to the amalgamation under the Proposed Scheme. Upon the Proposed Scheme becoming effective, the entire share capital of Bolt Media Limited, shall be cancelled and extinguished.
 - iii. the reduction in the share capital of Balaji Motion Pictures Limited in accordance with the provisions of Sections 100 to 103 of the Companies Act, 1956, and any other applicable provisions of the Companies Act, 2013 and the order of the High Court sanctioning the Scheme shall also be deemed to be an order under sections 100 to 102 of the Companies Act, 1956 or such other equivalent provision of the Companies Act, 2013, as applicable, confirming the reduction of share capital of Balaji Motion Pictures Limited, without any further act or deed on the part of Balaji Motion Pictures Limited and without any approval or acknowledgement of any third party.
- c. Pursuant to the Proposed Scheme, shares in Balaji Motion Pictures Limited held by Balaji Telefilms Limited (other than those reduced pursuant to the Scheme) will continue to be held by Balaji Telefilms Limited, and Balaji Telefilms Limited shall not be required to issue any shares to the members of Balaji Telefilms Limited.
- d. In view of the above, there shall be no change in the shareholding pattern of Balaji Telefilms Limited or of Balaji Motion Pictures Limited.
- e. Accordingly, no valuation process is required for the Proposed Scheme as per paragraph I(A)(4) of Annexure I of SEBI Circular no. CIR/CFD/CMD/16/2015 dated 30 November 2015, as there is no change in the shareholding of the Balaji Telefilms Limited or Balaji Motion Pictures Limited pursuant to the Proposed Scheme involving the transfer and vesting of the entire business and undertaking of Bolt Media Limited and the Film Production Undertaking of Balaji Motion Pictures Limited (more particularly defined in the Proposed Scheme) to Balaji Telefilms Limited. In our opinion, the Proposed Scheme is fair and reasonable to the shareholders of Balaji Telefilms Limited.

- f. This Certificate is issued at the request of Balaji Telefilms Limited in accordance with paragraph (A)(4) of Annexure I of SEBI Circular no. CIR/CFD/CMD/16/2015 dated 30 November 2015 for submission to stock exchanges, SEBI and High Court/Tribunal, and should not be used for any other purpose without our prior written consent.

Thanking You,

Yours faithfully,

For PKMSRS & Associates,
(Chartered Accountants)
FRN No.:- 127938W

Prerana Ghag

Prerana Ghag

(Partner)

Membership No.:- 118338

