



NDTV Board Approves Demerger of News Business

New Delhi, October 03, 2008: At a meeting held on 1st October 2008, the Board of Directors of New Delhi Television Limited has approved the draft scheme of the demerger of the news businesses of NDTV Limited into a new company.

The NDTV Group will thereby be split into two groups of companies: one group of companies will carry out 'News and other businesses' and the other group of companies will carry out 'Entertainment and specified allied businesses'.

The aim of the demerger is to unlock shareholder value as well as provide increased choice and flexibility to shareholders. Moreover, the news business and the entertainment businesses operate under very different regulatory environments.

After the demerger, NDTV Limited will continue to remain listed on the Bombay Stock Exchange and the National Stock Exchange and will engage in non-news businesses. Subject to necessary approvals, the new company would also get listed under Clause 8.3.5.1 of the SEBI (Disclosure & Investor Protection) Guidelines, 2000. This new company would engage in news and allied businesses.

After the demerger, for every one share currently held in NDTV Ltd, a shareholder will receive one share in new company: For every share of face value of Rs. 4/- currently held in NDTV Ltd, a shareholder will receive a share of face value Rs. 4/- in the company that will acquire the news businesses of NDTV Limited as part of the demerger. At the same time the shareholder will continue to hold his current Rs. 4/- share in NDTV Limited.

Suitable arrangements will be put into the terms of the scheme for the ownership and use of the very valuable brand of NDTV. Arrangements for the ownership and use of common assets will also form part of the scheme.

As part of the Scheme, certain undertakings and guarantees provided by NDTV Limited will be undertaken by both the companies after the de-merger.

The Appointed Date for the Scheme would be 1st April, 2009;

The Scheme shall be subject to the approval of the Delhi High Court and subject to all other requisite approvals.

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