

1) Manager-CRD,
Bombay Stock Exchange Ltd.,
Dalal Street,
Mumbai-400001

Fax No.022-22722037/39/41
Re: Jagran Prakashan Limited
Script Code: 532705
ISIN No. INE 199G01027

2) Listing Manager,
National Stock Exchange of India Ltd.,
'Exchange Plaza'
Bandra Kurla Complex,
Bandra (E),
Mumbai-400 051

Fax: 022- 26598237/38
Re: Jagran Prakashan Limited
Scrip Code: JAGRAN
ISIN No. INE 199G01027

Dear Sir,

Re: In the matter of Scheme of Arrangement between Jagran Prakashan Limited (Amalgamated Company) and Crystal Sound & Music Private Limited (Transferor Company 1) and Spectrum Broadcast Holdings Private Limited (Transferor Company 2) and Shri Puran Multimedia Limited (Demerged Company) and Music Broadcast Limited (Resulting Company) and their respective shareholders and creditors ("Scheme of Arrangement")

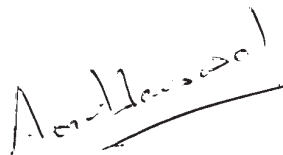
The Board of Jagran Prakashan Limited in its meeting held on 9th October 2015 has approved composite Scheme of Arrangement for:

- the amalgamation of Crystal Sound & Music Private Limited ("Crystal" or "Transferor Company 1") and Spectrum Broadcast Holdings Private Limited, earlier known as IVFH Holdings Private Limited ("Spectrum" or "Transferor Company 2") with Jagran Prakashan Limited ("JPL" or "Amalgamated Company), and
- the demerger of Radio Business Undertaking of Shri Puran Multimedia Limited ("SPML" or "Demerged Company") into Music Broadcast Limited ("MBL" or "Resulting Company").

The Scheme of Arrangement is subject to the approval of shareholders, creditors and other regulatory authorities.

Jagran Prakashan Limited ("JPL" or "Amalgamated Company") is a public limited company incorporated on 18th July, 1975. The equity shares of JPL are listed on the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). Its registered office is situated at Jagran Building, 2 Sarvodaya Nagar, Kanpur – 208 005, Uttar Pradesh. JPL is engaged in publication of newspapers, magazines, journals, outdoor advertisement, event management, ground activation and promotional business, value added services through mobile and maintaining and running various web portals.

Crystal Sound & Music Private Limited ("Crystal" or "Transferor Company 1") is a private limited company incorporated on 24th May, 2007. Its registered office is situated at 5th Floor, RNA Corporate Park, Off Western Express, Kalanagar, Bandra (East), Mumbai-400051, Maharashtra. Crystal is wholly owned by Spectrum Broadcast Holdings Private Limited which in turn is wholly owned by JPL. Crystal holds 21.48% of equity capital of MBL. Crystal is engaged in event management, on ground activation and promotional business.



Jagran Prakashan Ltd
Jagran Building, 2 Sarvodaya Nagar, Kanpur 208 005
T +91 512 3941300 F +91 512 2298040, 2216972
www.jagran.com www.jplicorp.in

CIN : L22219UP1975PLC004147
E-mail : jpl@jagran.com
Registered Office
2, Sarvodaya Nagar, Kanpur 208 005, Uttar Pradesh, India



PRINT

OUT OF HOME

ACTIVATION

MOBILE

ONLINE

Spectrum Broadcast Holdings Private Limited ("Spectrum" or "Transferor Company") is a private limited company incorporated on 09th September, 2005. Its registered office is situated at 5th Floor, RNA Corporate Park, Off Western Express Highway Kalanagar, Bandra (E), Mumbai - 400051, Maharashtra. Spectrum is wholly owned subsidiary of JPL. Spectrum holds 71.34% of equity capital of MBL and 100% of equity capital of Crystal. Spectrum is the recognized largest Indian Shareholder under the guidelines issued by Government of India for owning and running FM Radio Station in the country.

Shri Puran Multimedia Limited ("SPML" or "Demerged Company") is a public limited company incorporated on 27th December, 1991. Its registered office is situated at 2, Sarvodaya Nagar, Kanpur - 208005, Uttar Pradesh. SPML is engaged in the business of operating private FM radio business, prior to which it was carrying on finance and leasing business. It operates 8 private FM Radio stations under the brand name "Radio Mantra" and activation business. The entire shareholding of SPML is held by the promoters of JPL and their family members.

Music Broadcast Limited ("MBL" or "Resulting Company") is a public limited company incorporated on 4th November, 1999. The Non-Convertible Debentures (NCD) of MBL are listed on the Bombay Stock Exchange Limited ("BSE"). Its registered office is situated at 5th Floor, RNA Corporate Park, Off Western Express Highway Kalanagar, Bandra (East), Mumbai - 400051, Maharashtra. MBL is inter alia engaged in operating FM radio stations across India under the brand name "Radio City". Spectrum holds 71.34%, Crystal holds 21.48% and remaining 7.18% equity is held by Music Broadcast Employees Welfare Trust.

Rationale for Scheme:

- (i) Demerger of Radio Business Undertaking of SPML into MBL would enable MBL to consolidate related business, bring cost synergies and have focused management attention towards the business thereby enabling better growth in revenues and profits.
- (ii) JPL is engaged in the event, ground activation and promotional business amongst other businesses. Crystal is also engaged in same line of business. Consolidation of business of Crystal would enable JPL to consolidate the related business, bring cost synergies and have focused management attention towards the business thereby enabling better growth in revenues and profits.
- (iii) Amalgamation of Crystal and Spectrum into JPL will result in simplifying the ownership structure such that JPL would become direct holder of 93% approx. of equity capital of MBL, currently which is indirectly held by it through Crystal and Spectrum.
- (iv) Spectrum holds the equity stake in MBL to the extent of 71.34% and equity stake in Crystal to the extent of 100%. Further, the said amalgamation will give JPL a valuable right of owning and running FM Radio Station in the country. Similarly, after transfer of event management, activation and promotional business of Crystal, Crystal will be left with no business except holding equity stake of 21.48% approx. in MBL. As such, Spectrum and Crystal both Transferor Companies losing relevance are intended to be dissolved without winding up.
- (v) The Amalgamation will improve key financial ratios of JPL and will enable it to present healthier balance sheet.
- (vi) Consolidation of the business and asset of Spectrum and Crystal, Transferor Companies and JPL would help the three companies in saving various administrative, managerial and other costs and improving organizational efficiency.

Amalgamation



a) For Merger of Crystal and Spectrum with JPL

Crystal is a wholly owned subsidiary of Spectrum, which in turn is a wholly owned subsidiary of JPL, therefore there would be no issue of shares by JPL to the shareholders of the Crystal and Spectrum.

Valuation certificate was obtained taken from Pandey & Co, Chartered Accountants and Fairness Certificate was obtained from Ernst & Young Merchant Banking Services Private Limited.

b) For Demerger of Radio Business Undertaking of SPML into MBL

Based on recommendation of Ernst & Young Merchant Banking Services Private Limited, Exchange Ratio as consideration for the demerger and transfer of the Radio Undertaking of SPML into MBL is **10 equity shares of MBL of Rs. 10 each fully paid up for every 112 equity shares of SPML of Rs. 10 each fully paid up.** As a result, post demerger, shareholders of SPML shall hold approximately 6.94% of equity shares in MBL.

Fairness Opinion has been given by SBI Capital Markets Limited confirming the aforesaid exchange ratio.

You are requested to take the same in your record.

Thanking you,

For Jagran Prakashan Limited

Amit Jaishwal
(AMIT JAISWAL)
Company Secretary

