

ZEE TO BUY STAKE IN REL CAP'S TV, RADIO BUSINESS

New Delhi, 23 November: Reliance Capital, part of Anil Ambani-led Reliance Group, has entered into a Rs 1,900-crore deal with Subhash Chandra-led Zee Group to sell 100 per cent stake in its general entertainment TV channels and 49 per cent stake in radio business as part of measures to reduce debt.

"Zee Entertainment Enterprises Ltd (ZEEL), a separate entity under Zee Group, will acquire 100 per cent stake in the group's general entertainment TV business," Reliance Capital said in a statement.

The company would transfer 49 per cent of its radio business to Zee Media Corporation Ltd (ZMCL), which operates 11 news channels and publishes newspaper *DNA*, it said.

"The transaction pegs the combined enterprise value of radio and TV business at approx. Rs 1,900 crore (\$283 million)," Reliance Capital said.

"These transactions form part of Reliance Capital's stated strategy to reduce leverage and exposure in non-core business of media and entertainment," it said.

The TV broadcasting business, operated under Reliance Broadcast Network Ltd (RBNL), comprises two operational general entertainment channels ~ Big Magic and Big Ganga, and four other TV licences.

RBNL also operates 45 FM radio stations. Besides, it has bagged 14 new licences under phase III auctions.

"Both these transactions have been approved by the boards of respective companies and are expected to be completed by next year, subject to applicable approvals," Reliance Capital said.