
News

NDA brings Hollywood financiers to India

Bar&Bench News Network

13 Jan 10 - 13:51



The global economic crisis hit the US economy particularly hard, a fact that has been reflected in the substantial cutbacks in funding for Hollywood productions. AVT Shankardass was quick to take advantage of the situation by setting up a Rs. 500 crore (\$110 million) private equity fund called Global Entertainment Partners. Nishit Desai Associates' Mumbai Partners, Siddharth Shah and Bijal Ajinkya are advising the Fund.

The global economic crisis hit the US economy particularly hard, a fact that has been reflected in the substantial cutbacks in funding for Hollywood productions. Wall Street banks trying to recover from the collapse have had fewer funds to spare for the entertainment industry, a lacuna that Indian-origin Hollywood producer, AVT Shankardass was quick to take advantage of.

Shankardass is well-known in Hollywood as the producer of films such as 'Ball & Chain', the Harrison Ford-starrer, 'K-19: The Widowmaker' and the 2010 release, Owl Song, based on the story of celebrated composer, Peggy Glanville-Hicks.

Shankardass has floated a Rs. 500 crore (\$110 million) private equity fund in India called Global Entertainment Partners (GEP). The fund comprising 33 Indian investors, is a seven-year, close-ended fund with a five year investment period. The private equity venture targets international moviemakers looking for financial backing, and is seeking participation from corporates and high net-worth individuals to produce American and international content.80 percent of the fund will be invested in Hollywood movie and television projects and the remaining 20 percent will finance Indian films.

Nishith Desai Associates (NDA) is advising on the setting up of the fund. Handling the fund formation for NDA are Mumbai-based Partners, Siddharth Shah and Bijal Ajinkya. Head of the Funds Practice Group, Siddharth Shah, told *Bar & Bench* that this would be a continuing mandate as NDA shared a long-standing relationship with AVT Shankardass; the fact that NDA has a strong media practice will help in further building relations, he added.

About the fund, Shah said, "This is a very interesting fund presenting a unique opportunity for Indian investors. Most Indian funds are inward focused, local in nature and of limited scale. However, GEP is [investing] on a global scale, but looking for local investors, and therefore is more attractive than other funds."
