

Balaji Telefilms Limited

Ms. Tannu Sharma: Good afternoon, ladies and gentlemen. I am Tannu Sharma, Company Secretary and Compliance Officer of Balaji Telefilms Limited. Taking your permission to initiate the proceedings of the 29th AGM. I welcome the members to the 29th Annual General Meeting of Balaji Telefilms Limited, which is being held through video-conference in accordance with the relevant circulars, guidelines and directions issued by the the Ministry of Corporate Affairs and SEBI. I would like to update the members with respect to certain important aspects relating to the AGM:

- The facility for joining this AGM, video conferencing or other audio-visual means is being made available to the shareholders on the first come first serve basis.
- To avoid any background noise and to ensure smooth and seamless proceedings, all the shareholders attending this meeting have been placed on mute by default.
- Shareholders are requested to use Internet with a good speed to avoid any disturbance.
- For any technical issues which any of the shareholder may face, they may call on the helpline number given on Page No. 282 of the Annual Report and we assure to provide the best possible assistance.
- All efforts feasible have indeed been made by the Company to ensure effective participation and voting by the Members.
- The proceedings of this meeting are being recorded and will be hosted on the website of the company.
- Participation of members through video-conference is being counted for the purpose of quorum as informed by the KFIN team.

The requisite quorum has already logged in for the AGM and accordingly, the meeting is called to order. We will now request all the participating board members to introduce themselves one by one.

I request Mr. D.G. Rajan, who is the Chairman of the Audit Committee, to introduce himself.

Mr. D.G. Rajan: Good afternoon, everybody. My name is DG Rajan and I have joined this meeting through video conferencing from my residence in Chennai. I am the Chairman of the Audit Committee and Nomination and Remuneration Committee. Thank you.

Ms. Tannu Sharma: Thank you, Sir. Mr. Arun Purwar.

Mr. Arun Purwar: I am A.K. Purwar. I am an Independent Director of the Company and I have joined this meeting through video conference. Thank you.

Tanu Sharma: Thank you, Sir. Dr. Pradeep Sada.

Dr. Pradeep Sada: My name is Pradeep Sada. I have joined this meeting through video conferencing from Mumbai.

Ms. Tannu Sharma: Mr. Sanjay Dwivedi, Group CEO and Group CFO.

Mr. Sanjay Dwivedi: Hi, I am Sanjay Dwivedi. I confirm my attendance for this AGM and I am attending the meeting from Mumbai.

Ms. Tannu Sharma: Thank you, Sir. We would like to inform the shareholders that the authorized representatives of Deloitte Haskins and Sells, LLP, Chartered Accountants, our Statutory Auditors; MMJB and Associates LLP, our Secretarial Auditors and Mr. Vijay Yadav Scrutinizer, have also joined this meeting through VC.

Under such kind of format, there is no possibility of securing physical attendance of team members. Therefore, in line with the applicable guidelines, the facility for appointment of proxy is not available. The statutory registers and other documents referred to in the AGM Notice and the certificate from the Secretarial Auditors certifying that the ESOP Scheme adopted by the company is being implemented in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 have been made available for inspection for convenience of the shareholders.

The Notice of the AGM and the Annual Report have been sent in electronic mode to those Members whose e-mail IDs were registered with the Company, KFin Technologies Limited or with the depository participants. I would like to mention that as per applicable laws, the Company had provided the facility of remote e-voting which was kept open from Sunday, August 13, 2023, 9 AM onwards till Wednesday, August 16, 2023 till 5:00 PM. Members who are attending the AGM today and who have not voted yet, may cast their votes today using the Instapoll facility, which will remain open for 15 minutes post conclusion of the AGM proceedings. The detailed voting instruction have been provided in the AGM notice.

Before we proceed with taking up the resolutions, I request Sanjay Sir to please address the queries which we have received from our shareholder. A timeframe of about 15 days was given to the shareholders for mailing to us their questions. We have received a number of questions and suggestions from our valued shareholders. I request Sanjay Sir to take up the same please.

Mr. Sanjay Dwivedi: Welcome and good afternoon, dear shareholders. I hope all is well with you and your family. I appreciate you taking time to know Balaji's performance during FY23 and now I would like to take you through the key highlights of our business performance before I take individual questions, which has been sent across to us.

Post pandemic disruption, this was a year of normalization with theatrical releases and audience coming back to theaters. We had four movie releases in the year, 3 had theatrical releases and one was direct to OTT. All movies did reasonably well for TV business this year was good with 1127 hours of production as compared to 864 hours of production in the previous year and we ended the year with 9 shows.

At ALTT we focused on strategy and cost rationalization, resulting in 44% reduction in PBT loss to Rs. 76.7 crores. We also launched 4 shows in FY23. The group's total income from operation rose from rose by 76% from 337 crores in the previous year to 593 crores on during FY23. On a

consolidated level, the group had PBT positive results for Q3 and Q4. On the movies, we have released 2 movies - U turn on Zee 5 and Kathal on Netflix. Both movies have been received well with the audience and are among the top ten watched movies on OTT for the first half year of 2023. Further, we have exciting slate of movies coming up including DreamGirl 2, Thank You for Coming, Crew and LSD2. We have pre-locked revenue deals on these movies and are in the process of finalizing few other deals thereby de-risking our entire movie business exposure.

With regard TV business, as on date, we have seven shows on air. We strive to maintain a healthy content pipeline. On digital, we have content deals with leading OTT platform and also our own subscribers on our app. For the financial year 23-24, Quarter 1 results have been declared last week. For last three quarters, we were PBT positive on a consolidated level.

Now, I would like to address the queries raised by some of our valued shareholders.

First question comes from Yogesh Vesivikar. He has asked how much of revenue generation is from new releases like Kathal movie. Any new movies to be launched in future.

He has another question where he has complimented on the group numbers and he is asking how are our subsidiary companies performing and when can we expect them to add revenue to our profit and loss?

Our response: We have received great response to our movie. Kathal which was launched on Netflix in May and the movie quickly rose to Netflix chart. In April this year, U-turn movie was launched on Zee5. In December 2022, Freddy was launched on Hotstar.

All OTT movies have been received well with the audience. Upcoming movies for the current year which I mentioned earlier - Dreamgirl 2, Thank You for Coming, The crew, LSD2 are being released theatrically and subsequently on OTT and satellite. As things stands today, digital revenue constitute a very significant portion of the revenue for the movies.

We really appreciate your support, which motivates us to work harder and deliver timely and accurately. Our subsidiary companies such as ALT Digital Media Entertainment Limited, Balaji Motion Pictures Limited, Marinating Films Private Limited and Ding Infinity Private Limited are doing well and contributing to BTL consolidated profit. This Quarter 1, FY 24 is the third consecutive quarter of profit. We have great movies and shows in our pipeline, incoming quarters which will surely be loved by audience and thus contributing to our profitability. Just to draw your attention, we have posted profit in the last three quarters for the group.

2) Yusuf Rangwala, Why annual report is only 295 pages this time and why no dividend has been declared.

Our response: Our Annual Report for the year 22-23 covers Balaji Telefilms Limited, standalone as well as consolidated financial statements along with the statutory reports and other information. The financial statements of our subsidiary companies are uploaded on Balaji's website.

On our website, refer the investor tab, under which you are required to refer to disclosures under Regulation 46 of SEBI LODR section and lastly refer to separate audited financial statement of each subsidiary of the listed entity.

On dividend, Balaji has been an investor friendly Company and consistently paying dividend. In the current year in order to conserve cash and redeploy funds in business operations, the Board has not recommended any dividend.

3) Rajendra Prasad Joshi - Out of the three business verticals, i.e. film, TV and streaming, which one is more profitable? Which new projects are in pipeline? Who are all Balaji's competitors? What is Capex plan for the next year?

Our Response: The plan is to focus on all the three business segments to emerge stronger to consolidate our long-term standing market reputation in the M&E sector that we have painstakingly earned in the last 28 years through sheer hard work and perseverance. While we are already a household name in terms of our TV and movie business, we are currently trying to replicate the same success in the digital segment as well. Accordingly, we would continue investing in content production for OTT and a clear focus on bottom line in terms of growth. Given that we have a healthy pipeline across all mediums this year, we expect growth across all segments. TV business continues to be backbone of the group, followed by movie and digital business.

For TV, currently we have seven shows on air with all leading broadcasts, of which Barsatein was launched recently on Sony in July 2023 and a few shows are under discussion stage. Movies this year we had two digital released Kathal and U-turn. Both the movies performed well. We have DreamGirl 2, which is ready for release in coming week i.e. 25th August 2023. Then we have two movies under production, Thank You for Coming and the Buckingham Murder. 3 movies for which shoot has already commenced - The crew, LSD 2 and Vrushabha.

On the digital side, we had Purani Haveli ka Rahasya released on ALTT platform and Badtameez Dil launched on Amazon Prime under licensing, with IP remaining with the company and also telecast for the same available on ALTT after agreed lock in window. In coming quarters, we have shows such as Crime and Confessions, Bekaabu Season 3 and more which are in various stages of production, discussion and active consideration and will be announced soon.

In the OTT business, we would continue to invest in original content as well as pursue collaboration with some of the leading players of the industry to take our digital business to greater heights.

In respect to competitors, we have Amazon Prime, Jio Cinema, MX Player, Hotstar, etc. We are working towards producing quality differentiated content, which will enable us to become top content makers in market and not directly competing with the same target audience.

We are an asset light company and our Capex investments are primarily on the sets for the shows. This depends on the number of upcoming new shows and track changes in current shows.

In any case, our Capex for the four year will be very low and largely it will be in the nature of maintenance Capex.

4) Mrs. Lekha Shah: She wants to know does our company has any acquisition or mergers plans? How do we safeguard our original content against piracy and illegal distribution and what steps our company is taking to safeguard our income?

Our Response: The group continuously evaluates partnership with leading players of the Media and Entertainment industry in order to obtain economies of scale. Such collaborations are especially important to us in the digital segment as we are currently in growth stage with a focused on increased investment in premium and the original content.

Our Response: To ensure that there is no loss of original content due to piracy in any illegal distribution of our material, we follow different approach in each of our segment. For television, we ensure that the content is delivered in a secure and encrypted manner and uploaded on authorized sites. For movies, we appoint external agencies to take anti-piracy measures like 1 Go solutions etc. For web series we use external agency to take anti-piracy measures like I-Plex. These are in addition to the groups existing IT infrastructure which are robust in nature and has adequate safeguards against leaks and piracy.

5) Mr. Vinod Agarwal who is a joint holder with Mrs. Meena Agarwal: He has complimented the company for the management of finances and financial presentation.

We thank you for the trust shown by you on the company management and strive to be profitable for the full year.

6) Mr. Tushar Soda: He wants to know the focus area, which vertical do we expect maximum growth and profitability. Mrs. Jyoti Deshpande and Priyanka Chaudhary who are non-independent director in our company. Both are holding senior position in company which are direct competitors to some of our biggest clients and also challenges for our movie business. How do we ensure that there is no conflict of interest as required by good corporate governance. How the business secrecy plans taken care of while making important decision in at board meetings. He also wanted to know the monetization plan for the strategy with the strategy collaboration with the leading OTG players. I have just answered in the previous questions. He wants to know what is the aspiration and plans to monetize opportunities for existing and future projects.

Our Response: The plan is to focus on all three business segment in order to imagine stronger to consolidate our long-standing reputation in the M&E sector. While we are already household name in terms of our TV and movie business, TV business constitute to be the backbone of our business followed by movies and digital.

At Balaji we maintain high standards of governance and have a model code of conduct for each of the directors and senior management. Each board member gives declaration regarding compliance with the code of conduct on an annual basis. These declarations are maintained for records. The board constitutes members with various industry experience and expertise in order

to maximize shareholders value. The directors are bound by the confidentiality because thereby ensuring that any information concerning the Company's business, its customers, suppliers, etcetera, which is not in public domain and to which the director has access, is considered highly confidential and held in confidence by the concerned director, unless he or she is authorized to share the same with an external party or if such disclosure is required as a matter of law.

The other questions from Mr. Sodha have already been answered.

7) Mr. Kirti Shah: Why our company PE is so high. He also wants to know why net profit is so high in March quarter 2023 Rupees 21.83 crores against December quarter of 14 crores. How much investments we have in listed and unlisted companies at group level. How much land assets we have? Kindly issue 7 to 8% convertible debentures. Kindly send full details of CSR money used and unused? How much contingent liability we have and how much contingent liability we have not provided.

Our Response: PE is dependent upon combination of external as well as internal factors. Our endeavor is to continue to focus on generating higher earning for our shareholders. Which in turn will improve market price and PE and thereby ensure sustainable business growth. Kindly make e-mail ID for investors.

In quarter 4, the TV and movie business have done reasonably well and there is one time gain on sale of fixed assets which has also resulted in higher net profit.

Consolidated profit of tax for the quarter 4 was Rs. 10.6 crore as against loss of Rs. 24.5 crore in Q1 FY 23. We expect to continue the momentum in the year going forward. You can check MDA with detailed analysis on our Company's website.

At group level, investment is only in one associate BD Innoventures Private Limited (Tring India), the brand which is currently unlisted company.

Company owns premises that Kill Fire, Andheri West Mumbai. The valuation is about Rs. 4 Crore. We have no plans of monetizing this premises in this year.

Company evaluates various funding options at regular intervals and the option suggested is among the best. We will come back to you in case if we have to issue any debentures or anything else.

CSR expense and details and on how money is utilized by the Company has been disclosed in Note 47 of Standalone Financial Statement and Note 50 of the consolidated financial statement as at March 31, 2023.

Company already has an e-mail ID which is investor@balajitelefilms.com and the same is mentioned in Annual Report.

Contingent liabilities of the Company have been disclosed in Note #33 of standalone financial statements and note 35 of the consolidated financial statement as at March 31, 2023.

We have also received few questions which are non-financial in nature and relate to industry landscape, stock market and regulatory in nature. We would be happy to answer these questions in person. Like earlier, we are always available at Balaji office to answer your concern and feel free to write to us and our CS department will get in touch with you.

Lastly, I would like to express my sincere appreciation to our shareholders, Board of Directors and the promoters for their unwavering belief in our vision and their continued support throughout this journey. Your trust and confidence have been instrumental in our success. Thank You.

Ms. Tannu Sharma: Thank you, Sir. I take this opportunity to introduce our Chairman, Mr. Jeetendra Kapoor and our Managing Director Mrs. Shobha Kapoor. I request Jeetu Sir to address the shareholders please.

Mr. Jeetendra Kapoor: My name is Jeetendra Kapoor and I have joined this meeting through video conferencing from my residence in Mumbai. I am the Chairman of Stakeholders, Relationship Committee and Corporate Social Responsibility Committee.

Mrs. Shobha Kapoor: My name is Shobha Kapoor. And I have joined this meeting through video conferencing from my residence in Mumbai.

Ms. Tannu Sharma: Thank you, Ma'am. I would request Jeetu Sir to take up the Chairman's speech please.

Mr. Jeetendra Kapoor: Dear Shareholders, we are pleased to present the financial report of our Company for the financial year 2022-23 as well as provide you with an overview of our progress and achievements during this transformative period in the entertainment domain.

This year, we continued our efforts to build upon our strong brand name and legacy through our offerings across mediums, that is TV, Movies and Digital. With the trust and unwavering belief you have placed in us, we have consolidated our market reputation and credibility in the Media & Entertainment sector that we have painstakingly nurtured over the past 29 years. Our diversified content portfolio, strategic partnerships and customer-centric approach have been key drivers of this success.

I would now like to request Mr. Sanjay Dwivedi to read out rest of the Chairman's speech on my behalf.

Mr. Sanjay Dwivedi: Thank You Sir.

The Group reported 76% increase in revenue to ₹ 593 crores in FY23 compared to ₹ 337 crores in FY22. Overall, the Group reported a net loss of ₹ 38 crores compared to loss of ₹ 133 crores in the previous corresponding period, a marked improvement of 71%, demonstrating the Group's continued focus on operational excellence and strategic cost rationalizing across business segments, especially the Group's digital business.

Balaji's long running shows continued to remain channel drivers for some of the leading channels of the country and maintained their rankings amongst the top shows of the channel.

As regards Movie business, 4 films were released with 3 of them i.e. 'Ek Villain 2', 'Dobaaraa', and 'Goodbye' releasing in cinemas while Kartik Aryan starrer, 'Freddy' was launched directly on digital to great audience reception. All our films performed exceedingly well on OTT with some of them trending at the number 1 spot. Under the strategy to de-risk the movie business, the Company has locked in significant portion of cost of production through multiple pre-sales deals for our pipeline ahead and going forward, the Company will continue to employ these strategies to ensure progress and harness monetization potentials.

ALTBalaji was rebranded as ALTT with a renewed commitment to its customers to provide innovative and engaging content. After closely monitoring and analyzing our audience's tastes and preferences for the past six years, we have built an extensive library of valuable content of over 90 shows. As we speak, we are building on this existing library wherein ALTT's content slate is expected to yield positive results in the upcoming quarters in the form of launch of content driven shows across genres. Continued focus on core competencies of creative excellence and production expertise is expected to drive the business going forward.

Last but not the least, on behalf of the entire Balaji family, we would like to thank our valued shareholders for your continuous encouragement and immeasurable support throughout our journey that has contributed to our growth and success story.

As we move forward, we remain dedicated to delivering captivating content, leveraging industry trends and creating value for our shareholders. Thank You.

I now handover the AGM Proceedings to Ms. Tannu Sharma, Group Company Secretary.

Ms. Tannu Sharma: Thank You Sir.

Now, I request that the Notice convening this meeting as well as the Auditors' Report on both the Standalone and Consolidated Financial Statements for the year ended March 31, 2023, be taken as read, since there is no qualification in these reports.

Further, Members' attention is drawn to Secretarial Auditors remarks in the Audit Report, stating that: *Board composition was not in compliance with Regulation 17(1) of SEBI LODR from May 20, 2022 till September 12, 2022.*

We would like to inform the shareholders that the said default w.r.t. Board composition has already been regularized and is in compliance with the applicable laws w.e.f. closing of business hours on September 12, 2022.

We will now take the Secretarial Audit Report for the year ended March 31, 2023, as read.

As per the Companies Act, 2013 and SEBI LODR, the Company had provided the facility of remote e-voting.

The voting rights of shareholders are in proportion to the shares held by them as on the cut-off date, i.e., Thursday, August 10, 2023.

The Board has appointed Mr. Vijay Yadav, Partner of AVS & Associates, as the Scrutinizer for conducting the Voting process in a fair and transparent manner. The Results shall be declared after the AGM, and the same shall be available at the website of the Stock Exchanges, RTA and the website of the Company. The transcript of the meeting shall also be made available as soon as possible on the website of the Company at www.balajitelefilms.com

Since the AGM is being held through Video Conference, the items mentioned in the Notice convening this AGM have already been put to vote through remote e-voting, and therefore, the said items are not required to be proposed or seconded by the shareholders.

We will now take up the matters set forth in the Notice of this AGM. The ordinary business items are listed as agenda item no. 1 and 2 and special business items are listed as item no. 3, 4 and 5 of the Notice.

Item No. 1: Adoption of Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2023, and the Board's and Auditors Report thereon.

Item No. 2: To appoint a Director in place of Mrs. Shobha Kapoor, who retires by rotation, and being eligible, seeks reappointment.

Item No. 3: Re-appointment of Mrs. Shobha Kapoor, as the Managing Director and fixation of the terms of appointment.

Item No. 4: Re-appointment of Ms. Ektaa R. Kapoor, as the Joint Managing Director and fixation of the terms of appointment.

Item No. 5: Approval for payment of Commission to Non-Executive Directors of the Company. We would like to mention that till date, 41 shareholders had requested for physical copy of the Annual Report, out of which, 39 copies have already been dispatched and would have reached the concerned shareholders by now. Also, we are in the process of dispatching the Annual Report for the pending requests which have been received lately.

Members desirous of inspecting the AGM minutes may visit the Registered Office of the Company during business hours.

All the questions received by the Company have been duly taken on record. Members are requested to note that Instapoll facility will remain open for the next 15 minutes for those Members, who have not casted their votes as of now, and would like to vote now.

There being no other matter to be transacted, we hereby conclude the AGM. I thank all the Directors and our valued shareholders for attending the 29th AGM of the Company. Thank You!
