

Balaji Telefilms Ltd.

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New Link Road, Andheri (West), Mumbai - 400 053
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CIN No. : L99999MH1994PLC082802



February 13, 2017

Bombay Stock Exchange Ltd.

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001.

National Stock Exchange of India Ltd.

“Exchange Plaza”,
Bandra-Kurla Complex, Bandra (East)
Mumbai- 400 051.

Dear Sir/Madam,

Sub: Outcome of Board Meeting- Pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure requirements) Regulations 2015

With reference to the captioned subject, we hereby inform you that at the meeting of the Board of Directors of the Company held today i.e. February 13, 2017, the Board has approved and taken on record the Unaudited Standalone & Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2016 and Limited Review Report of the Auditors thereon.

A copy of the Unaudited Standalone & Consolidated Financial Results and Limited Review Report by Auditors of the Company for the quarter and nine month ended December 31, 2016 along with the Management Discussion and Analysis Report is enclosed for your perusal.

Kindly take the same on record.

Yours truly,

For Balaji Telefilms Limited

Simmi Singh Bisht

Group Head- Secretarial



Encl: a/a



Balaji Telefilms Limited

STATEMENT OF CONSOLIDATED UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER, 2016

₹ in Lacs

Sr. No.	Particulars	3 months	Preceding	Corresponding	Nine Months Ended	
		ended	3 months ended	3 months ended	31-12-2016	31-12-2015
		31-12-2016	30-9-2016	31-12-2015		
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
1	Income from operations					
	a) Net Sales / Income from Operations	10,296.15	10,520.85	7,315.43	32,462.08	20,063.91
	b) Other Operating Income	40.07	69.97	549.15	203.37	888.43
	Total Income from operations	10,336.22	10,590.82	7,864.58	32,665.45	20,952.34
2	Expenses					
	a) Cost of Production / Acquisition and Telecast Fees	7,737.32	7,854.54	6,804.31	23,983.69	23,726.01
	b) Decrease / (Increase) in stock in trade	705.47	1,777.42	(1,421.85)	3,105.66	(8,697.77)
	c) Marketing and Distribution Expense	1.51	1,954.68	31.53	3,282.09	78.19
	d) Employee Benefits Expense	662.80	680.56	491.09	1,989.16	1,407.19
	d) Depreciation and amortisation expense	344.95	287.40	263.44	899.12	691.83
	f) Other Expenses	945.69	941.55	720.73	2,669.50	2,091.43
	Total Expenses	10,397.74	13,496.15	6,889.25	35,929.22	19,296.88
3	(Loss) / Profit from Operation Before Other Income and Finance Cost (1-2)	(61.52)	(2,905.33)	975.33	(3,263.77)	1,655.46
4	Other Income	297.17	375.17	137.41	1,316.04	752.94
5	Profit / (Loss) before Finance Cost (3+4)	235.65	(2,530.16)	1,112.74	(1,947.73)	2,408.40
6	Finance Costs	0.70	0.87	0.00	2.95	0.51
7	Profit / (Loss) from Ordinary Activities Before Tax (5-6)	234.95	(2,531.03)	1,112.74	(1,950.68)	2,407.89
8	Tax Expenses	421.01	268.65	686.21	1,054.88	1,137.69
9	Short Provision for Tax in respect of earlier years (Refer Note 3)	-	-	-	-	27.00
10	Net (Loss) / Profit from ordinary activities after tax (7-8-9)	(186.06)	(2,799.68)	426.53	(3,005.56)	1,243.20
11	Share of (Loss) / Profit of associates	(0.11)	0.88	(0.93)	0.66	(1.38)
12	(Loss)/Profit before minority interest (10-11)	(186.17)	(2,798.80)	425.60	(3,004.90)	1,241.82
13	Minority interest	8.30	(0.88)	12.28	94.01	12.28
14	Net (Loss) / Profit after tax, share of profit of associates and minority interest	(177.87)	(2,799.68)	437.88	(2,910.89)	1,254.10
15	Other Comprehensive Income (OCI) Net of tax	(0.39)	(0.40)	2.01	(1.18)	6.02
16	Total comprehensive income(14+15)	(178.26)	(2,800.08)	439.89	(2,912.07)	1,260.12
17	Paid-up Equity Share Capital (Face Value ₹ 2/- each)	1,518.61	1,518.61	1,304.21	1,518.61	1,304.21
18	Earnings Per Share (EPS) Basic and Diluted	(0.23)	(3.69)	0.67	(3.83)	1.92

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

₹ in Lacs

Sr. No.	Particulars	3 months	Preceding	Corresponding	Nine Months Ended	
		ended	3 months ended	3 months ended	31-12-2016	31-12-2015
		31-12-2016	30-9-2016	31-12-2015		
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
1	Segment Revenue					
	a) Commissioned Programs	8,373.83	6,198.27	7,200.75	20,873.15	19,676.09
	b) Films	1,920.04	4,318.67	112.18	11,582.74	380.94
	Total	10,293.87	10,516.94	7,312.93	32,455.89	20,057.03
	Less: Inter Segment Revenue	-	-	-	-	-
	Total Net Sales/ Income from Operations	10,293.87	10,516.94	7,312.93	32,455.89	20,057.03
2	Segment Results					
	Profit Before Tax and Interest from each Segment					
	a) Commissioned Programs	1,146.52	791.47	956.11	2,332.54	3,422.58
	b) Films	(50.99)	(2,599.80)	(200.29)	(2,397.57)	(239.73)
	Total	1,095.53	(1,808.33)	755.82	(65.03)	3,182.85
	Less: (i) Finance Costs	0.70	0.87	-	2.95	0.51
	(ii) Other Unallocable Expenditure	1,198.91	1,170.89	332.14	3,407.81	2,422.71
	(iii) Unallocable Income (Refer Note 2)	(339.03)	(449.06)	(689.06)	(1,525.11)	(1,648.26)
	(Loss) / Profit before tax	234.95	(2,531.03)	1,112.74	(1,950.68)	2,407.89
3	Segment Assets					
	a) Commissioned Programs	18,787.41	17,209.63	14,761.56	18,787.41	14,761.56
	b) Films	16,273.06	17,993.23	18,497.00	16,273.06	18,497.00
	Total Segment Assets	35,060.47	35,202.86	33,258.56	35,060.47	33,258.56
	c) Unallocable Assets	25,303.94	25,740.48	15,201.45	25,303.94	15,201.45
	Total	60,364.41	60,943.34	48,460.01	60,364.41	48,460.01
4	Segment Liabilities					
	a) Commissioned Programs	6,763.84	5,679.36	3,123.58	6,763.84	3,123.58
	b) Films	1,864.59	3,507.75	937.05	1,864.59	937.05
	Total Segment Liabilities	8,628.43	9,187.11	4,060.63	8,628.43	4,060.63
	c) Unallocable Liabilities	1,325.94	1,621.80	3,011.16	1,325.94	3,011.16
	Total	9,954.37	10,808.91	7,071.79	9,954.37	7,071.79
5	Capital employed					
	a) Commissioned Programs	12,023.57	11,530.27	11,637.98	12,023.57	11,637.98
	b) Films	14,408.47	14,485.48	17,559.95	14,408.47	17,559.95
	c) Unallocable Assets less Liabilities	23,978.00	24,118.68	12,190.29	23,978.00	12,190.29
	Total	50,410.04	50,134.43	41,388.22	50,410.04	41,388.22

Notes:

1. Financial results of the subsidiary companies, Balaji Motion Pictures Limited (BMPL), BOLT Media Limited (BML), Chhayabani Balaji Entertainment Private Limited (CBEPL), Event Media LLP (EMLLP), Marinating Films Private Limited (MFPL), ALT Digital Media Entertainment Limited (ALT) (together referred as 'the Group') and share of associate entity, IPB Capital Advisors LLP (IPB) have been consolidated with those of Balaji Telefilms Limited (the Company).
2. The un-audited consolidated financial results (results) for the quarter and nine months ended 31December, 2016 are in compliance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs. Consequently, the results for the quarter and nine months ended 31December, 2015 have been restated to comply with the Ind AS to make them comparable.
3. Reconciliation between the results as reported under previous Generally Accepted Accounting Principles (IGAAP) and Ind AS are summarized below:

(₹in Lacs)

Sr.	Particulars	Notes	3 months ended 31-12-2015	9 months ended 31-12-2015
	Consolidated Net Profit as per IGAAP		662.99	1,600.33
1	Impact of fair valuation of investments in mutual funds through Statement of Profit and Loss	(a)	(363.26)	(546.45)
2	Impact of reclassification of actuarial loss on employee benefits to Other Comprehensive Income (OCI)	(b)	(2.01)	(6.02)
3	Impact of fair valuation of other financial assets	(c)	2.17	4.85
4	Impact of Deferred tax	(d)	125.71	189.11
5	Adjustment for non-controlling (minority) interest	(e)	12.28	12.28
	Total		(225.11)	(346.23)
	Consolidated Net Profit as per Ind AS		437.88	1,254.10

Notes:

- (a) Fair valuation of investments in mutual funds: Under the Ind AS, the Investments in mutual funds have been accounted at fair value through Statement of Profit and Loss instead of accounting at lower of cost and fair value under IGAAP.

- (b) Actuarial loss on employee benefits: Under Ind AS, actuarial loss on employee benefits have been accounted through OCI instead of accounting through Statement of Profit and Loss under IGAAP.
- (c) Fair valuation of other financial assets: Under Ind AS, other financial assets viz., security deposits given for rented premises, have been accounted at fair value. The difference between the fair value and carrying value is treated as notional rent.
- (d) Deferred taxes: Under Ind AS, deferred tax is computed as per Balance Sheet approach instead of the Profit and Loss approach under IGAAP and includes the impact on account of the above.
- (e) Adjustment of non-controlling (minority) interest: Under Ind AS, total comprehensive income of the subsidiaries has been attributed to the owners of the parent and to the non-controlling (minority) interests, prospectively, even though this results in the non-controlling interests having a deficit balance. Under IGAAP, profit/loss of subsidiaries is not attributable to minority, if the minority interest has a deficit balance.
4. On 30 April, 2013, the Income-tax Department visited the premises of the Company and BMPL and initiated proceedings under Section 132 of the Income-tax Act, 1961. Pursuant to the notices under Section 153A of Income-tax Act, 1961 the assessments for all the relevant assessment years were completed by the Department during the quarter ended 30 June, 2015. Consequently, the Company has computed the differential tax liability aggregating to ₹ 27 Lacs for these years and accounted for the same in the quarter ended 30 June, 2015. Further, the Company and BMPL, have filed applications for rectification of four Assessment Orders which had discrepancies, which is pending with the Department.

During the quarter ended 31 December, 2016, the Company has filed appeals with the Income-tax Appellate Tribunal (ITAT), against the Orders passed by the Commissioner of Income-tax (Appeals) confirming the penalty imposed by the assessing officer.

5. During the current quarter, the Board of Directors of the Company have approved a composite scheme of arrangement between the Company and two of its subsidiaries viz. Balaji Motion Pictures Limited (BMPL) and Bolt Media Limited (Bolt), which envisages merger of Bolt and of the film production undertaking of BMPL with the Company and consequent Capital reduction in the books of BMPL. The Company has received the observation letters from National Stock Exchange of India Limited and BSE Limited on the Scheme. Based on the commencement notification of certain sections of the Companies



Act, 2013 related to the powers of the National Company Law Tribunal (NCLT), the Company is in the process of filing application for the sanction of the scheme with the NCLT.

6. Corresponding figures of the previous period have been regrouped/ restated, where necessary.
7. The above results have been reviewed by the Audit Committee and thereafter by the Board of Directors at their meeting held on 13 February, 2017. The statutory auditors of the Company have carried out a limited review of the results for the current quarter and nine months ended 31 December, 2016.

**By Order of the Board
For Balaji Telefilms Limited**

Place: Mumbai
Date: 13 February, 2017

Jeetendra Kapoor
Chairman



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF BALAJI TELEFILMS LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Balaji Telefilms Limited (the Parent) and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), and its share of the (loss) of its associate for the quarter and nine months ended 31 December, 2016 (the Statement), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016.

This Statement which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Parent's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the results of the following entities:
Balaji Telefilms Limited (the Parent), Balaji Motion Pictures Limited, Bolt Media Limited, Marinating Films Private Limited, Chhayabani Balaji Entertainment Private Limited, Event Media LLP, ALT Digital Media Entertainment Limited (subsidiaries of the Parent) and IPB Capital Advisors LLP (associate of the Parent).
4. The consolidated unaudited financial results also includes the Group's share of Total comprehensive (loss)/ income of Rs. (0.11) lacs and Rs. 0.66 lacs for the quarter and nine months ended 31 December, 2016, respectively, as considered in the consolidated unaudited financial results, in respect of an associate, whose interim information have not been reviewed by us. These interim financial information have been reviewed by other auditor whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of the associate, is based solely on the reports of the other auditor.

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**Deloitte
Haskins & Sells LLP**

5. Based on our review conducted as stated above and based on the consideration of the reports of the other auditor referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the aforesaid Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Abhijit A. Damle
Partner
(Membership No. 102912)

Mumbai, 13 February, 2017



Balaji Telefilms Limited

PART I:
STATEMENT OF STANDALONE UN-AUDITED FINANCIAL RESULTS FOR QUARTER AND NINE MONTHS ENDED
31 DECEMBER, 2016

₹ in Lacs

Sr. No.	Particulars	3 months	Preceeding	Corresponding	Nine Months Ended	
		ended	3 months ended	3 months ended	31-12-2016	31-12-2015
		31-12-2016	30-9-2016	31-12-2015		
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
1	Income from operations					
	a) Net Sales / Income from Operations	8,349.61	6,091.52	7,203.25	19,706.88	19,159.74
	b) Other Operating Income	40.07	69.97	511.54	203.37	812.86
	Total Income from operations	8,389.68	6,161.49	7,714.79	19,910.25	19,972.60
2	Expenses					
	a) Cost of Production / Acquisition and Telecast Fees	6,716.78	5,541.27	5,098.83	16,551.74	14,769.46
	b) (Increase)/Decrease in stock-in-trade	(196.49)	(848.19)	58.73	(1,146.56)	(460.47)
	c) Employee Benefits Expense	378.82	368.37	317.97	1,076.00	914.13
	d) Depreciation and amortisation expense	325.96	270.67	243.54	847.29	632.95
	e) Other Expenses	452.37	487.51	448.21	1,347.34	1,339.85
	Total Expenses	7,677.44	5,819.63	6,167.28	18,675.81	17,195.92
3	Profit from Operations Before Other Income (1-2)	712.24	341.86	1,547.51	1,234.44	2,776.68
4	Other Income	456.88	288.39	967.85	1,415.22	1,582.75
5	Profit from Ordinary Activities Before Tax (3+4)	1,169.12	630.25	2,515.36	2,649.66	4,359.43
6	Tax Expenses	364.61	188.68	685.91	825.62	1,137.65
7	Short Provision for Tax in respect of earlier years (Refer Note 3)	-	-	-	-	27.00
8	Net Profit from Ordinary Activities After Tax (5-6-7)	804.51	441.57	1,829.45	1,824.04	3,194.78
9	Other Comprehensive Income (OCI) (Net of tax)	(0.97)	(0.98)	(0.30)	(2.92)	(0.91)
10	Total Comprehensive Income (8+9)	803.54	440.59	1,829.15	1,821.12	3,193.87
11	Paid-up Equity Share Capital (Face Value ₹ 2/- each)	1,518.61	1,518.61	1,304.21	1,518.61	1,304.21
12	Earnings Per Share (EPS) Basic and Diluted (of ₹ 2/- each)	1.06	0.58	2.80	2.40	4.90

Notes:

1. The un-audited standalone financial results (results) for the quarter and nine months ended 31 December, 2016 are in compliance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs. Consequently, the results for the quarter and nine months ended 31 December, 2015 have been restated to comply with the Ind AS to make them comparable.
2. Reconciliation between the results as reported under previous Generally Accepted Accounting Principles (IGAAP) and Ind AS are summarized below:

(₹ in Lacs)				
Sr.	Particulars	Notes	3 months ended 31-12-2015	9 months ended 31-12-2015
	Net Profit as per IGAAP		2,065.56	3,547.52
1	Impact of fair valuation of investments in mutual funds through Statement of Profit and Loss	(a)	(364.10)	(546.55)
2	Impact of reclassification of actuarial loss on employee benefits to Other Comprehensive Income (OCI)	(b)	0.30	0.91
3	Impact of fair valuation of other financial assets	(c)	1.67	3.74
4	Impact of Deferred tax	(d)	126.02	189.16
	Total		(236.11)	(352.74)
	Net Profit as per Ind AS		1,829.45	3,194.78

Notes:

- (a) Fair valuation of investments in mutual funds: Under the Ind AS, the Investments in mutual funds have been accounted at fair value through Statement of Profit and Loss instead of accounting at lower of cost and fair value under IGAAP.
 - (b) Actuarial loss on employee benefits: Under Ind AS, actuarial loss on employee benefits have been accounted through OCI instead of accounting through Statement of Profit and Loss under IGAAP.
 - (c) Fair valuation of other financial assets: Under Ind AS, other financial assets viz., security deposits given for rented premises, have been accounted at fair value. The difference between the fair value and carrying value is treated as notional rent.
 - (d) Deferred taxes: Under Ind AS, deferred tax is computed as per Balance Sheet approach instead of the Profit and Loss approach under IGAAP and includes the impact on account of the above.
3. On 30 April, 2013, the Income-tax Department visited the premises of the Company and initiated proceedings under Section 132 of the Income-tax Act, 1961. Pursuant to the notices under Section 153A of Income-tax Act, 1961 the assessments for all the relevant assessment years were completed by the Department during the quarter ended 30 June, 2015. Consequently, the Company has computed the differential tax liability aggregating to ₹27 lacs for these years and accounted for the same in the quarter ended 30 June, 2015. Further, the Company has filed applications for rectification of two Assessment Orders which had discrepancies, which is pending with the Department.

During the quarter ended 31 December, 2016, the Company has filed appeals with the Income-tax Appellate Tribunal (ITAT), against the Orders passed by the Commissioner of Income-tax (Appeals) confirming the penalty imposed by the assessing officer.

4. The Company is primarily engaged in the business of production of television content, which, in the context of Ind AS 108 on 'Operating Segments', constitutes a single reportable segment.
5. During the current quarter, the Board of Directors of the Company have approved a composite scheme of arrangement between the Company and two of its subsidiaries viz. Balaji Motion Pictures Limited (BMPL) and Bolt Media Limited (Bolt), which envisages merger of Bolt and of the film production undertaking of BMPL with the Company and consequent Capital reduction in the books of BMPL. The Company has received the observation letters from National Stock Exchange of India Limited and BSE Limited on the Scheme. Based on the commencement notification of certain sections of the Companies Act, 2013 related to the powers of the National Company Law Tribunal (NCLT), the Company is in the process of filing application for the sanction of the scheme with the NCLT.
6. Corresponding figures of the previous period have been regrouped/ restated, where necessary.
7. The above results have been reviewed by the Audit Committee and thereafter by the Board of Directors at their meeting held on 13 February, 2017. The statutory auditors of the Company have carried out a limited review of the results for the current quarter and nine months ended 31 December, 2016

Place: Mumbai
Date: 13 February, 2017

**By Order of the Board
For Balaji Telefilms Limited**


Jeetendra Kapoor
Chairman

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF BALAJI TELEFILMS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Balaji Telefilms Limited (the Company), for the quarter and nine months ended 31 December, 2016 (the Statement), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 'Interim Financial Reporting' (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Abhijit A. Damle
Partner
(Membership No. 102912)

Mumbai, 13 February, 2017

Quarterly Performance Review – Q3 FY17 and 9M FY17



Balaji Telefilms Ltd.

Unique, Distinctive, Disruptive

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Performance review for Q3 FY17 and 9M FY17

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Financials





Balaji Telefilms Ltd.

Unique, Distinctive, Disruptive

About Balaji Telefilms

Overview of Balaji Telefilms

A leading entertainment house in India since 1994

Owning 19 modern studios and 31 editing suites - more than any Indian company in Media Entertainment Sector

Alt Balaji
Well positioned to leverage SVOD and OTT Video Consumption

Moved towards HD programming to enhance viewing experience

Demonstrated ability to create high quality content

Executed over 17,000+ hours of television content in Hindi, Tamil, Telugu, Kannada, Malayalam and Bengali entertainment across genres

Strong presence in Hindi General Entertainment Channels (GECs) and Regional GECs across India

Balaji Motion Pictures - Unique presence in Motion Pictures across genres and budgets –and quickly recognized amongst the top 5 studios in film production in India

Successfully launched Brand extensions

- JVs for Regional Content
- IP based shows
- Brand EK



Successful storytellers across formats and audiences

TV



Television programming has been the foundation stone

Unmatched track record with string of hit shows – Hindi and Regional

Proven ability in gauging the pulse of masses – current shows continue to garner strong TRP

10 Primetime shows on air across leading GECs and National Television

Digital



Subscription based video streaming platform

Premium, Original and Exclusive content

Allow users to watch high quality content across multiple connected devices

Movies



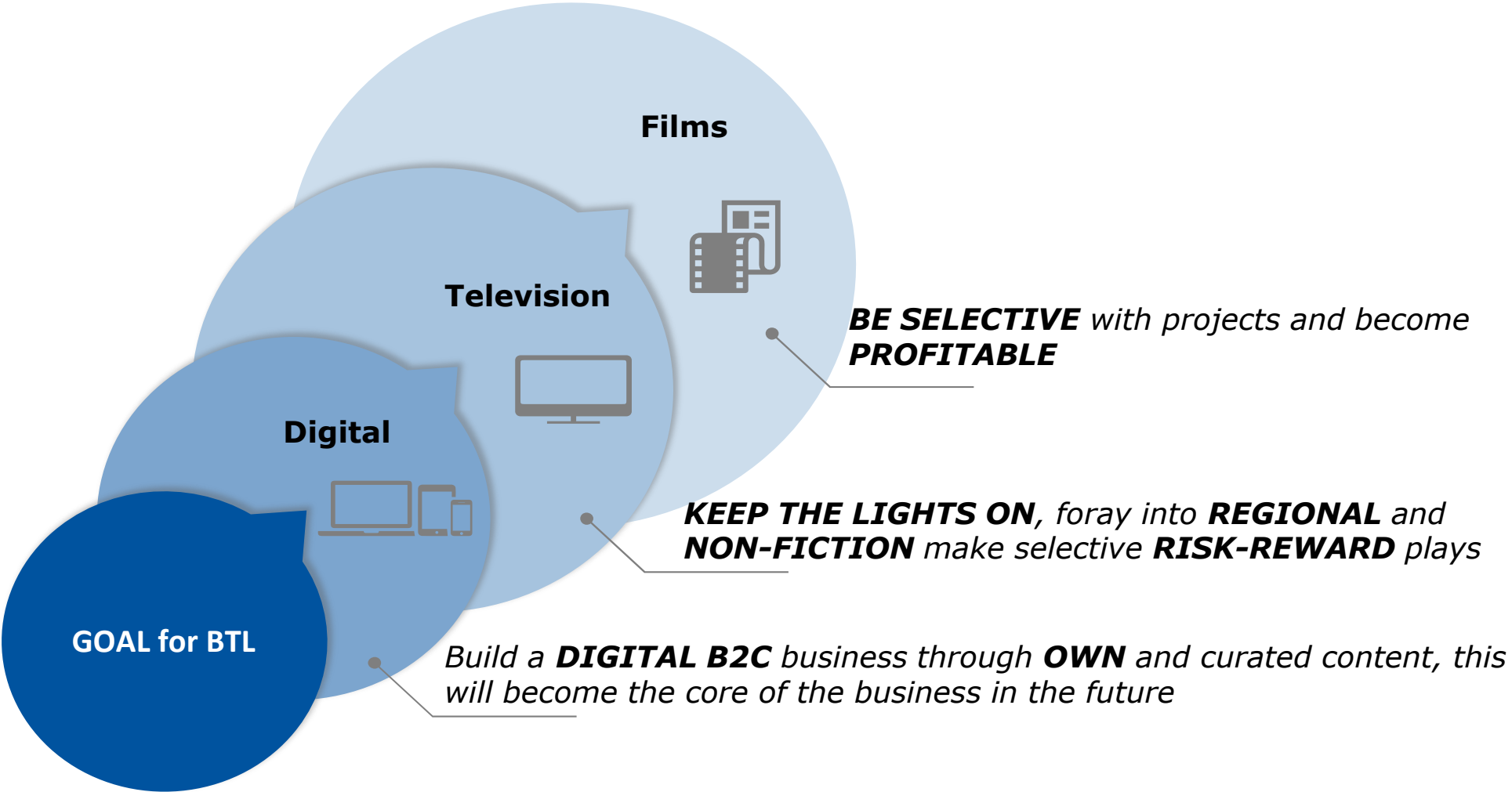
Combination of modest budget, high-concept movies as well as high-profile big star-cast films

Balance of creativity and profitability

Emphasis on film content rather than the star cast



Our strategy is to be where our audience is...



The Balaji Telefilms Advantage



Balaji Telefilms Ltd.

Superior content creation ability

- Track record for producing good and differentiated content
- Ability to produce multiple serials at any given point in time

Growth strategy in place

- Digital business to commence soon with the launch of ALT
- Selective participation in Movies business to deliver high ROI

Unmatched relationships

- Over 20 years in the industry
- Strong relationships with talents, vendors and broadcasters

Management Team

- Led by experienced Promoter and professional management team
- Strong pedigree and superior understanding on the content business

Strong Financial profile

- Debt free Company, healthy P&L, cash generative core business
- Well funded for future expansions and strong cost management skills





Balaji Telefilms Ltd.

Unique, Distinctive, Disruptive

Quarterly Performance

Operating highlights for the quarter

Television Business

- Total of 10 shows running on air during the quarter spread across the GEC broadcasters – newly launched shows such as Naagin 2 and Chandra Nandni are well received
- Won rights to develop and telecast programming on primetime (8pm to 930pm weekdays) for the National Broadcaster – Doordarshan

ALT Digital

- Continue to add original, exclusive and disruptive content in preparation for launch – content library at launch to have 6 original shows and some curated content totaling over 200 hours of content
- Entered into marketing and distribution tie ups with leading Smartphone OEMs / Telco / ISP / Ecommerce and Payment partners

Movie Business

- No movies released during the quarter and the company continues to be very selective with its movie pipeline
- Post production work continues for two movies – Half Girlfriend (mid budget Hindi film) and Super Singh (Punjabi regional film), both expected to release in H1 FY18

Others

- Process underway to merge Bolt Media and Film Production business of Balaji Motion Pictures Limited. Received observation letter from the Stock exchanges. Expected to complete in Q1 FY 18



Consolidated Financial Performance

Income from Operations

- Q3 FY17 revenues at Rs 1,034 million vs Rs 1,059 million in Q2 FY17
- 9M FY17 revenues at Rs 3,267 million vs Rs 2,095 million in 9M FY16
- Increase in revenues on account of higher revenues from the movies business as 9M FY17 had 4 movie releases vs no movie release in 9M FY16

EBITDA

- Q3 FY17 EBITDA at Rs 28 million vs Rs (262) million in Q2 FY17
- 9M FY17 EBITDA at Rs (236) million vs Rs 235 million in 9M FY16
- Piracy of our movies Great Grand Masti and Udta Punjab in 9M FY17 has severely impacted our profitability in this period

Profit after Tax (including Minority Interest)

- Q3 FY17 PAT at Rs (18) million vs Rs (280) million in Q2 FY17
- 9M FY17 PAT at Rs (291) million vs Rs 125 million in 9M FY16

Investments

- Investments in mutual fund units at 31st December 2016 Rs 1,490 million (of which Rs 1,115 million through ALT and Rs 375 million through BTL)
- Amount invested till 31st December 2016 in movies that are under production Rs 503 million



BTL Standalone Financial Performance

Income from Operations

- Q3 FY17 revenues at Rs 839 million vs Rs 616 million in Q2 FY17. Improvement on account of increase in hours of programming coupled with newer shows at higher realizations
- 9M FY17 revenues at Rs 1,991 million vs Rs 1,997 million in 9M FY16.

EBITDA

- Q3 FY17 EBITDA at Rs 104 million vs Rs 61 million in Q2 FY17.
- 9M FY17 EBITDA at Rs 208 million vs Rs 341 million in 9M FY16. 9M FY 16 had higher margin shows such as Nach Baliye and Jodha Akbar

Other income

- Q3 FY17 other income at Rs 46 million vs Rs 29 million in Q2 FY17
- 9M FY17 other income at Rs 142 million vs Rs 158 million in 9M FY16

Profit after Tax

- Q3 FY17 PAT at Rs 80 million vs Rs 44 million in Q2 FY17
- 9M FY17 PAT at Rs 182 million vs Rs 319 million in 9M FY16






Television business – Operating KPIs

Particulars	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15	Full Year FY16
Programming Hours	262	231	226	247	294	1,002
Revenue (Rs M)	835	609	526	556	713	2,472
Realisation / Hour (Rs M)	3.19	2.63	2.33	2.25	2.42	2.47
Gross Margin (Rs M)	187	147	117	167	256	733
Gross Margin / Hour (Rs M)	0.71	0.64	0.52	0.68	0.87	0.73

- Increase in programming hours this quarter as 10 serials on air against 9 in Q2 FY17
- Realisation per hour has improved due to higher quality programming and recently launched shows at higher realisations
- Gross margins continue to improve as recently launched shows have begun to stabilise



Television business – Show line up

Channel	Shows	Time	Schedule
	Kasam Tere Pyaar Ki	22.00 - 22.30	Monday to Friday
	Kawach Kaali Shaktiyon Se *	19.00 - 20.00	Saturday to Sunday
	Naagin 2	20.00 - 21.00	Saturday to Sunday
	Pavitra Bandhan Do Dilo Ka *	20.30 - 21.00	Monday to Friday
	Kalash-EK Vishwaas	20.30 - 21.00	Monday to Friday
	Ye Hai Mohabbatein	19.30 - 20.00	7 days a week
	Chandra Nandni	20.30 - 21.00	Monday to Friday
	Pardes Mein Hai Meraa Dill	20.00 - 20.30	Monday to Friday
	Brahmarakshas	21.00 - 22.00	Saturday to Sunday
	Kumkum Bhagya	21.00 - 21.30	Monday to Friday

Note : * Serials ended during the quarter. **Balaji Telefilms has won telecast rights for 3 weekday slots (8pm to 930pm) on the National Broadcaster. These shows are expected to commence in Q1 FY18**



Digital Business - ALT Financial Performance

Income from Operations

- Nil as the company is currently testing the services ahead of its commercial launch

EBITDA

- Q3 FY17 EBITDA at Rs (55) million vs Rs (43) million in Q2 FY17
- 9M FY17 EBITDA at Rs (130) million vs Rs (25) million in 9M FY16
- Increase in costs as the company scales up for commercial launch

Other income

- Q3 FY17 other income at Rs 16 million vs Rs 33 million in Q2 FY17
- 9M FY17 other income at Rs 84 million vs Rs Nil in 9M FY16
- Other income from investments in mutual fund units, pending deployment of capital in the business

Profit after Tax

- Q3 FY17 PAT at Rs (45) million vs Rs (18) million in Q2 FY17
- 9M FY17 PAT at Rs (70) million vs Rs (26) million in 9M FY16

Investments

- Total amount invested as of 31st December 2016 Rs 307 million
- Investments in mutual fund as at 31st December 2016 Rs 1,115 million



Movies Business - BMPL Financial Performance

Income from Operations

- Q3 FY17 revenues at Rs 192 million vs Rs 432 million in Q2 FY17
- 9M FY17 revenues at Rs 1,158 million vs Rs 39 million in 9M FY16

EBITDA

- Q3 FY17 EBITDA at Rs (17) million vs Rs (280) million in Q2 FY17
- 9M FY17 EBITDA at Rs (294) million vs Rs (79) million in 9M FY16
- Piracy of our movies released in 9M FY17 led to loss of revenues against marketing and productions costs already incurred which has severely affected our profitability in this period
- Estimated loss of revenue on account of piracy at approximately Rs 360 million

Profit after Tax

- Q3 FY17 PAT at Rs (51) million vs Rs (305) million in Q2 FY17
- 9M FY17 PAT at Rs (392) million vs Rs (164) million in 9M FY16

Investments

- Total amount invested as of 31st December in movies that are under production Rs 503 million
- BMPL to selectively commission new movies going forward that have an extremely favorable risk reward profile





Balaji Telefilms Ltd.

Unique, Distinctive, Disruptive

Financials

BTL Standalone Financial Performance

Particulars (Amounts in INR Mn)	Q3 FY17	Q2 FY17	Q3 FY16	9M FY17	9M FY16
Net Sales / Income from Operations	835.0	609.2	720.3	1,970.7	1,916.0
Other Operating Income	4.0	7.0	51.2	20.3	81.3
Total Income from operations	839.0	616.2	771.5	1,991.0	1,997.3
Cost of Production	652.0	469.3	515.8	1,540.5	1,431.0
Gross Margin	187.0	146.9	255.7	450.5	566.3
Gross Margin %	22%	24%	33%	23%	28%
Employee Benefits Expense	37.9	36.8	31.8	107.6	91.4
Other Expenses	45.2	48.8	44.8	134.7	134.0
EBITDA	103.9	61.3	179.1	208.2	340.9
EBITDA Margin %	12%	10%	23%	10%	17%
Depreciation and amortisation expense	32.6	27.1	24.4	84.7	63.3
Other Income	45.7	28.8	96.8	141.5	158.3
Profit Before Tax	117.0	63.0	251.5	265.0	435.9
Tax Expenses	36.5	18.9	68.6	82.6	116.5
Net Profit After Tax	80.5	44.1	182.9	182.4	319.4
Other Comprehensive Income	(0.1)	(0.1)	-	(0.3)	(0.1)
Total Comprehensive Income	80.4	44.0	182.9	182.1	319.3



BTL Consolidated Financial Performance

Particulars (Amounts in INR Mn)	Q3 FY17	Q2 FY17	Q3 FY16	9M FY17	9M FY16
Net Sales / Income from Operations	1,029.6	1,052.1	731.5	3,246.2	2,006.4
Other Operating Income	4.0	7.0	55.0	20.3	88.8
Total Income from operations	1,033.6	1,059.1	786.5	3,266.5	2,095.2
Cost of Production	844.4	1,158.7	541.4	3,037.2	1,510.6
Gross Margin	189.2	(99.6)	245.1	229.3	584.6
Gross Margin %	18%	-9%	31%	7%	28%
Employee Benefits Expense	66.3	68.1	49.1	198.9	140.7
Other Expenses	94.6	94.2	72.1	266.9	209.1
EBITDA	28.3	(261.8)	123.9	(236.5)	234.8
EBITDA Margin %	3%	-25%	16%	-7%	11%
Depreciation and amortisation expense	34.4	28.7	26.3	89.9	69.2
Other Income	29.7	37.5	13.7	131.6	75.3
Finance costs	0.1	0.1	-	0.3	0.1
Profit / (Loss) Before Tax	23.5	(253.1)	111.3	(195.1)	240.8
Tax Expenses	42.1	26.9	68.6	105.5	116.5
Net (Loss) / Profit After Tax	(18.6)	(280.0)	42.7	(300.6)	124.3
Share of Profit / (Loss) of associates	-	0.1	(0.1)	0.1	(0.1)
Minority interest	0.8	(0.1)	1.2	9.4	1.2
Net (Loss) / Profit after tax, share of assoc. and min. int.	(17.8)	(280.0)	43.8	(291.1)	125.4
Other Comprehensive Income	-	-	0.2	(0.1)	0.6
Total Comprehensive Income	(17.8)	(280.0)	44.0	(291.2)	126.0



BTL Consolidated Financial Performance – Q3 FY17

Particulars (In Rs Million)	BTL	BMPL	BOLT	EML	MFPL	CBEL	ALT	Eliminations	Consol
Net Sales / Income from Operations	835.0	192.0	-	-	2.6	-	-	-	1,029.6
Other Operating Income	4.0	-	-	-	-	-	-	-	4.0
Total Income	839.0	192.0	-	-	2.6	-	-	-	1,033.6
Expenditure									
Cost of production	652.0	189.5	-	-	2.8	0.1	-	-	844.4
Staff Cost	37.9	7.6	-	-	0.6	-	20.2	-	66.3
Finance Cost	-	33.1	0.4	0.2	-	0.1	-	33.7	0.1
Depreciation	32.6	1.2	0.1	-	-	-	0.5	-	34.4
Other Expenditure	45.2	12.3	0.3	(0.2)	1.5	0.5	35.0	-	94.6
Total Expenditure	767.7	243.7	0.8	-	4.9	0.7	55.7	33.7	1,039.8
Profit / (Loss) from Operation Before Other Income and Finance Cost	71.3	(51.7)	(0.8)	-	(2.3)	(0.7)	(55.7)	(33.7)	(6.2)
Other Income	45.7	0.4	0.1	-	0.9	-	16.3	33.7	29.7
Profit / (Loss) Ordinary Activities Before Tax	117.0	(51.3)	(0.7)	-	(1.4)	(0.7)	(39.4)	-	23.5
Tax Expenses	36.5	-	-	-	(0.4)	-	6.0	-	42.1
Net Profit / (Loss) from continuing operations	80.5	(51.3)	(0.7)	-	(1.0)	(0.7)	(45.4)	-	(18.6)
Minority share in Loss	-	-	-	-	-	-	-	-	0.8
Net (Loss) after tax, share of profit of associates and minority interest	-	-	-	-	-	-	-	-	(17.8)



BTL Consolidated Financial Performance – 9M FY17

Particulars (In Rs Million)	BTL	BMPL	BOLT	EML	MFPL	CBEL	ALT	Eliminations	Consol
Net Sales / Income from Operations	1,970.7	1,158.2	-	-	78.7	38.6	-	-	3,246.2
Other Operating Income	20.3	-	-	-	-	-	-	-	20.3
Total Income	1,991.0	1,158.2	-	-	78.7	38.6	-	-	3,266.5
Expenditure									
Cost of production	1,540.5	1,368.2	-	-	87.0	41.5	-	-	3,037.2
Staff Cost	107.6	29.9	-	-	2.8	-	58.6	-	198.9
Finance Cost	-	95.3	1.1	0.7	-	0.3	-	97.1	0.3
Depreciation	84.7	3.7	0.2	-	-	0.1	1.2	-	89.9
Other Expenditure	134.7	54.1	0.6	-	4.5	1.4	71.6	-	266.9
Total Expenditure	1,867.5	1,551.2	1.9	0.7	94.3	43.3	131.4	97.1	3,593.2
Profit / (Loss) from Operation Before Other Income and Finance Cost	123.5	(393.0)	(1.9)	(0.7)	(15.6)	(4.7)	(131.4)	(97.1)	(326.7)
Other Income	141.5	1.3	0.1	-	2.0	-	83.8	97.1	131.6
Profit / (Loss) Ordinary Activities Before Tax	265.0	(391.7)	(1.8)	(0.7)	(13.6)	(4.7)	(47.6)	-	(195.1)
Tax Expenses	82.6	-	-	-	-	-	-	-	105.5
Net Profit / (Loss) from continuing operations	182.4	(391.7)	(1.8)	(0.7)	(13.6)	(4.7)	(70.5)	-	(300.6)
Share of profit of associates	-	-	-	-	-	-	-	-	0.1
Minority share in Loss	-	-	-	-	-	-	-	-	9.4
Other comprehensive income	-	-	-	-	-	-	-	-	(0.1)
Net (Loss) after tax, share of profit of associates and minority interest	-	-	-	-	-	-	-	-	(291.2)



Accounting policies for amortisation on inventory

Television serials

- Inventories are valued at lower of cost and net realisable value. Cost is determined on the basis of average cost.

Movies

- Items of inventory are carried at lower of cost and net realisable value. Cost is determined on the following basis:
 - Films: Actual Cost
 - Unamortised cost of films: The cost of films is amortised in the ratio of current revenue to the expected total revenue. At the end of each accounting period, balance unamortised cost is compared with the net expected revenue. If the net expected revenue is less than unamortised cost, the same is written down to the net expected revenue
- Marketing and distribution expenses are charged to revenue in the period in which they are incurred and are not inventorised



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Thank you
