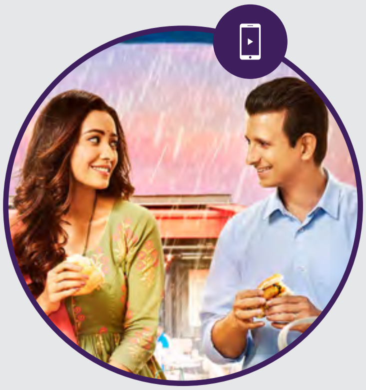
WINNING INDIAN HEARTS EVERYWHERE!

BALAJI TELEFILMS LIMITED

ANNUAL REPORT 2018-19

WINNING INDIAN HEARTS EVERYWHERE!



Balaji Telefilms Limited has always been dominating the entertainment space for 25 years and strives to exceed expectations of its consumers and its customers.

We pioneered the daily prime time soap watching habit among millions of TV viewers and continue to create interesting, relatable characters that have become part of the social fabric of every TV watching household in the country. Over the years we have received immense love and affection from our audiences, resulting in having the highest market share in the prime time ratings.

In Movies we continuously experiment and created some of 'Bollywood's' most memorable movies, characters, music and dialogues across mass commercial and niche cult cinema. We continue to see our audiences connect with these movies years after the theatrical release of the movies.

Our Video streaming platform, ALTBalaji, which is already one of the frontrunners in the category has paved the way for Individualization of content on the digital medium. ALTBalaji has one of the largest original exclusive Hindi content libraries and in a short span of time has become one of the most exciting platform for original exclusive content with very high consumer stickiness. In a time deficit world, we see our subscribers spend over 60 minutes a day, showering immense love and affection for the content we make.

The unfolding digital opportunity combined with our unmatched experience and scale in creating content for Indians with varied tastes and preferences now creates the perfect opportunity for us to win Indian Hearts Everywhere.

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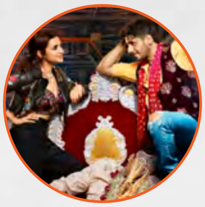   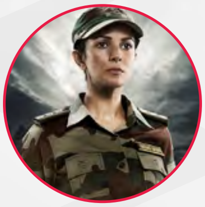 

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Financial Statements

BALAJI TELEFILMS LIMITED

Corporate Information

Board of Directors

Mr. Jeetendra Kapoor
Chairman
(DIN: 00005345)

Mrs. Shobha Kapoor
Managing Director
(DIN: 00005124)

Ms. Ekta Kapoor
Joint Managing Director
(DIN: 00005093)

Mr. Duraiswamy Gunaseela Rajan
Independent Director
(DIN: 00303060)

Mr. Arun Kumar Purwar
Independent Director
(DIN: 00026383)

Mr. Anshuman Thakur
Non-Executive Director
(DIN: 03279460)

Ms. Jyoti Deshpande
Non-Executive Director
(DIN: 02303283)

Mr. Ashutosh Khanna
Independent Director
(DIN: 03153990)

Mr. Pradeep Kumar Sarda
Independent Director
(DIN: 00021405)

Mr. Virendra Babubhai Dalal
Independent Director
(DIN: 00247971)

Mr. Devender Kumar Vasal
Independent Director
(DIN: 06858991)

Group Chief Executive Officer

Mr. Sunil Lulla

Group Chief Operating Officer and Chief Executive Officer (ALT Digital)

Mr. Nachiket Pantvaidya

Group Chief Financial Officer

Mr. Sanjay Dwivedi

Group Head Secretarial

Mrs. Simmi Singh Bisht

Senior Management

Mr. Ketan Gupta
Chief Operating Officer
(Television)

Mr. Ashish Pinto
Group Head – HR

Mrs. Chloe Ferns Qureshi
Creative Director
(Television)

Mr. Sunil Nair
Chief Operating Officer
(ALT Digital)

Ms. Ruchikaa Kapoor
Head-Marketing & Branding
(Motion Pictures)

Mr. Vimal Doshi
Head-Distribution
(Motion Pictures)

Mrs. Divya Dixit
Vice President-Marketing
(ALT Digital)

Statutory Auditors

Price Waterhouse Chartered Accountants LLP

Secretarial Auditors

MMJC & Associates LLP

Registered Office

C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053, Maharashtra.
Tel: +91-22-40698000
Fax: +91-22-40698181/82
E-mail: investor@balajitelefilms.com
Website: www.balajitelefilms.com
CIN: L99999MH1994PLC082802

Registrar & Share Transfer Agent

Karvy Fintech Private Limited,
Unit: Balaji Telefilms Limited,
Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032.
Tel: +91-40-67161500, 67162222
Fax No.: +91-40-23431551
Toll Free No.: 1800-345-4001
E-mail: einward.ris@karvy.com
Website: www.karvyfintech.com

Bankers

Yes Bank Limited
ICICI Bank Limited
HDFC Bank Limited
Axis Bank Limited
Oriental Bank of Commerce
State Bank of India

Corporate Identity

Balaji Telefilms is India's leading entertainment provider, operating across television, movies and digital mediums. The Company has been influencing the social and entertainment agenda in India for over 2 decades and is widely recognized for driving mass entertainment on a daily basis.

Our Television and Movie Production business operates under the Balaji Telefilms Brand. We provide our audiences with the most compelling and engaging content across diverse genres. Our TV shows have been instrumental in setting the narrative for Indian audiences via the daily scripted show format. Our movies have been path breaking with both cult and commercial success.

ALTBalaji is our direct to the consumer digital business. Built on original and exclusive shows for India's digital audiences. We have created the binge viewing habit for India and pioneering the creation of content for individual consumption.

Chhayabani Balaji is a creator and producer of Bengali content and has produced popular shows and digital content.

Marinating Films Private Limited is a creator of intellectual property rights and producer of reality shows and events.

Brand EK is the signature label comprising of Indian ethnic wear and jewelry.

BRANDS

OUR VISION

To consistently provide delightful and innovative entertainment experiences by engaging audiences and nurturing talent.

OUR VALUES

STORYTELLING

We always delight our audience with our content and the way we deliver it to them.

PASSION

We go that extra mile because we love what we do.

INTEGRITY

We are honest and ethical in all our dealings.

COMPASSION

We care about our people, we listen, we take the initiative to understand what each one of us wants and work together as a team.

EXCELLENCE

We push the bar and never settle for second-best.

Message from Promoter Family

Balaji has the unique ability to create compelling content and experiences across different mediums.

Dear Shareholders,

It gives us immense pleasure to present to you the Annual Report for Financial Year 2018-19. This is a special year for your company as it reaches an important landmark of completing 25 years and celebrating its Silver Jubilee. Balaji Telefilms was established in 1994 with only one Television show in hand and from those humble beginnings, we are proud to have built a sustainable and thriving company, that continues to create the most compelling content, entertaining millions of Indians every day, across formats.

During our journey, we have worked with all the leading television channels helping them build a strong content line up and deliver top ratings for them. We started with a single show Hum Paanch on Zee and over the years have worked with all the leading broadcasters in Hindi and regional languages. Today, your company is amongst the largest content producers with a stellar track record for delivering hits, show after show and account for 5 out of the Top 10 shows on a consistent basis.

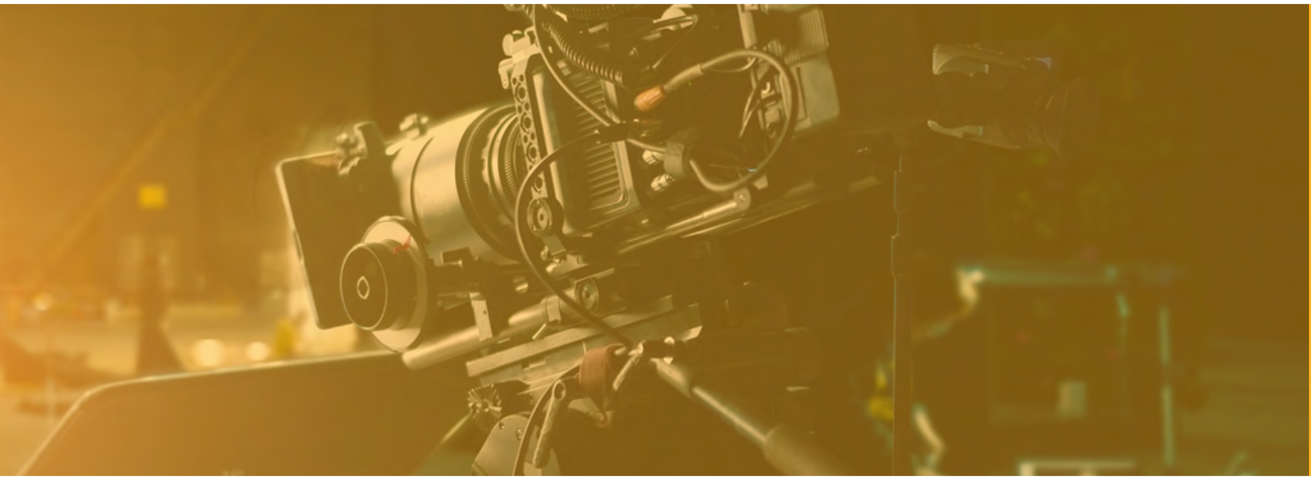
We believe that for continued success we need to continuously innovate and create a consistently better experience for our viewers. While we know it is very difficult to forecast how things will evolve over the long term and would be detrimental for business interests to have a predetermined and inflexible plan. A new evolving India has many changes like urbanization, on the go consumption of content, a burgeoning middle class which wants variety and yet staying rooted to Indian values and idioms. We remain certain that the audiences desire to be entertained will not diminish. There is a growing vacuum which needs to be filled which creates a big opportunity for Balaji Telefilms. Balaji has the unique ability to create compelling content and experiences across different mediums. Our multi decade understanding of the art of storytelling and choosing the appropriate medium for each content makes us different from our competitors and gives us an edge in the extremely dynamic and continuously evolving Media and Entertainment business.

We are proud that we are one of the few companies that has successfully grown across all the three avenues of mass entertainment, i.e., television, movies and digital. We have a dedicated team of creators, producers and experts that works towards developing unmatched content for each of these verticals, with the content creation being strongly focused on the evolving audience tastes and preferences. Over the years we have not only become the creators of the most watched shows, but also have explored areas and stories which were previously unexplored and opened Indian audiences to newer stories and genres.

Our television business has performed exceptionally well as a result of our consistent dedication and perseverance and our shows have consistently had the highest viewership and continue to push the ratings. With more than two decades in the business, we believe that your company is better positioned than ever to navigate the increasingly complex challenges and thrive in any market as we clearly have our fingers on the pulse of television viewers in the country. Our business today operates like clockwork efficiency and is able to consider audience feedback on a weekly basis and deliver hit content on a weekly basis, all built on Balaji's DNA for creating popular mass content.

In our movies, we have consistently conceptualised and developed unique stories and preferred modest budget movies with differentiated content vs big budget star cast driven movies. We have a proven strategy to pre sell and monetize our movies early in the cycle and will continue to pursue the same for the next slate of movies we have underway. We have four films lined for releases in 2019, and each of these have a strong and unique story to tell which we believe will be appreciated by the discerning movie watching audience, seeking strong and differentiated content.

There is always a need to invest in business of future while keeping an eye on the cash cow and the need to nurture it. Our TV production business is going to remain as the key revenue generator in the near term, the video streaming ALTBalaji is all about building a future-ready business. Innovation is the only way for us to maintain our strong presence in the Indian



Media and Entertainment sector. We feel with ALTBalaji we are ready to capture the entire value stream in the entertainment space, right from the earliest stages of content ideation to the final point of reaching the consumer device.

We will continue to channel our investments in setting up the library for ALTBalaji, as, eventually video streaming is expected to become as mainstream as television viewing in the long run. The emergence of smartphones, cheaper data plans and content consumption on the move becoming a reality with the younger generation content creators like us would need to transform with this changed reality. There has been a remarkable change in viewer behaviour as TV is completely immobile, content on TV caters to on average 3 to 4 viewers at the same time and hence the content needs to be as mainstream as possible. Video streaming however offers the ability to program and create a lot of genres that can't be explored on TV. ALTBalaji is India's first large scale OTT platform with only original content tailormade for Indian audiences and we will continue to be push our creativity and unafraid of telling stories for the newer and younger digital audience. In the very early phase of the company's evolution, we have had to battle against larger well-established businesses and have succeeded by unwavering focus on hard work and a never give up attitude. We are in a similar phase now in the digital world, where we are trying to fight it with limited resources but are confident that ALTBalaji will emerge as one of the leading video streaming services for India. We will channel our resources into creating excellent content that will continue to stand the test of time, at the same time maintain a rigorous and disciplined approach on expenses to build a very valuable growing business.

We are highly confident that we have the right people in place with the right teams to seize the opportunity that exists. Our firm is better positioned than ever to navigate the increasingly complex challenges and we believe Balaji is on the right path of success, strongly backed by all our stakeholders.

We are extremely thankful to all our shareholders for their continuous support which has been very important for our growth and our aim is build the Company into an Institution that will last the next 25 year and more.

Message from Group COO and Group CFO

It is our aspiration to be a leader in every business segment that we operate in and be acknowledged as one of the best mass entertainment providers.

Nachiket Pantvaidya
Group COO and CEO of Alt Digital Media Entertainment Limited

Dear Shareholders,

It has been a year in which your company significantly enhanced its engagement with audiences across formats via its entertainment content and services. On behalf of Balaji Telefilms Ltd, we thank you for your encouragement and your support. It has been a privilege for us to serve the company and its well-respected and highly creative founders. We are tremendously excited with Balaji's Telefilms rapid evolution to serving a wide range of audience interests from TV content, to movies to digital video streaming and more. All of it grows Balaji Telefilms franchise and leadership in the rapidly growing Media and Entertainment industry.

During the year, your Company continued its journey to grow into a premier destination for exciting content across all its business verticals. It is our aspiration to be a leader in every business segment that we operate in and be acknowledged as one of the best mass entertainment providers in the country.

1. Our TV production business continues to drive the entertainment quotient in India every night through our TRP leading TV shows. We have the highest market share for prime time viewing at 16% which more than production house 2 and 3 combined.
2. Our movies continue to tell clutter breaking stories with good success. We had a phenomenal hit in Veere Di Wedding, led by an all-woman star cast
3. ALTBalaji, our digital B2C business has successfully completed 2 years of commercial operations and is growing the binge watch culture in India, with over 20.1 million paid subscriptions sold in FY 19

Hindi GEC accounts for nearly half of TV viewing in the country, thus our focus continues to remain on creating high impact Hindi programming. Consistent and strong story telling has ensured the franchises we have created for our TV broadcaster clients continue to entertain millions. In 2018, we re-introduced Kasautii Zindagii Kay on STAR in its modern avatar. In no time the show has become a super hit, once again. Our long running shows for Zee – Kumkum Bhagya and Kundali Bhagya continue to lead the broadcaster's prime time success. Naagin 3 on Viacom 18 is now dubbed in multiple regional languages and is the leading fiction show on weekends Overall on TV we maintain our undisputed number one ranking for content creation as Balaji Telefilms brings unparalleled insights into the mass Indian consumer psyche. We consistently have 5 out of the Top 10 shows in the country and deliver the Top ranked show for most of the broadcasters.

In our movies, we continue to pursue a profitable strategy, with cult and commercial entertainment, containing our capital commitment to the movie business and focusing on early pre-sales and co-productions. We had two releases during the year, Veere Di Wedding, which was a super hit and exposed Indian audiences to India's first commercial movie fronted by four leading actresses. We also had Laila Majnu, which is a classic folklore of star-crossed lovers staring two new faces. In our movies business we follow a portfolio approach where capital is recycled within the business and risks contained. We have a very exciting line up for movies

We believe our unique consumer understanding, scale of production supported by appropriate investments will allow us to pursue our growth ambitions.

Sanjay Dwivedi
Group Chief Finanicial Officer

in the upcoming year with movies like Judgmentall Hai kya , Jabariya Jodi, Dolly Kitty Aur Woh Chamakte Sitare and Dream Girl. We have managed to pre-sell the rights in these movies and have ensured a strong profitability for the coming year, even before they hit the screens!

In a short span of two years, ALTBalaji, has established itself as the front runner in the digital video streaming category. We are one of the largest multiple episode multi season original exclusive Hindi language video streaming services with 35+ shows and adding more shows regularly. Our digital footprint continues to scale we have had 21.3 million paid subscriptions ever sold as on March 2019, which continues to see strong growth. We had good traction on the direct subscription front and were the number three grossing app across iOS and Android Playstore. ALTBalaji despite having one of the lowest subscription price points, which enables access to the masses, of under 1 rupee is day. is one of the largest video subscription services in the country.

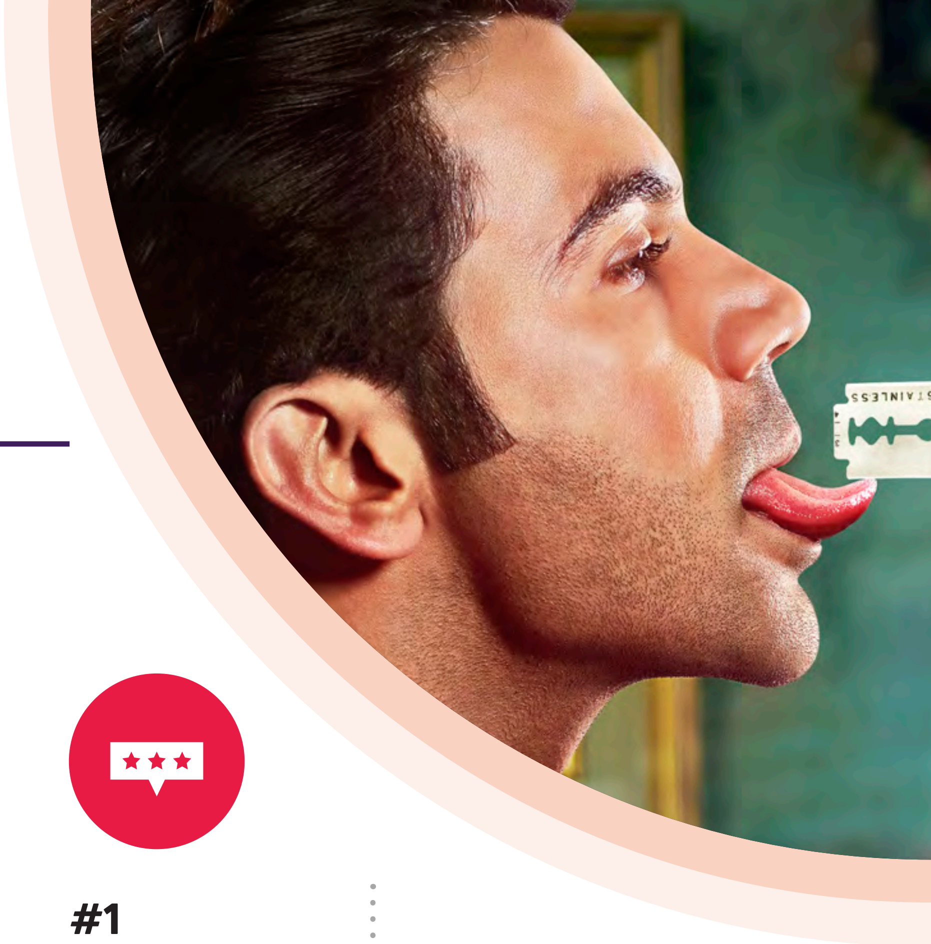
Our shows are highly binge watched by our customers and on our direct subscribers spend an average of 60 minutes per day and on an average take 6 sessions to finish a series. Some of our hits during the year include Apaharan, Puncch Beat, Ragini MMS, Gandii Baat, and Kehne Ko Humsafar. 9 of our existing shows have been commissioned for additional seasons which is sign of the contents popularity and our ability to extend franchises across the digital world.

ALTBalaji's unique position as a content first company has allowed us to integrate with several Internet technology consumer partners which helps us in creating acceptance across the global internet ecosystem also helps drive commercial success for our partners. We have over 40 plus partners across categories such as telecom service providers, payment wallets, and electronic equipment manufacturers which helps grow an ever expanding consumer base. The video streaming category in this country continues to grow at a galloping pace, increasingly we note consumers are willing and ready to pay for good differentiated content and there remains a need for a video streaming service that caters to their need for individual and personalized content

Our persistent focus is on building unique competitiveness in each of our businesses, which comes from our DNA of content which engages and entertains Indians all over the world. For the last 25 years, it has driven the success of Balaji Telefilms Ltd. We believe this unique consumer understanding, enabled by scale of competent, efficient and competitive production and supported by appropriate investments will pave the way for your company to continue to be a recognized leader in the Media and Entertainment domain. We remain well capitalized on this journey and have a very strong balance sheet with zero debt that allows us to pursue our growth ambitions.

On behalf of the Board of Directors of Balaji Telefilms Limited, we take this opportunity to thank all our stakeholders for their continued support.

Key Facts



25 years
as a leading entertainment company

#1
content creator for Indian Prime Time with a 16% share of prime-time rating

20000+ hours
unmatched scale of content produced

₹38 lakhs
average revenue per hour in FY19 for TV production

2 movies
released in the year

6x Revenue
growth in ALTBalaji

35 original
exclusive digital shows*

20.1 Million
subscription sold in FY19 on ALTBalaji

*Note: *as on 31st March 2019*

Key Highlights

TELEVISION BUSINESS

#1 content creator for Indian Prime Time – 763 hours of content produced during the year

16% market share in Prime-Time Ratings, more than 2x of its nearest competing production house and more than production House ranked 2nd and 3rd combined

4 new shows launched during the year and a total of 10 shows were aired during the year

5 shows running through the year

- Kumkum Bhagya and Kundali Bhagya on Zee
- Naagin 3 on Colors
- Yeh Hai Mohabbatein and Qayamat Ki Raat on Star Plus

Relaunched Kasautii Zindagii Kay - the classic TV show from 2001 for Star Plus in a modern setting.

Marinating Films (subsidiary of Balaji Telefilms) launched Season 4 of Box Cricket League (BCL) on MTV

Balaji Telefilms was selected by the Faculty of IIM-Bangalore for a case study on Corporate Strategy

ALT DIGITAL MEDIA ENTERTAINMENT LIMITED (ALTBalaji)

6x revenue growth for the year and 18x growth in subscriptions

#3 grossing video on demand service in India – based on App Annie data for grossing within the entertainment category

35 shows on the platform as on 31st March 2019 across genres catering to various target audiences

The average watch time is over 60 minutes a day, one of the highest in the category

Strengthened distribution and payment partners across India and internationally. ALTBalaji has over 40 partners across the internet ecosystem

BALAJI MOTION PICTURES LIMITED

2 movies released during the year, Veere di Wedding and Laila Majnu

Veere di Wedding had an overall gross collection of Rs 143 cr and won critical acclaim for its Women themed bold subject and is amongst top grossers this year in Hindi movies

4 movies developed and to be released in FY20, Movies have already been pre sold locking in profitability

25 year journey of winning Indian hearts

1994

Started with 1st fiction thriller on Zee TV - Mano Ya Na Mano, followed with a comedy show 'Hum Paanch'

1999

Our first regional show - Kudumbam paved way for other regional languages

Changing the TV Landscape in 2000

Catapulted Star Plus to #1 on the back of eponymous 'K Series' of daily soaps.

A few hit shows were Kyunki Saas Bhi Kabhi Bahu Thi, Kahaani Ghar Ghar Ki and Kasautii Zindagii Kay.

Kyunki Saas Bhi Kabhi Bahu Thi was the highest rated show for 8 years in a row with 1800+ episodes with an all time high of rating of 22.4 TVR.

2007

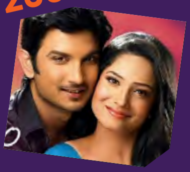
Balaji Motion Pictures Limited was launched and co-produced movies like Shootout at Lokhandwala

2008

Dominated Hindi GEC till 2008. Top Rated Daily shows comes to an end bringing 7 years of glory to Star Plus

Entered movie distribution by acquiring domestic distribution rights

2008



Regional Dominance - # 1 TRP shows in regional languages for Sun TV and affiliates. 40+ shows created across regional languages

2012

Year of hit films – Shor in the City, Ragini MMS, and The Dirty Picture

2012

Back to creating Hindi Content with runaway hits like Bade Ache Lagte hai on Sony, and Pavitra Rishta On Zee TV, making them #1.

2014

Launched in 2014, Kumkum Bhagya is currently #1 on Zee. Successfully extended into a spin off show Kundali Bhagya, which is #2 on Zee

2015

Introduced scripted fiction on weekends for the 1st time. Naagin being #1 on Colors. The franchise has also successfully expanded into regional languages

2017

AltBalaji launched globally - with 6 shows

2018

Kasauti Zindagi Ki, which released in 2001, was relaunched in 2018 and is currently #1 on Star Plus

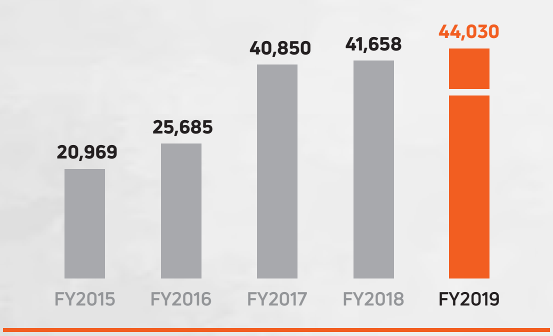
2019

Top 4 of out 5 shows are produced by BTL- #1 on Colors, #1 on Star TV, #1 and #2 on Zee TV.

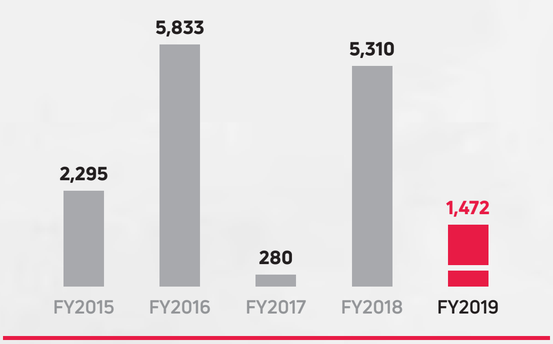
ALTbalaji successfully completed 2 years, launched over 35 shows and crossed over 21 million paid users.

Successful Business Performance

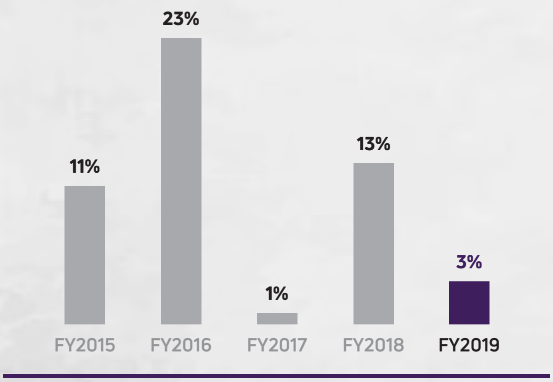
Income from Operation (₹ in lacs)



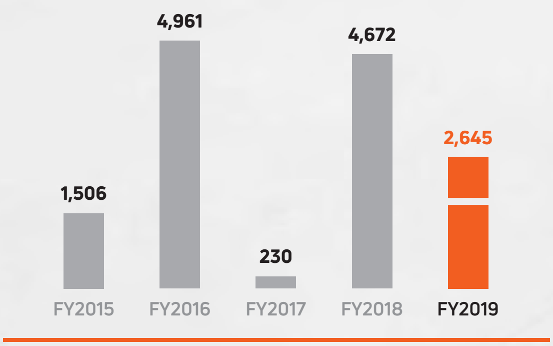
EBITDA (₹ in lacs)



EBITDA Margin (%)



Profit Before Tax (₹ in lacs)

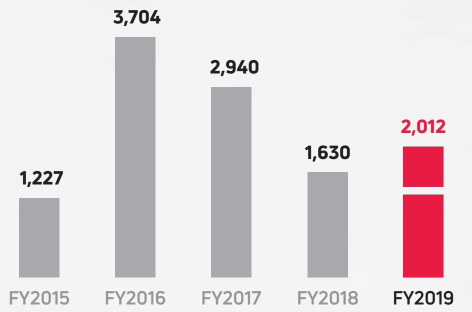


Note - Based on Standalone financials

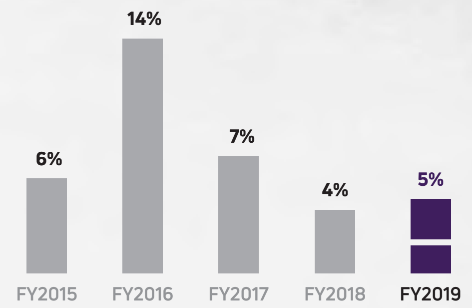
- FY 15/16 as per IGAAP, FY17 onwards under IND-AS

- EBITDA has fallen on account of 4 new show launched in the first half of the year. Balaji Telefilms follows a strategy of investing heavily in the first few weeks of a show launch.

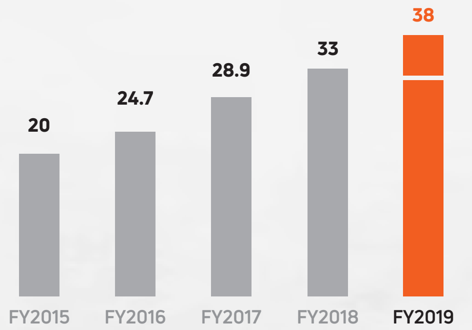
Profit After Tax
(₹ in lacs)



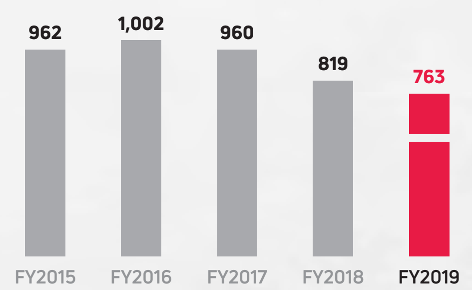
Profit After Tax Margin
(%)



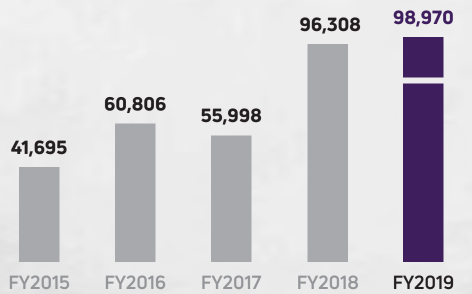
Revenue per Hours
(₹)



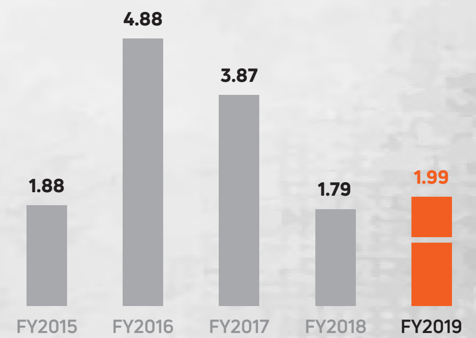
Hours of Programmimgs
(Hrs)



Reserves
(₹ in lacs)



Earnings per Share
(₹)



Content first strategy with different revenue streams

COMPETITIVE ADVANTAGE

- Pioneers in Understanding Indian audiences
- Ability to influence the mass Indian consumer
- Unmatched scale of operations and access to production eco system
- Unique ability to leverage on and off screen talent across all 3 verticals
- Unique brand positioning and audience recall

TV

Revenue

TV business focused on commission sales on a cost plus basis

> **Unmatched experience in Content Creation**

Focus on the consumer's need for entertainment on a daily basis

Consistently Deliver ratings to broadcasters

Continuously evolve content line up to suit audiences' taste

Entertaining Content for the masses

Movies

Differentiated cinematic experience with cult movies

Revenue
Pre sales across theatrical, satellite, digital, music and others

- High quality and high concept cinema
- Intensive and innovative marketing
- Portfolio of 3-4 movies a year with focus on pre-sales

Digital

Pioneering the Binge watch culture for Online audiences

Revenue
Digital subscription video on demand with direct consumer connect

- Content first video streaming platform offering original exclusive
- Create content for individual consumption
- Affordable and widely available

VALUE CREATION

For consumers - we tell great stories that seek to influence and inspire them

For customers such as our Broadcasters we generate ratings and viewership on a consistent basis

For talent we offer the ability to become household names and pursue their ambitions

Our Business

Balaji Telefilms Limited

Being in the business for more than two decades, people look upon us for top notch content. We have made history by providing some the best and most loved shows the country has ever seen. Over the years we have garnered numerous appreciation and awards for our productions, which are the testimonial of our hard work and dedication.

We provide content for all the major broadcasters such as Star, Zee, Sony, Colors and Doordarshan.

Our TV Shows Aired during the year

Colors TV
Episode - 15

Chandrakanta Ek Mayavi Prem Gaathanta
A supernatural fantasy television series

Zee TV
Episode - 32

Daayan
An paranormal romance drama series

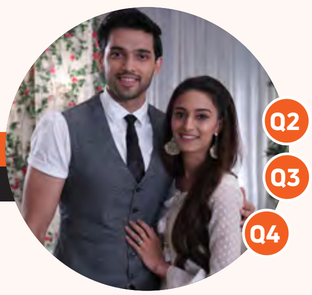
Sony TV
Episode - 90

Dil Hi To Hai
A romantic drama comedy

Colors TV
Episode - 93

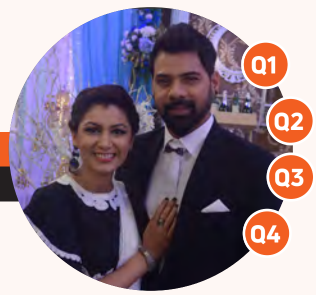
Kasam Tere Pyaar Ki
A love saga between of two people who get separated by destiny

Star Plus
Episode - 135



Kasautii Zindagii Kay
It is a reboot of the 2001 hit series of the same name

Zee TV
Episode - 270



Kumkum Bhagya
A romantic drama

Zee TV
Episode - 264

Kundali Bhagya
An romantic drama television series and a spin-off of Kumkum Bhagya

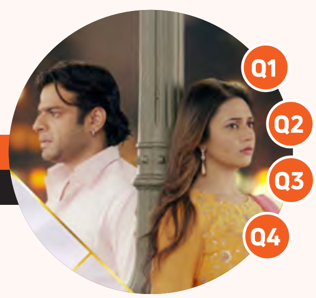
Colors TV
Episode - 87

Naagin 3
In its third season of a supernatural drama series

Star Plus
Episode - 70

Qayamat Ki Raat
A supernatural drama series

Star Plus
Episode - 266



Yeh Hai Mohabbatein
A romantic drama based on book called Custody

Aired in the quarter

Balaji Motion Pictures Limted

Our Movies are known to defy the stereotype with its cutting age cinematic content and being commercially successful with intensive and innovative marketing techniques.

Balaji Motion Pictures Limted has become synonymous with commercial cutting edge cinematic content supported by intensive and innovative marketing. Today, with a number of award winning and acclaimed box office blockbusters, we have firmly established our position as one of India's exciting motion picture studios in the business. Track record include both commercial hits as well as critically acclaimed movies. Our focus will be selectively commissioning new movies. We will continue building on our credibility as a leading motion pictures studio and maintain focus on scripts, budgets, economies of scale and out-of-the-box marketing. The emphasis will continue to be on optimising risk-return trade-off by pre-sales of rights and co productions.

Movies released in the year

Veere Di Wedding

Lead Actors
Kareena Kapoor, Sonam Kapoor, Swara Bhaskar and Shikha Talsania

Director
Shashanka Ghosh

Release date
1 June 2018

Laila Majnu

Lead Actors
Avinash Tiwary and Tripti Dimri

Director
Imtiaz Ali

Release date
7 August 2018

Movies under production

Dolly Kitty Aur Woh Chamakte Sitare

Lead Actors
Konkona Sen Sharma and Bhumi Pednekar

Director
Alankrita Shrivastava

Dream Girl

Lead Actors
Ayushmann Khurrana and Nushrat Bharucha

Director
Raaj Shaandilyaa

Jabariya Jodi

Lead Actors
Sidharth Malhotra and Parineeti Chopra

Director
Prashant Singh

Judgementall hai kya

Lead Actors
Kangana Ranaut and Rajkummar Rao

Director
Prakash Kovelamudi

ALT Digital Media Entertainemnt Limited (ALTBalaji)

ALTBalaji Overview

ALTBalaji was launched as a Subscription Video On Demand platform that offers original exclusive content for global digital audiences. ALTBalaji is the group's strategic foray into the Digital B2C entertainment category to build a consumer facing brand that gives audiences the content they want to watch - whenever, wherever and however.

The business is built on differentiating itself from other OTT players with a clear distinct strategy across Content, Distribution and Pricing. In a short span, ALTBalaji has received tremendous support and validation from consumers and partners across the digital ecosystem. Video streaming as a category continues to grow exponentially and ALTBalaji is already one of the frontrunners in this space

Content

One of the largest original exclusive Hindi content libraries

Distribution

Across device and services partners including leading Telecom Service Providers, Internet Service Providers, Digital wallets and other internet consumer businesses

Pricing

With an attractive mass pricing, we are already the #3 paid video on demand service in India(based on rankings on the IOS and Google Play store).

Contetnt Created For Indians

Audience | Male | Female

Urban Premium :
Elite Influencer Audience

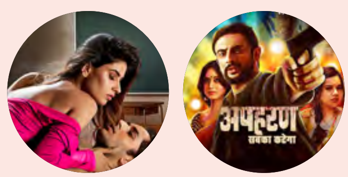
High value premium consumers

Premium customers who appreciate "High Cinematic content"

Urban Mass :
Affordable Mass

The heart of the OTT market, proven ability to pay regularly

Desire for stories not seen on other mediums - Politics, Thriller and Crime genre

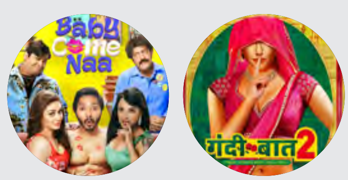


Desire for Romance & Drama not seen on TV

Mass :

Large number of viewers gradually coming to the habit of paid content

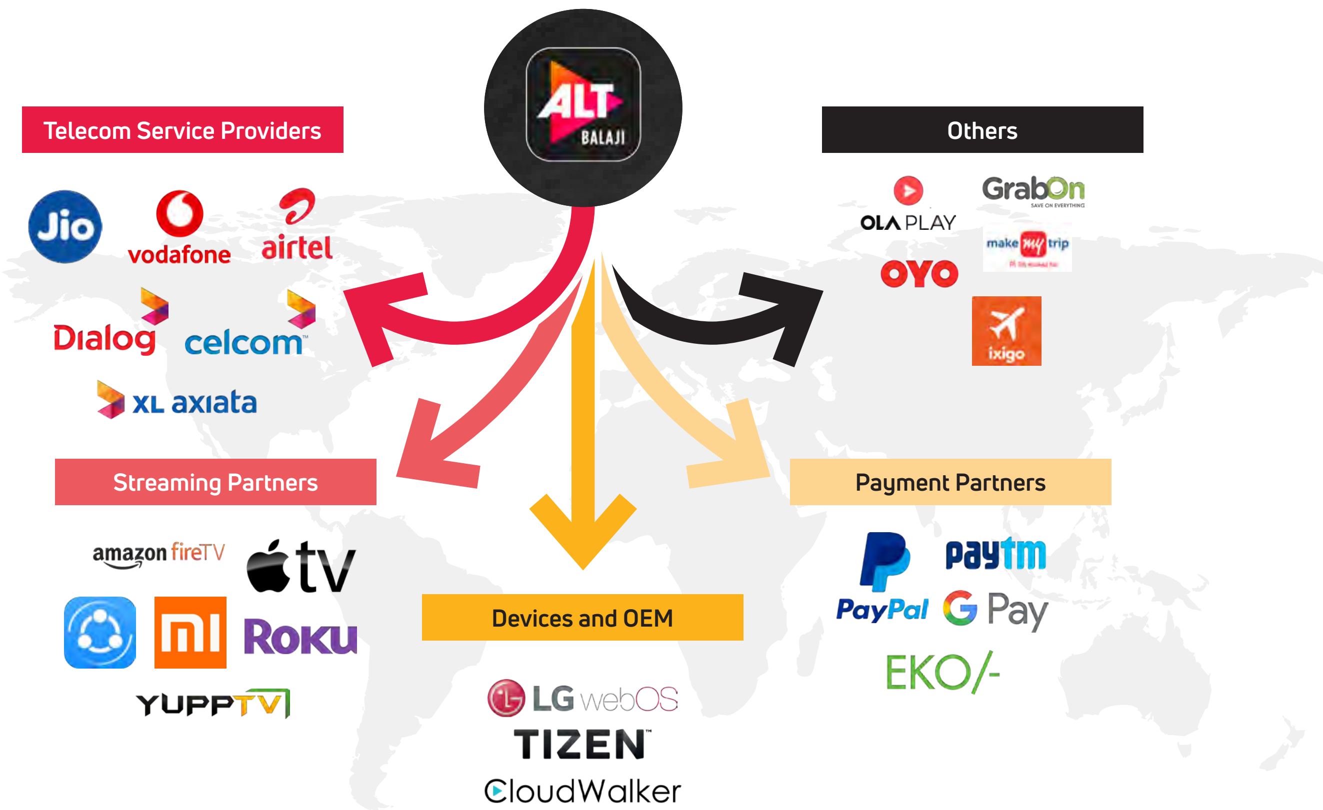
Desire for Comedy, Saucy, Over-The-Top



Potential for OTT Dailies

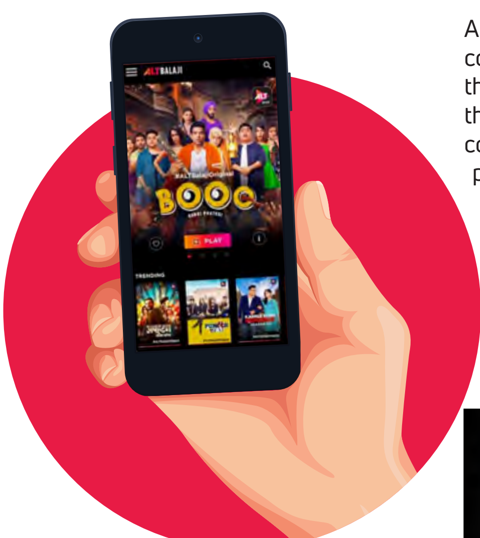
Entertaining viewers with innovative content has been the core ethos of the Group this same ethos runs in the DNA of ALTBalaji as well. We constantly evolve and develop our content strategy to cater to customers need for "individual content". In 2 years we have rolled out a number of path-breaking shows by tapping into different genres to bring alive innovative and highly relatable shows for our Hindi speaking audiences. Our content works very well with our audiences and is reflected in nearly 67% of our consumers starting a series finish watching the series within the first seven days of starting it. We are one of the only OTT services to have nearly 25% of our shows getting commissioned for additional seasons. Coming to our content strategy, In India today the TV programming is predominantly female skewed with little original non-sports and news content for the male audiences. OTT allows us to cater for the male audience while also creating a differentiated story for the female audiences. Our strategy is built on the need to create content for consumers for personalized watching needs and providing them with original, exclusive and tailor- made shows that they can access at their convenience. We broadly categorize the consumer into 3 stacks – Urban Premium, Urban Mass and Mass and ALTBalaji is the only OTT player that is actively creating quality content for consumers across all three categories. Our Urban Premium viewers are majorly the elite influencer audience (but niche in numbers) appreciate High quality Cinematic content like The Test Case and Bose Dead/Alive. The stories for men and women are similar. The heart of the OTT market is the Urban Mass market, which has the maximum number of potential consumers and have demonstrated the ability to pay for content. The Male Urban Mass category looks out for content majorly in Politics, Thriller and crime genre, the women audiences desire for content majorly pertaining to romance and drama. Apaharan and Ragini MMS have worked for the Urban Mass Male and Broken and Karrle Tu Bhi Mohabbat have gone viral amongst our Female Urban Mass audiences. The internet is spreading deeper and deeper into the country this is creating new consumers with differing tastes and profiles. This base currently is slow to pay for content but gradually coming into the habit of paying for content in smaller denominations (monthly packs through telecom partners or quarterly plans on ALTBalaji). The men look out for shows across comedy, saucy and over the top genres with shows such as Gandi Baat or Baby Come Na while the female audiences prefer more daily soap like shows such as a Haq Se or Kehne ko Humsafar Hai. In addition to these we actively target the younger internet audiences through shows such as Cybersquad, Puncchbeat, Class of 2017 and Dev DD. Balaji historic ability to spot young talent early has allowed us to develop good relatable content for the younger internet consumers. Going forward, we will continue to launch a slew of fresh new shows and introduce digital audiences to newer genres.

Distribution Strategy



One of the major drivers for ALTBalaji's exponential growth in subscribers for FY19, is its integration with several distribution partners which helped creating acceptance across the global internet ecosystem. The cost to reach the end consumer in India remains high and by partnering with the right distribution partners we are able to bring these costs down and also significantly improve the sampling and discoverability of our content. Currently, we have over 40 plus partners which opens us to the widest possible audience funnel. Mobile broadband as a means of video delivery and consumption is the most important and we have partnered across the major telecom service providers who offer ALTBalaji to their consumers as part of a bundled offering of data + voice + services. We are also partnering with several streaming partners such as a Yupp TV or Roku to allow for seamless integration and delivery into the household where they already have an existing access to OTT. Our focus on partnerships is to allow for simple and seamless customer acquisition for ALTBalaji and our partners. Some of the other recent partnerships include Paypal India, LG WebOS – Smart TV, Samsung Tizen- Smart TV, Grabon – Coupon deal, Appnext-India, Indonesia & USA, Infinite Analytics, MakeMyTrip, Fire TV IAP, Ixigo, Oyo, CloudWalker-Smart TV. All of these partnerships open up ALTBalaji to wider players within the internet eco system and building the habit of sampling and consumption.

Pricing Strategy

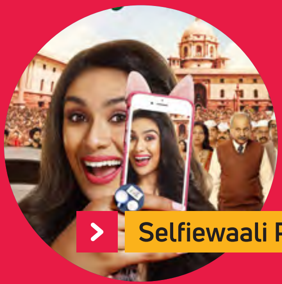


ALTBalaji, primarily is a mass consumer brand and targets the mass audience by providing the best quality content to the consumers at the most economical price. We launched with a "less than 1 rupee a day" and continue to maintain our price at Rs.300 for an annual subscription and Rs.100 for a quarter. At an entry point of Rs.100 for 3 months, ALTBalaji is the one of the lowest priced Video Streaming player in the market and this has allowed us to quickly penetrate and grow our reach.

In the international markets our pricing is comparatively higher and we are priced at $4.99 for a quarter and $12.99 for a year. Even in the international markets we have priced our selves attractively to drive sampling and building the habit for adoption.

Going forward, our belief is that the OTT category will continue to grow and become larger and players will need to keep pricing attractive to be able to capture a larger share of the mass market.

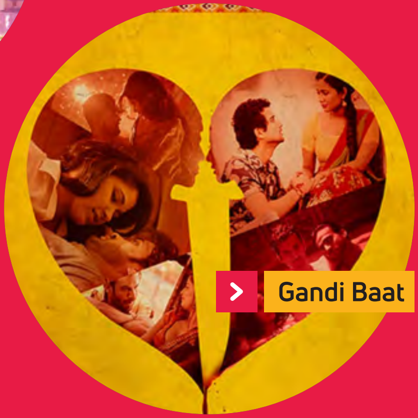
Satisfying your binge for entertainment



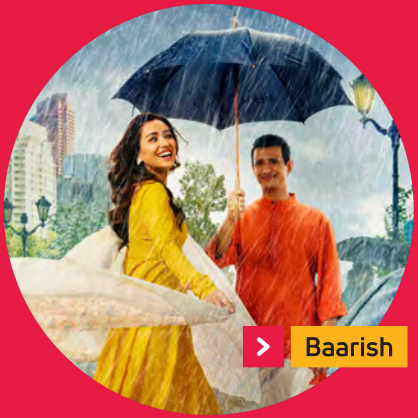
Selfiewaali PM

karle tu bhi mohabbat - s03

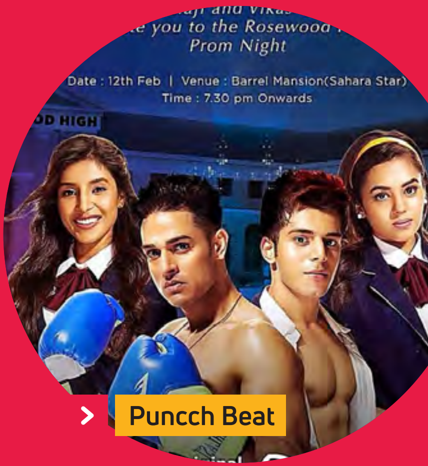
Hum



Gandi Baat



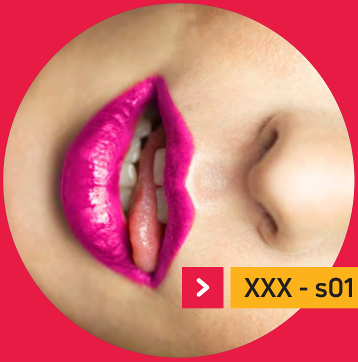
Baarish



Puncch Beat

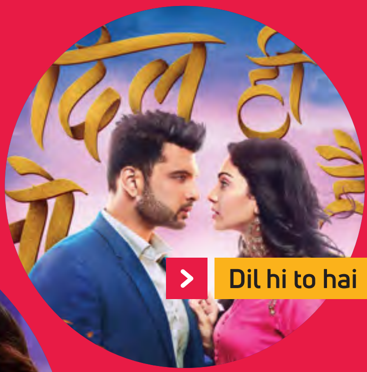
Galti se MisTech

Home

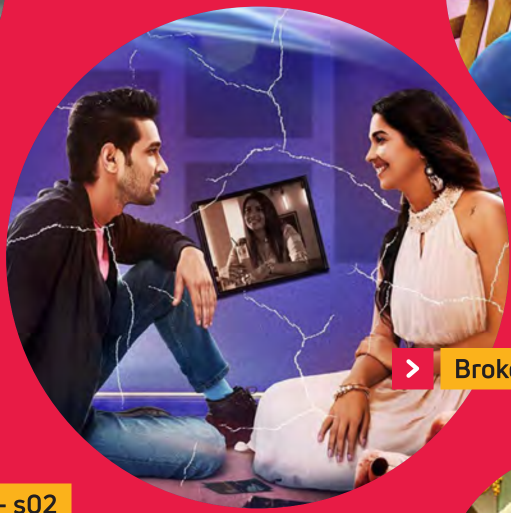


XXX - s01

Zabaan Sambhal Ke



Dil hi to hai

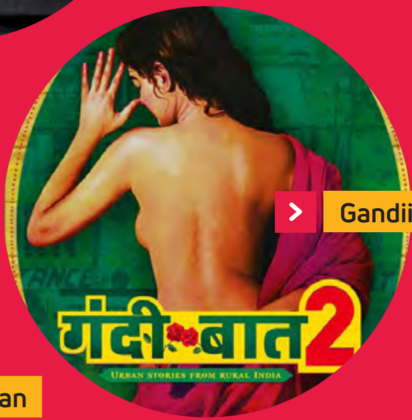


Broken

Kehne Ko Humsafar Hain - s02

The Great Indian Dysfunctional Family

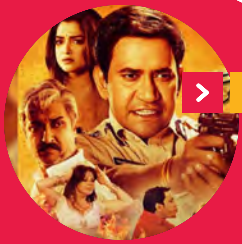
Kasautii Zindagii Kay



Gandii Baat - s02

Apaharan

Baby Come Na



Hero Vardiwala

Marinating Films Private Limited Brand

In our aim to create TV-centric intellectual property rights as additional revenue, we acquired a majority stake in Marinating Films Private Limited. The subsidiary owns the concept, format and all proprietary rights and intellectual property rights in Box Cricket League (BCL), The Indian Telly Calender (ITC) and Indian Television Style Awards (TSA).

Brand EK

Brand EK is a premium and affordable range of women's wear and accessories. The line comprises of women's ethnic wear, sarees and jewellery. Launched by Ekta Kapoor, the range ensembles the designs worn by TV celebrities on the popular TV shows.

Chhayabani Balaji Entertainment Private Limited

The subsidiary leverages Balaji's competitive strengths to create exciting entertainment along with Chhayabani's glorious heritage of producing extremely notable films in Bengali. This collaboration brings together two different media houses, with distinctive strengths to create exciting content, while also attracting high quality talent.

Awards & Recognition

Balaji Telefilms

India's Best Company of the Year Award
Best Company of the Year India 2018

Indian Television Academy Award 2019

Yeh Hai Mohabattein
Divyanka Tripathi
Best Actor Female in a Lead Role (Jury) & TV Personality Of The Year

Kasautii Zindagii Kay
Hina Khan
Best Actor Female in a Negative Role (Jury) & Best Actor Female in a Negative Role (Fans Choice)

Kasautii Zindagii Kay
Parth Samthaan & Erica Fernandes
Best Jodi (Fans Choice)

Naagin
Anita Hassanandani
Best Actor In A Supporting Role Female (Fans Choice)

Kumkum Bhagya
Best Daily Series (Fans Choice)

Star Parivaar Awards 2018

Yeh Hai Mohabbatein
Divyanka Tripathi
Favourite Maa

Zee Rishtey Awards 2018

Kumkum Bhagya
Sriti Jha
Favourite Maa

Kumkum Bhagya
Shabbir Ahluwalia
Favourite Pitah & Beta

Kumkum Bhagya
Mishal Raheja
Favourite Pitah

Kumkum Bhagya
Shabbir Ahluwalia & Sriti Jha
Favourite Jodi

Kumkum Bhagya
Karuwakee Vasistha
Favourite Chota sadasya

Kumkum Bhagya
Vedaansh Jaju
Favourite Chota sadasya

Kumkum Bhagya
Shabbir Ahluwalia
Favourite Popular Character (Male) (on Zee5)

Kumkum Bhagya
Sriti Jha
Favourite Popular Character (Female) (on Zee5)

Kundali Bhagya
Dheeraj Dhoopar
Favourite Popular Face (Male)

Kundali Bhagya
Shraddha Arya
Favourite Popular Face (Female)

Kundali Bhagya
Ruhi Chaturvedi & Sanjay Gagnani
Favorite Khalnayak Jodi

Kundali Bhagya
Ekta Kapoor
Favorite Dharavahik

Kalakar Awards

Kundali Bhagya
Shraddha Arya
Best Actress

Kundali Bhagya
Ekta Kapoor
Best TV Show

Indian Telly Awards

Yeh Hai Mohabbatein
Divyanka Tripathi
Best Actress

Naagin 3
Anita Hassanandani
Best Actress in Supporting role

Kasautii Zindagi Kay
Erica Fernandes & Parth Samthaan
Best Jodi (Popular)

Kasautii Zindagi Kay
Hina Khan
Best Actress in negative Role (Popular) & Best Actress in negative Role (Jury)

Kumkum Bhagya
Ekta Kapoor
Best Daily Series

Alt Balaji

For ALT

OTT Platform of the Year (Gold)
Digixx 2019

OTT Platform of the Year (Gold)
vIDEA 2019

Social Media- OTT Platform (Bronze)
Digixx 2019

Premier Web Channel
18 ITA Awards

Best content on video-on-demand app
INKSPELL AWARDS

For Shows on Alt

Bose Dead/Alive
Popular original in Hindi
Patch Wall Binge Awards

Apharan
Best video content in a social media marketing campaign
vIDEA 2019

Home
Best video content in a viral marketing campaign
vIDEA 2019

Apharan
Best Web Series
Digital Hash

For Individuals

The Test Case
Nimrit Kaur
Best actress (drama)
iReel awards 2018

Home
Habib Faisal
Best director
Streaming Awards/ Digital Hash

Home
Supriya Pilgaonkar
Best actress
18 ITA Awards

Home
Anu Kapoor
Best actor
18 ITA Awards

Apharan
Arunoday Singh
Best actor
Digital Hash

Broken but beau-tiful
Harleen Sethi
Best debut
Digital Hash

Broken but beautiful
Vikrant Massey
Best breakthrough performance
Digital Hash

Apharan
Mohinder Pratap Singh
Best writer

Apharan
Sidharth Sengupta
Best director
Digital Hash

Balaji Motion Pictures

Aahista
Niladri Kumar
Upcoming Music Composer of the Year
Mirchi Music Awards

Aahista
Niladri Kumar
Rd Burman Award For Upcoming Talent In Film Music
64th Filmfare Awards

Board of Directors

C C M M

Mr. Jeetendra Kapoor

Promoter and Non-Executive Chairman

Mr. Jeetendra Kapoor is a celebrated movie star, starring in more than 200 movies in his career of 50 years. He is particularly popular as a romantic lead and for his flair for dance. He is also a reputed TV and film producer. He has won a number of prestigious awards, including the Filmfare Lifetime Achievement Award, Screen Lifetime Achievement Award, Guild Award for Lifetime Achievement and several other lifetime achievement awards, as well as the Legend of Indian Cinema Award in 2004, the Dadasaheb Phalke Academy Award in 2014 and the Raj Kapoor Lifetime Contribution Award by Government of Maharashtra in 2016 among many other achievements and awards. He also frequently attends industry events as guest of honour.

C M M

Mrs. Shobha Kapoor

Promoter and Managing Director

Mrs. Shobha Kapoor has been in charge of Company's operational management and efficiency and in controlling 'on set' activity. She has won a number of prestigious awards including CEO of the Year (Indian Telly Awards), Businesswoman of the Year (The Economic Times) and numerous Best Producer awards for various TV shows produced by our Company.

M

Ms. Ekta Kapoor

Promoter and Joint Managing Director

Ms. Ekta Ravi Kapoor undertakes the day-to-day creative direction of TV shows and movies produced by our Company. She has won a number of prestigious awards including the Economic Times (Businesswoman of the Year 2002), Ernst & Young (Entrepreneur of the Year 2001) and the American Biographical Institute (Woman of the Year 2001). She was also placed at the first position among the '50 Most Influential Women' in the Indian marketing, advertising and media ecosystems by IMPACT magazine in 2016. She also featured in Top 50 powerful women in India by Fortune India in the year 2014 and 2015. Ms. Ekta Kapoor has also won numerous prestigious awards in the year 2017 as Business Today's Most Powerful Women in Indian Business Awards, Khaas Rishta Award 2017, 25 Most Powerful Women in India Business, ITA Awards as Sterling Icon of Entertainment, Variety's (500 Most Influential people in the world), in 2018 she was awarded with IWM (IndianWikiMedia) Digital Awards as Web Person of the year and also honoured with FLO Icon Award at the 34th Annual session of FICCI (Federation of Indian Chambers of Commerce and Industry) Ladies Organisation. Recently she was also awarded as the Content Creator at Economic Times Business icon awards of the year, Content Powerhouse at ET Edge Maharashtrian Awards, 'Icon of Excellence' at Forbes Tycoons of Tomorrow Awards, Outlook Speakout Awards for her outstanding achievements in the television and film industries and Most Powerful Women Award by Fortune 50 Most Powerful Women in Business Award.

C M

Mr. Duraiswamy Gunaseela Rajan

Independent Director

Mr. Duraiswamy Gunaseela Rajan is a Chartered Accountant by profession and is a Fellow Member of the Institute of Chartered Accountants in England and Wales (Life Member) and the Institute of Chartered Accountants of India. He is Associate Member of the Institute of Internal Auditors. Mr. Rajan served as a Partner at Lovelock & Lewes from 1967 and was the Senior Partner (Chairman) of the firm from 1984 till 1990. He also served as the Chairman of the Direct Taxation Committee of the Southern India Chamber of Commerce & Industry and a Member of the Board of Governors of The Doon School, Dehradun. He was also President of the Management Consultants Association of India and Chairman of the Indian Paint Association – Southern Region. Presently, he is adviser, consultant and director/member of supervisory board of various other domestic and international groups.

Mr. Arun Kumar Purwar

Independent Director

Mr. Arun Kumar Purwar works as Chairman of Eroute technologies Pvt Ltd, a fintech Co, as well as Tadas Wind Power Ltd. He also works as an Independent Director in Companies across diverse sectors like power, solar energy, telecom, steel, engineering consultancy, pharma and financial services. He also acts as an advisor to Mizuho Securities, Japan. He was Chairman of the State Bank of India ("SBI") from 2002 to 2006 and Chairman of the Indian Bank Association during 2005 to 2006. He has previously held positions such as Managing Director of State Bank of Patiala and has been associated in the setting up of SBI Life. Post his retirement from SBI, he was associated with a leading industry house in setting up the first healthcare focused private equity fund as well as a non-banking finance company focused on funding real estate projects as well as educational institutions. He has won a number of awards including the CEO of the year award from the Institute of Technology and Management (2004), "Outstanding Achiever of the Year" award from the Indian Banks' Association (2004) and "Finance Man of the Year" Award by the Bombay Management Association in 2006.

C Chairman
M Member

- Apex Committee (Management)
- Stakeholder Relationship Committee
- Nomination And Remuneration Committee
- Corporate Social Responsibility Committee
- Audit Committee

Mr. Anshuman Thakur

Non-Executive Director

Mr. Anshuman Thakur is Senior Vice President - Strategy & Planning at Reliance Industries Ltd. He joined the Reliance Group in 2014 and has ever since been closely involved with the Jio business. He has over 20 years of experience in corporate strategy and investment banking and has worked across diverse industries. Prior to joining Reliance, he worked with Morgan Stanley as Head of Mergers & Acquisitions in India. He was a TMT coverage banker at Rothschild prior to his stint at Morgan Stanley. He has also worked with Arthur Andersen and Ernst & Young in the area of corporate finance and strategy. Mr. Thakur has done his graduate studies in Economics and Master's in Business Administration from the Indian Institute of Management, Ahmedabad.

Ms. Jyoti Deshpande

Non-Executive Director

Ms. Jyoti Deshpande, 48 years has over 26 years of experience in media and entertainment across advertising, media consulting, television and film. Ms. Deshpande is the President – Content and Media for Reliance Industries Limited and leads the company's initiatives to create original content such as films and web series across Hindi and multiple languages under the Jio Studios banner. She also has a critical oversight role across all of RIL's media investments such as Viacom, Network 18, Indiacast and Saavn with a view to integrate the synergies across these diverse media companies to build maximum value and growth. She is responsible for designing and implementing the consumer content proposition for all of Jio's platforms whether mobility or fibre-to-the-home. Ms. Deshpande was featured in Forbes Emergent 25 businesswomen in Asia list in May 2018. She has also been rising up the ranking in the Fortune India magazine's 50 Most Powerful Women in Business which celebrates the journeys and triumphs of women who not only impact their organization but are also thought leaders in their industry.

C M

Mr. Ashutosh Khanna

Independent Director

Mr. Ashutosh Khanna holds a Master's in Management from the University of Mumbai and a bachelor's degree from Delhi University. He works as Senior Partner with Korn/Ferry and specializes in the Consumer Industry. He has also worked in the communication industry earlier and carries with him deep insights of multiple industries. He was the Chief Operating Officer at Grey Worldwide, India. He is recognized as a leading HR consultant and is a sought-after speaker at Industry and HR forums on his views for the future of the industry.

M M

Mr. Pradeep Kumar Sarda

Independent Director

Mr. Pradeep Kumar Sarda is a commerce graduate. He is chairman of the Sarda Group of Companies and of the Governing Board of the Ecole Mondiale World School. He possesses rich experience across multiple industry verticals including paper, engineering, construction, academics and real estate.

M

Mr. Virendra Babubhai Dalal

Independent Director

Mr. Virendra Babubhai Dalal is a Chartered Accountant by profession and is a member of the Institute of Chartered Accountants of India. He has an academic experience of more than 10 years as part time lecturer in Accountancy, having worked with the Dahanukar College of Commerce and Economics affiliated to University of Mumbai. He is a director on board of Superadd Trade Private Limited. He is a proprietor of V.B. Dalal & Company, a firm of Chartered Accountants established in July 1969. He has over 40 years of experience in Audit and Direct Taxation and has handled International assignments in internal and Operational Audits in U. K, Portugal, Kenya and Indonesia.

M M M

Mr. Devender Kumar Vasal

Independent Director

Mr. Devender Kumar Vasal holds a bachelor's degree in Commerce and a bachelor's degree in Law from the University of Delhi. He has over 35 years of rich experience in the Finance, Capital Markets, Banking, General Corporate Advice and Regulatory Practices. He was a Senior Partner at DSK Legal, Executive Vice President and Head of Legal & Compliance at Development Credit Bank Limited, Head of Legal (India Region – including certain proximate territories) at Standard Chartered Bank, Senior Manager Legal at Bank of Baroda, Head of Legal at what is now HDFC Bank. He also held the position of Group General Legal Counsel at Sterlite group, now known as the Vedanta Resources PLC.

C Chairman
M Member

Apex Committee (Management)
Stakeholder Relationship Committee
Nomination And Remuneration Committee
Corporate Social Responsibility Committee
Audit Committee

Management Discussion & Analysis

1. Indian Macro Economy and Environment

India remains one of the fastest growing economies in the world and has been relatively less affected by the global turmoil given a strong domestic market. However, no country will remain completely immune to external factors in the global economy which has strong interlinks in modern times given globalisation. India will not be an exception and the Indian economy is in a period of unprecedented ambition and opportunity but bridled with challenges in its development.

The economic growth in India is projected to be between 7.2% and 7.5% for the fiscal year 2019-20. with progress being buttressed by dynamic reforms in the macroeconomic, fiscal, tax and business environments. The Government of India has taken various initiatives to strengthen the economic base and make it one of the strongest economies in the world. A sustained rise in consumption and a gradual revival in investments, especially with a greater focus on infrastructural developments from the Government could possibly be the contributing factors in providing further impetus to Indian economic growth. By 2030, India is expected to be the third largest economy in the world and aspires to become a high-middle level income country. India is projected to be the fifth largest by 2020 and India's gross domestic product (GDP) is expected to reach US$ 6 trillion by FY27 with sharp movements in the Direct Tax, GST, Foreign Direct Investment (FDI), ease of doing business and regulated monetary policy.

As long-term GDP growth has become more stable, diversified, and resilient, there will be a greater focus on consumption and sectors that are dependent on discretionary spending. Private final consumption is estimated to grow as the economy is now set to be driven by rural demand due to rising income levels, changing lifestyle, habits, taste, increasing literacy level and increasing expectations of rural consumers. The consumption habits of the rural consumer are also gradually mirroring those of their urban counterparts. As incomes rise, the shape of the country's income pyramid is also changing dramatically, and as large portion of the population is moving from desperate poverty to sustainable life their needs and spending patterns will also change.

Just like many other countries, India is significantly moving away from traditional means of content consumption and adapting to a more convenient, one-to-one interactions enabled by mobile phones. Mobile phones have increasingly become the primary source to access information, video-viewing, gaming and shopping. Backed with a promising shift, the opportunities for India's future for digital growth is significant as it continues to embrace the digital economy.

India is one of the largest and fastest-growing markets for digital customers after China. According to industry reports, in 2018, India had 1.2 billion mobile phone subscribers and downloaded more than 12 billion apps. There were 560 million internet subscribers, where 8.3 gigabits of mobile data were consumed every month. The public and private sectors are playing a vital role in increasing digital consumption growth. While the Government has enrolled more than 1.2 billion Indians in its biometric digital identity programme -Aadhaar- that has brought more than 10 million businesses onto a common digital platform through good and services tax, telecom service providers aim to provide internet-enabled services to millions of consumers at lesser and affordable prices as 2013 onwards, the prices on data dropped by 95%.

By 2023, India will have an increased number of internet users by 40%, that will result in approximately 800 million users with doubled smartphone users between 650 million and 700 million. There would be a proliferation of digital applications in most sectors of the Indian economy. All of these changes and developments augurs well for our business.

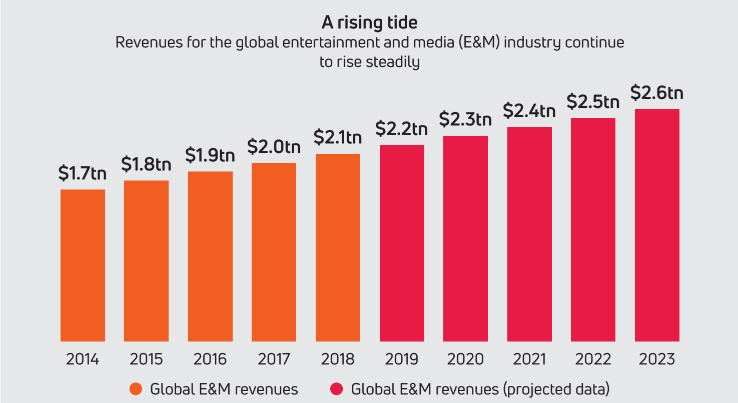
2. Media and Entertainment Sector Overview

The Global Media and Entertainment market expected to grow to around \$2.35 trillion by 2022 as against \$2 trillion in 2018. The sector is witnessing a resurgence as convergence is taking place within the media segment itself, as providers and distributors link up with one another in unprecedented and unexpected ways. The distinctions among varieties of media are collapsing and Companies that once offered only technology and distribution are moving into content and vice versa.

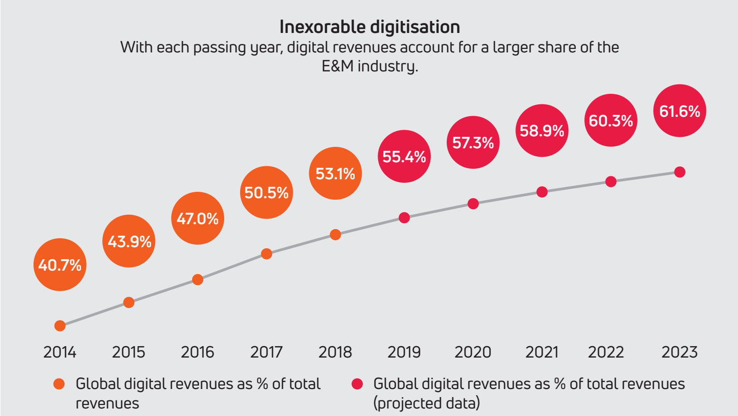
The Media & Entertainment industry is in the business of providing creative content through the adoption of latest technology coupled with consumer demands. By its inherent nature, the industry is largely dependent on factors such as markets, cultures, languages, and consumer segments. Technological advancements and change in individuals outlook towards life have greatly affected content production, demand and consumption as it has evolved over the years.

It's a period where consumers not only demand what they like but also, they select the format they wish to view it. There is a growing dependency on digital media in many developed and developing countries. In today's fast-moving generation, the media and entertainment companies are increasing working hard to reach customers through their content. While television and radio play its part as traditional mediums, having an innovative technology backed digital platform is what most companies vouch for. With the launch of digital platforms, viewers get access to consume their information on their personal schedules.

The year ahead looks promising as there are possibly exciting changes that are going to lead the M&E industry with new trends coupled with innovative technologies that create better opportunities for the growth of global Media & Entertainment industry. Video streaming, cord-cutting, personalized content and advertising and data privacy are expected to shape the world along with the launch of fifth-generation wireless technology that will be providing a host of new opportunities across Media & Entertainment industry.



Source: PwC Global Entertainemnt & Media Outlook 2019-2013



Source: PwC Global Entertainemnt & Media Outlook 2019-2013

Indian Media and Entertainment Sector Overview

According to IBEF reports, Indian media and entertainment (M&E) industry grew at a CAGR of 10.90 % from the previous year; and is expected to grow at a CAGR of 13.10% to touch Rs.2,660.20 billion (US$ 39.68 billion) by FY23 from Rs.1,436.00 billion (US$ 22.28 billion) in FY18. India's media consumption was higher than the US and China with the growth rate of CAGR of 9% during 2012-18, and India's advertising revenue is projected to reach Rs 1,232.70 billion (US$ 18.39 billion) in FY23 from Rs 608.30 billion (US$ 9.44 billion) in FY18.

Similarly EY's estimate that the sector grew 13% to reach INR1.67 trillion and is expected to grow to INR2.35 trillion by 2021 (US$33.6 billion). Indian M&E is going to witness a strong growth as technological disruptions are creating new opportunities for the sector. The rise of a billion screens in India provides a great opportunity for growth. With the help of technological advancements, the emergence of many platforms, marketing strategies and distribution, Indian M&E will reach the masses.

	2017	2018	YoY Growth	2019E	2021E	CAGR 2018-2021
Television	660	740	12%	815	955	9%
Filmed entertainment	156	175	12%	194	236	11%
Digital media	119	169	42%	223	354	28%
Print	303	306	1%	317	338	3%
Animation & VFX	67	79	18%	93	128	17%
Live Events	65	75	15%	86	112	14%
Online Gaming	30	49	63%	68	120	35%
Out of Home Media	34	37	9%	41	49	9%
Radio	29	31	7%	34	39	8%
Music	13	14	8%	16	19	11%
TOTAL	**1,476**	**1,675**	**1.87**	**1,887**	**2,350**	**12%**

Shaded portions represent Balaji Telefilms core business

Indian Television Industry

In 2018, Indian television segment grew at 12% and reached INR740 billion. The growth took place due to the contribution of 14% from the advertising revenues and 11% from the subscription revenues.

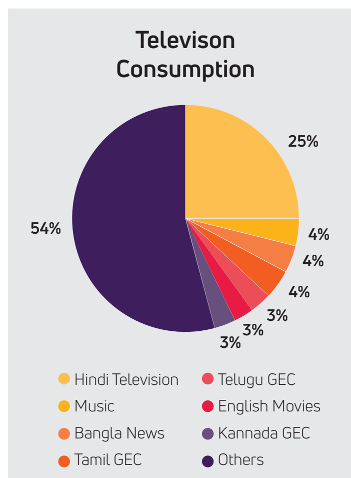
TV advertising grew on the regional properties and the number of private satellite channels increased to 885, of which 43% were classified as news channels. FMCG continues to be one of the largest drivers for ad spend and accounted for nearly 50% of the ad spend.

Subscription revenues were driven by digitization efforts in DAS-III and IV markets along with increase in ARPUs. There were 197 viewing households and TV penetration increased to 66% in 2018 from 64% in 2016. Nearly 88%. of these television homes were digitized. Greater penetration of LED / LCD / plasma television sets was observed and HD viewership increased by 57% all resulting in higher ARPUs.

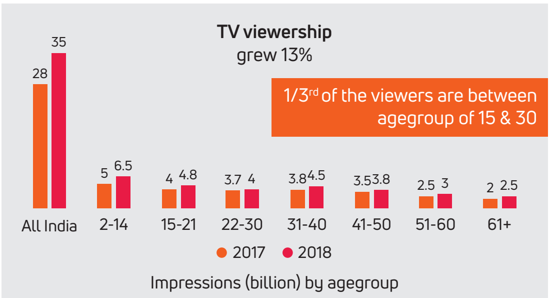
Improved electricity supply in many parts of the country is one of the major contributors to increased TV viewing in urban and rural India. For example In 2018, Bengal had an 11% reduction in power cuts, due to which TV viewing increased to 58%.

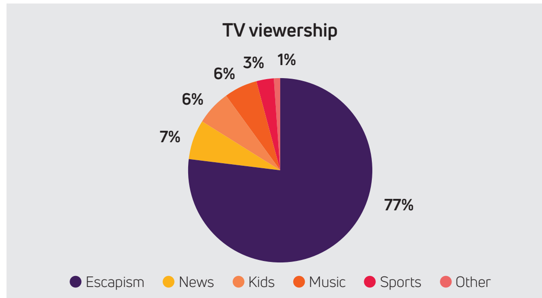
TV remains the primary choice of entertainment for the majority of viewers. Total time spent increased to 3 hours 46 minutes per day and 77% of time spent on television was on escapism (GEC and film channels).

Over the years, television content has changed and became more interactive that led to the increased viewership in India. Hindi television content remained the king and continues to rule; nevertheless, viewership in South India relatively spent more time on TV viewing than the viewers in Hindi Speaking Markets.



Going forward the television segment is going to have an average growth rate at 9% in the next three years, which will lead to INR955 billion by 2021. TV will continue to grow and remain the most effective medium to reach maximum audiences.





Indian Film Industry

	2017	2018	2019E	2021E	CAGR 2018-2021
Domestic theatricals	96.3	102.1	110	130	8%
Overseas theatricals	25	30	35	45	15%
Broadcast rights	19	21.2	23	26	7%
Digital/OTT rights	8.5	13.5	17	24	21%
In-cinema advertising	6.4	7.5	9	11	14%
Home video	0.3	0.2	0.2	0.1	-21%
Total	**155.5**	**174.5**	**194.2**	**236.1**	**11%**

India is releasing more than a thousand films each year, and this has resulted in making India the largest movie producer in the world. Indian movies are known for its drama and colour, and this very feature of Indian cinema has made it greater in the global market. Rapid urbanization has resulted in increased demand for modern cinema screens featuring the best quality infrastructure and latest audio-visual systems which gave rise to more than 2000 multiplexes across the country and has proven to be the leading film market in the globe with 2.2 billion tickets sold in 2016 alone.

In the year 2018, the film segment grew by 12.2% and reached INR174.5 billion even during the weak global economy. With growth driven at 59% by digital/ OTT rights, the home video segment continued to witness a decline.

Number of films released across India declined from 1,807 in 2017 to 1,776 in 2018. Despite a decline in the number of movies released, 2018 was quite a successful year for the Indian film industry as the Hindi theatrical segments reached INR1 billion club almost every month. There was a total of 13 Hindi films that entered the INR100 crore club in 2018, the highest in the history. With Net box office collection of INR35.2 billion, 2018 was recorded with the highest collections ever for Hindi theatricals at the box office. Indian film segments every year witnesses a massive demand from overseas theatrical markets. In 2018, there were over 120-125 Indian movies that had been released in 25 global territories among which USA, UK, Gulf, Australia, Canada and Pakistan were the key theatrical markets. China proved to be the largest International markets for Indian cinema content.

Broadcast rights market continued to grow as movies contributed 24% of television viewership and Rights grew from INR19 billion in 2017 to INR21.2 billion in 2018. Digital rights redefined the greenlighting process and they grew from INR8.5 billion to INR13.5 billion as online platforms invested heavily in exclusive film rights and premium windowing 2018 saw the rise of the digital-only film market.

Key developments in Films

1. Bollywood films : The top three films did not have big stars and year 2018 proved that unconventional and experimental movies packed with good content and powerful performances can achieve commercial success even without big actors backing them. Consumers are looking for a fresh plot, stories with a twist and are rejecting content that is mediocre.
2. Women themed films were successful and characters were chalked out for women. More and more mainstream films with strong female protagonists were produced and were well received by moviegoers.
3. Small budget films made a digital debut and 2018 saw Indian filmmakers releasing small budget films first on digital platforms. The logistics of Indian film production, distribution and marketing make a theatrical release for a small budget film an unviable proposition but digital now offers a viable and profitable medium.

Increase in revenue inspite of lesser footfalls

No. of screens **9,530**
Footfall **1.66 bn**
Revenue **₹109 bn**
2017

No. of screens **9,601**
Footfall **1.56 bn**
Revenue **₹110 bn**
2018

Digital Media

Digital media continues to grow at a fast pace as the segment grew by 42% to reach Rs.169 billion in 2018. With multiple broadband brands available that offers competitive prices, there was a 41% increase in the broadband subscribers that went up to 512 million from 363 million.

	2017	2018	2019E	2021E	CAGR 2018-2021
Advertising	114.9	154.4	200.4	300.9	25%
Subscription	3.9	14.2	22.9	52.9	55%
Total	118.9	168.6	223.3	353.8	28%

In 2018, digital media grew 42%, with advertising growing by 34% and subscription growing 262%. Subscription, which was 3.3% of the segment in 2017, increased to

8.4% in 2018.

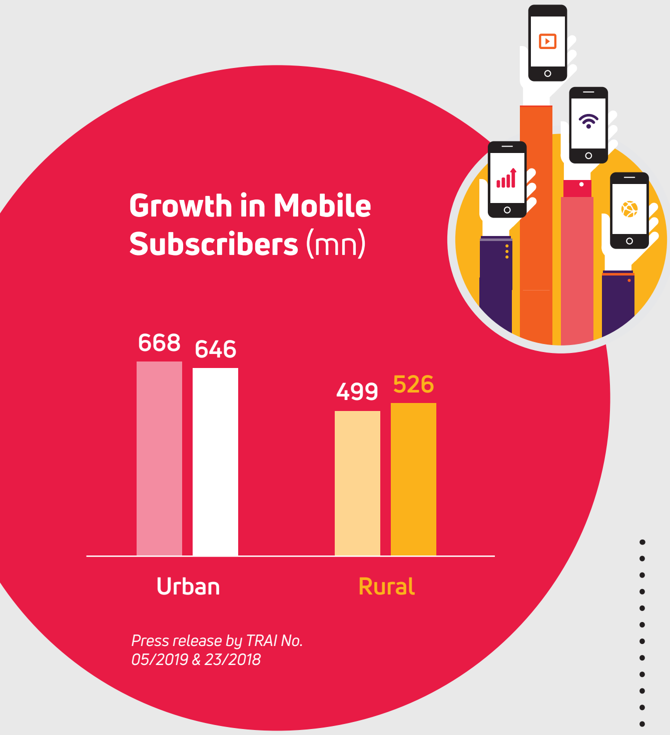
Infrastructural development in India has been successfully implemented as digital media has slowly started getting its access in rural areas. There were 197 million rural internet users that sum up to 49%, and there were 340 million smartphone users.

Rapid urbanization has resulted in the latest technological innovations. Through high-speed internet connection, people have started to consume content through their smartphones that are portable and easily accessible.

Indians spend up to 30% of their phone for M&E purposes, where 325 million people viewed online videos and 245 consumed online news content.

Digital media is going to have a major impact on the Indian economy and on the Media and Entertainment sector

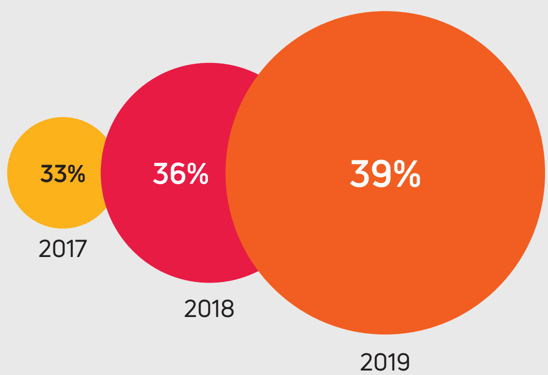
Growth in Mobile Subscribers (mn)



Press release by TRAI No. 05/2019 & 23/2018

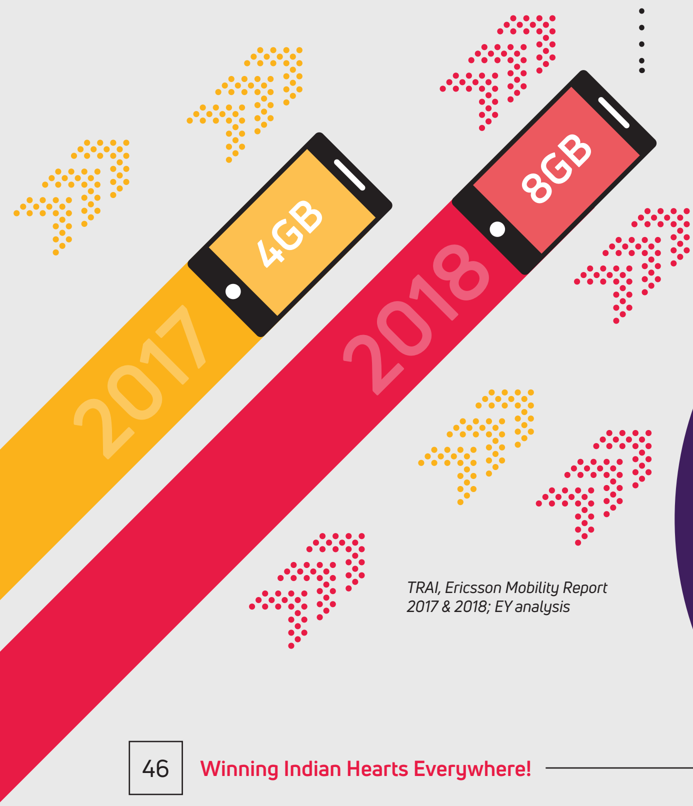
96% is wireless subscriber and will consume content individually

Smartphone Base
340 million in 2018



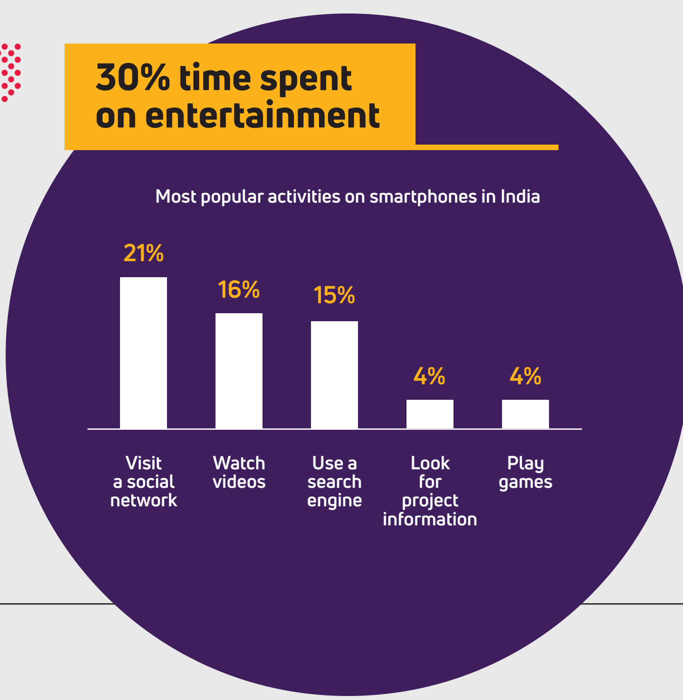
Smartphone penetration to total phones

Average data usage going up



TRAI, Ericsson Mobility Report 2017 & 2018; EY analysis

30% time spent on entertainment



4. Company Overview

The detailed company overview is provided from page no. 07.

5. Risks Related to Our Business and mitigation

TV Broadcasters inability to continue to invest in new original programming

We generate a sizeable portion of our revenues from selling our content to TV broadcasters. In case broadcasters are unable to continue to invest in high value programming we will witness a decline in revenues and profitability. Currently our shows account for a sizeable portion of their ratings and popularity. We generally have 4 of the top 10 shows and this ability to generate hit content should allow us to maintain our premium positioning in the market for TV content. Our legacy of making hit content for over 25 years allows to accurately gauge the pulse of the Indian audiences.

Piracy of content and decrease in moviegoers

Our movie business depends on consumers paying to watch movies in a theatre in addition to watching it via Tv / Digital. If consumers could access the content for free without paying for the same it would affect our profitability. We employ a number of monitoring tools and systems to take down any pirated content on the internet in addition to relying on strong IP and ownership rights via contracts and agreements. In addition to all of this we also pre sell a large portion of the movies economic rights that are non theatrical in nature to recover the cost of production of these movies.

Ability to attract and retain subscribers on the digital business are not successful

Our ability to continue to attract subscribers will depend in part on our ability to consistently provide our subscribers with a valuable and quality experience for selecting and viewing shows. We continue to develop a strong pipeline of original and exclusive content which should cater to the demand of our audiences. We work with all the leading participants in the content creation eco system to develop a good understanding of the consumer needs for content.

Competition continues to price and offer compelling services for digital OTT apps

The market for attract consumers attention is for video entertainment intensely competitive and subject to rapid change. There are many business models pursued in the market – Subscription video on demand (SVOD), transaction video on demand (TVOD), ad-supported (AVOD) and piracy-based models. All of these have the potential to capture meaningful segments of the entertainment video market. If competition were to continue to under price their offerings or give it "free" it would lead to longer term break even and profitability.

Changes in consumer viewing habits and build strong brand identity and improve subscriber satisfaction and loyalty while continuing to attract new subscribers

We utilize a broad mix of marketing programs as well as partners to promote our service to potential new subscribers. We obtain new subscribers through our online and offline marketing efforts and also rely on a number of partners to offer instant streaming of content from to various devices.

If government regulations relating to the Internet or other areas of our business change, we may need to alter the manner in which we conduct our business.

The adoption or modification of laws or regulations relating to the Internet or other areas of our business could limit or otherwise adversely affect the manner in which we currently conduct our business. If we are required to comply with new regulations or legislation or new interpretations of existing regulations or legislation, this compliance could cause us to incur additional expenses or alter our business model

Retaining key talent

Our business depends extensively on creative and operational talent and given the nature of competition across the industry we rely on retaining key talent. In addition to ESOP based incentive structure we also offer employees a challenging and fulfilling work environment.

6. Financial and Operational Performance

The detailed financial and operational performance is provided from page no. 18, 19 and page no. 110.

7. Human Capital

The total workforce of Balaji Telefilms is well over 250, as of 31st March 2019. Talent management and nurturing of our employees is critical to our strategy to ensure the smooth functioning of our organisation. Since we consider our people as our biggest resource, there is an enthusiastic spirit and efficiency in the company.

Thanks to our comprehensive and dependable talent management framework, scouting and encouraging employees for long-term success is one of the most well-executed responsibilities at Balaji. We motivate the development of employees so they can take up more important roles in the company. The focus is to build a pool of talent, which will be ready to take on any challenge in the coming future. Hence, they will ensure the bright future of the organisation and maintain productivity and sustainable growth, which is synonymous with Balaji.

The company sees to it that both moral and financial support is given to the employees, so as to assure them of a bright future in the industry.

8. Internal Control Systems and Its Adequacy

Company's internal control systems is proportionate with the nature of the business and the size and complexity of its operations. We make sure to keep these internal controls routinely tested and certified by Statutory as well as Internal Auditors and cover key business areas. Our Audit committee will be reported with audit observations and follow up actions, so that they can review the adequacy and effectiveness of the company's internal control processes.

Cautionary statement

Statement made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the domestic & overseas markets in which the Company operates, changes in the government regulations, tax laws & other statutes & other incidental factors.

HR Activities

CSR Activities

Source: World Bank Report, IMF Report, FICCI M&E Report and Inmobi 2019 Mobile Marketing Handbook

BOARD'S REPORT

The Directors take pleasure in presenting the 25th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

The salient features of the Company's financial results for the year under review are as follows:

(₹ in Lacs)

PARTICULARS	2018-19	2017-18
Income from operations	44,030.15	41,658.69
Less: Total expenditure	42,558.48	36,351.07
Operating profit	1,471.67	5,307.62
Less: Interest	-	-
Less: Depreciation	1,308.79	1,389.93
Operating Profit after interest and depreciation	162.88	3,917.69
Add: Other income	2,482.16	1,659.28
Less: Exceptional Items	-	905.07
Profit before tax	2,645.04	4,671.90
Less: Provision for taxation	632.58	3,041.80
Net profit after tax	2,012.46	1,630.10
Other Comprehensive Income	(3.81)	(3.73)
Balance brought forward from previous year	22,472.53	21,333.03
Appropriations:		
Disposable profits	24,565.16	22,959.40
Less: Interim dividend	-	-
Less: Payment of dividend	404.52	404.52
Less: Corporate dividend tax	83.15	82.35
Less: Transfer to General Reserve	-	-
Balance carried to balance sheet	**24,077.48**	**22,472.53**

RESULTS OF OPERATIONS

During the year under review, the Standalone Revenue from operations of the Company is ₹ 44,030.15/- Lacs an increase of 5.69% over the previous year's ₹ 41,658.69/- Lacs. As per the Consolidated Accounts, the total revenue from operations has increased by 3.48% from ₹ 41,331.79/- Lacs to ₹ 42,770.87/- Lacs during the year. Your Company had a Standalone growth with a Net profit after tax of ₹ 2,012.46/- Lacs during the year as compared to Net profit of ₹ 1,630.10/- Lacs of previous year.

A detailed discussion on the business performance is presented in the Management Discussion and Analysis Section of the Annual Report.

BOARD'S REPORT

DIVIDEND

The Directors of the Company are pleased to recommend a Final Dividend of Re 0.40 per Equity Share of the face value of ₹ 2/- each for the financial year ended March 31, 2019.

The Final Dividend, subject to the approval of Members at the Annual General Meeting on August 30, 2019 will be paid to the Members whose name appear in the Register of Members, as on Friday, August 23, 2019. The total dividend for the financial year will absorb ₹ 4,87,67,213/- including Dividend Distribution Tax of ₹ 83,15,036/-

UNPAID / UNCLAIMED DIVIDEND

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, ₹ 72,925/- of unpaid/unclaimed dividends were transferred during the year to the Investor Education and Protection Fund.

TRANSFER TO RESERVES

The Directors of the Company do not propose to transfer any amount to the General Reserve and an amount of ₹ 24,077.49/- Lacs is proposed to be retained in the statement of profit and loss account.

BORROWINGS

The Company does not have any borrowings during the year under review.

SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on March 31, 2019 is ₹ 20,22,60,886/- (Rupees Twenty Crores Twenty-Two Lacs Sixty Thousand Eight Hundred and Eighty-Six only). Of the total paid up share capital of the Company, 34.22% is held by Promoters and Promoter Group, all in dematerialized form and balance of 65.78% is held by persons other than Promoters and Promoter Group, out of which majority is in dematerialized form. The Company has neither issued shares with differential voting rights nor granted stock options or sweat equity.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act and the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

CHANGE IN NATURE OF BUSINESS

There was no change in nature of business during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management Discussion and Analysis, which forms part of the Annual Report.

SUBSIDIARIES

As on March 31, 2019 your Company has following Subsidiaries:

1. BALAJI MOTION PICTURES LIMITED (BMPL)

BMPL is into the business of distribution of motion pictures and films. It is a wholly-owned subsidiary of Balaji Telefilms Limited (BTL).

2. ALT DIGITAL MEDIA ENTERTAINMENT LIMITED (ALT Digital)

The Company's Direct to consumer digital content business is housed under ALT Digital. ALT Balaji focuses on creating original and exclusive content for India's Digital Audience.

It is a wholly-owned subsidiary of Balaji Telefilms Limited (BTL). Further, ALT Digital has become a material subsidiary of BTL w.e.f. April 01, 2018 as its net worth exceeded 20% of the consolidated net-worth of BTL in the immediately preceding accounting year.

BOARD'S REPORT

3. CHHAYABANI BALAJI ENTERTAINMENT PRIVATE LIMITED (CBEPL)

CBEPL is a Kolkata-based subsidiary of Balaji Telefilms Limited (BTL), producing television and digital content in Bengali.

4. MARINATING FILMS PRIVATE LIMITED (MFPL)

MFPL is a subsidiary of BTL and is the creator producer of reality shows and events.

A detailed review of the operations, performance and future outlook and its businesses during the year under review of the above mentioned subsidiaries form part of the Management Discussion and Analysis which forms part of the Annual Report.

EMPLOYEE STOCK OPTION PLAN (ESOP)

The applicable disclosures under SEBI (Share Based Employee Benefits) Regulations, 2014 (the "ESOP Regulations") as at March 31, 2019 with respect to ESOP 2017 is available on the website of the Company at http://www.balajitelefilms.com/pdf/ESOP_2019_Disclosure_under_SEBI(SBEB)%20_Regulations_2014.pdf During the year, there has not been any material change in the Company's Employee Stock Option Scheme.

Certificate from M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditors, with respect to the implementation of ESOP Scheme would be placed before the Members at the ensuing AGM and a copy of the same shall be available for inspection at the Registered Office of the Company.

AUDITED FINANCIAL STATEMENTS OF THE SUBSIDIARIES

The Audited Financial Statements, the Auditors' Report thereon and the Board's Report with applicable annexures for the year ended March 31, 2019 for the Subsidiaries are annexed along with the Annual Report.

Further, a statement containing the salient features of our subsidiaries in the prescribed Form AOC-1 is appended as Annexure I to the Board's Report.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company is prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) and forms part of the Annual Report.

The Annual Financial Statements of the subsidiaries and related detailed information will be kept at the Registered Office of the Company, as also at the Registered Offices of the respective Subsidiary Companies and will be available to investors seeking information at any time.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP'S)

Resignation of Director

Mr. Tusshar Kapoor, who was appointed as a Non – Executive Director on the Board of the Company w.e.f. January 23, 2004 stepped down from the position of Directorship w.e.f. March 27, 2019, due to personal reason and pre-occupation. The Board places on record, its appreciation for his inspiring guidance and his contribution to improve the overall functioning of the Company.

Regularization of Directors

Mr. Anshuman Thakur and Ms. Jyoti Deshpande, Non-Executive Additional Directors were regularized in Annual General Meeting (AGM) held on August 31, 2018 as Non-Executive Directors of the Company.

BOARD'S REPORT

Appointment of Managing Director and Joint Managing Director

During the year under review, Mrs. Shobha Kapoor, and Ms. Ekta Kapoor were re-appointed as Managing Director and Joint Managing Director respectively w.e.f. November 10, 2018.

Retirement by rotation and subsequent re-appointment

Mrs. Shobha Kapoor, Managing Director, is liable to retire by rotation at the ensuing AGM, pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company and being eligible has offered herself for re-appointment. Appropriate resolution for her re-appointment are being placed for the approval of the Members of the Company at the ensuing AGM. The brief resume of the Director and other related information has been detailed in the Notice convening the 25th AGM of the Company. The Board recommends her re-appointment as Managing Director of the Company.

Re-appointment of Independent Directors

The first term of office of Mr. Arun Kumar Purwar and Mr. Virendra Babhubhai Dalal as Independent Directors will expire on August 30, 2020. The Board on the recommendation of Nomination and Remuneration Committee has recommended their re-appointment as Independent Directors of the Company for a second term of 5 (five) consecutive years. Appropriate resolutions for their re-appointment is being placed for the approval of the Members of the Company at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the Notice convening the 25th AGM of the Company. The Board recommends their re-appointment as Independent Directors of the Company.

Continuation of Directorship

Pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the continuation of Mr. Virendra Babubhai Dalal (DIN: 00247971) as Non-Executive Independent Director of the Company on attaining the age of 75 years w.e.f. March 14, 2020 requires Members' approval by way of Special Resolution.

Appropriate resolution for the continuation of Mr. Virendra Babubhai Dalal as Non-Executive Independent Director of the Company is being placed for the approval of Members of the Company at the ensuing AGM. The Board recommends his continuation as Non-Executive Independent Director of the Company.

Appointment of Non-Executive Director

The Board on the recommendation of Nomination and Remuneration Committee has proposed the appointment of Mr. Ramesh Gopal Sippy as Non-Executive Director of the Company w.e.f. September 01, 2019 and whose office is liable to retire by rotation.

Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) requires the Company to obtain approval of Members by way of Special Resolution for appointing or continuing the Directorship of a person as a Non-Executive Director who has attained the age of 75 years. Appropriate resolution for his appointment is being placed for the approval of the Members of the Company at the ensuing AGM. The brief resume of Mr. Ramesh Gopal Sippy and other related information has been detailed in the Notice convening the 25th AGM of the Company. The Board recommends his appointment as Non-Executive Director of the Company.

Change in Key Managerial Personnel (KMPs)

During the year under review, Mr. Sunil Lulla was appointed as a Group Chief Executive Officer of the Company w.e.f. May 25, 2018.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from all Independent Directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

BOARD'S REPORT

AUDITORS

STATUTORY AUDIT

M/s. Price Waterhouse Chartered Accountants LLP were appointed as Statutory Auditors of the Company at the AGM held on August 31, 2017, for a term of 5 (five) consecutive years subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 07, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing AGM. M/s. Price Waterhouse Chartered Accountants LLP have confirmed that they are not disqualified from continuing as Auditors of the Company.

COST AUDIT

In accordance with Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable to the Company.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. MMJC & Associates LLP, Practicing Company Secretaries as Secretarial Auditors of the Company for the financial year 2019-20.

AUDIT REPORTS

- The Report given by the Statutory Auditors on the financial statements of the Company is part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

- Secretarial Audit Report issued by M/s. MMJC & Associates LLP, Practicing Company Secretaries in Form No. MR-3 for the financial year 2018-19 is appended as Annexure II to the Board's Report. The said Report does not contain any qualification, reservation, disclaimer or observation requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

COMMITTEES OF THE BOARD

In compliance with the requirements of Companies Act, 2013 and Listing Regulations, the Board had constituted various Board Committees including Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Corporate Social Responsibility Committee and Internal Complaints Committee. Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of Committee Members therein forms part of the Corporate Governance Report which forms part of the Annual Report.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Corporate Social Responsibility Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The Corporate Social Responsibility Policy of the Company is also posted on the website of the Company which may be accessed at **http://www.balajitelefilms.com/corporate-social-responsibility.php**

The Annual Report on CSR activities is annexed herewith as Annexure III to the Board's Report

OTHER DISCLOSURES

i) EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013, and Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as Annexure IV, which forms part of the Board's Report and is also available on the website of the Company at **http://www.balajitelefilms.com/annual_return.php**

BOARD'S REPORT

ii) REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Board or Audit Committee, as required under Section 134 (3) (ca) and 143(12) of the Companies Act, 2013, any instances of frauds committed against the Company by its officers or employees, the details of which would need to be mentioned in this Report.

iii) SECRETARIAL STANDARDS

The Company complies with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

iv) INTERNAL FINANCIAL CONTROL SYSTEMS AND ADEQUACY

The Board has adopted the policies and procedures for ensuring the orderly and efficient control of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds, errors, reporting mechanisms, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

v) VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a Whistle Blower Policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the Management to the work groups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. The Whistle Blower Policy of the Company is also posted on the website of the Company at **http://www.balajitelefilms.com/whistle-blower-policy.php**

vi) DISCLOSURE UNDER SECTION 197(12) AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The requisite details containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure V to the Board's Report.

vii) DISCLOSURE UNDER RULE 5(2) AND RULE 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The requisite details relating to the remuneration of the specified employees covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure V to the Board's Report.

viii) RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at **http://www.balajitelefilms.com/related-party-trancation-policy.php**. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. All Related Party transactions entered during the year were placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on annual basis for transactions which are of repetitive nature and / or entered in the ordinary course of business and are at arm's length basis. All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis except letting out of premises to Subsidiary Companies for using it as its Registered office on on-going basis without charging any rent. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies

BOARD'S REPORT

(Accounts) Rules, 2014 are given in Annexure VI in Form AOC-2 and the same forms part of the Board's report.

No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company except investment of ₹ 150/- crores (Rupees One Hundred and Fifty Crores Only) in ALT Digital Media Entertainment Limited which is wholly-owned subsidiary of the Company. However, as per Section 188 of the Companies Act, 2013, and Regulation 23 of Listing Regulations, Members approval for such transaction need not be sought if the transaction is between the Holding Company and its wholly-owned Subsidiaries whose accounts are consolidated with the holding Company and placed before the shareholders at the General Meeting for approval.

ix) **BUSINESS RISK MANAGEMENT**

The Company has in place Risk Management Policy, pursuant to the provisions of Section 134 of the Companies Act, 2013. The risk management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage. Major risks identified by the business and functions are systematically addressed through mitigation actions on a periodic basis.

x) **FIXED DEPOSITS**

During the year under review the Company has not accepted any fixed deposit and as such, no amount of principal or interest was outstanding as on the balance sheet date.

xi) **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 forms part of the notes to the Financial Statements provided in this Annual Report.

xii) **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has in place a Prevention of Sexual Harassment at Workplace Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee and Apex Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. During the year 2018-19, no sexual harassment complaint has been registered with the Company.

xiii) **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant and material orders passed by the Regulators/Courts which would impact the going status of the Company & its future operations.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

ENERGY CONSERVATION MEASURES TAKEN BY THE COMPANY

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to conservation of energy do not apply to the Company. However, significant measures are taken to reduce energy consumption by using energy-efficient computers and by purchasing energy-efficient equipment. We purchase computers, laptops, air conditioners etc. that meet environmental standards, wherever possible and regularly upgrade old equipment with more energy-efficient equipment. Currently, we use Light Emitting Diode (LED) fixtures to reduce the power consumption in the illumination system.

TECHNOLOGY ABSORPTION

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to technology absorption do not apply to the Company. The Company's research and development initiative mainly consists of ideation of new subjects for our content production business, which are used in the creation of new storyline and tracks. The expenses incurred on such initiatives are not practically quantifiable.

The Company is an integrated player in the entertainment industry and our business is such that there is limited scope for new technology absorption, adaptation and innovation. However, the Company uses the latest technology, wherever possible to deliver superior production value, as a regular process.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earnings in terms of actual inflows is ₹ 1,354.36/- Lacs (Previous Year: ₹ 673.50/- Lacs) and

BOARD'S REPORT

the foreign exchange outgo in terms of actual outflows is ₹ 73.91/- Lacs (Previous Year ₹ 273.22/- Lacs).

CORPORATE GOVERNANCE

Your Company has been practicing the principles of good Corporate Governance over the years and it is a continuous and ongoing process. A detailed Report on Corporate Governance practices followed by your Company, in terms of the Listing Regulations together with a Certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance are provided separately in this Annual Report.

MEETINGS OF THE BOARD

During the year under review, 4 (four) meetings of the Board of Directors were held the details of which are given in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

NOMINATION & REMUNERATION POLICY

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As on March 31, 2019, the Board comprised of eleven Directors, of whom two are Executive Directors, three Non-Executive Non-Independent Directors and six Independent Directors. The policy of the Company on Directors appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under Section 178(3) of the Companies Act, 2013 is available on our website at **http://www.balajitelefilms.com/nomination-remuneration-policy.php**

During the year under review the following amendments & additions were made to the Policy:

- *Senior Management means officers/personnel of the listed entity who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director/ Manager (including Chief Executive Officer/ Manager, in case they are not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.*

PROCEDURE FOR SUCCESSION

i. ***Succession Plan for the Board and the KMPs***

The Committee shall identify suitable persons from among the existing top management personnel or from outside the Company to fill up the vacancy at the Board and KMP level. The Committee shall apply a diligence process to determine the suitability of every person who is being considered for appointment or re-appointment as a director or KMP of the Company based on his/her educational qualifications, experience and track record.

The Committee shall review that the process is in accordance with the applicable provisions of the Companies Act, 2013, Listing Regulations and other laws as applicable to the Company.

ii. ***Succession Plan for the Senior Management***

The Committee shall periodically review and consider the list of Senior Management due for retirement or resignation within the year. The Committee shall also consider new vacancies that may arise because of business needs or up-gradation of department(s). Accordingly, the Committee shall assess the availability of suitable candidates for the Company's future growth and development.

The vacancy or fresh appointments at the Senior Management level shall be in line with the internal policy(ies) adopted by the management, keeping in view the organization's mission, vision, values, goals and objectives.

The appointment of Senior Management shall be in accordance with the applicable provisions of the Companies Act, 2013, Listing Regulations and other laws as applicable to the Company.

BOARD'S REPORT

DEVIATION OF FUNDS-PREFERENTIAL ALLOTMENT

During the year under review, there has been no deviation in the use of proceeds from the objects stated in the explanatory statement to the Notice for the General Meeting, which was held for allotment of shares to Reliance Industries Limited on preferential basis.

MECHANISM FOR EVALUATING BOARD MEMBERS

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board in consultation with the Nomination and Remuneration Committee lays down the evaluation criteria for the performance evaluation of Executive/Non-Executive and Independent Directors. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement.

The following are the criteria on the basis of which the Directors are evaluated:

1) Knowledge to perform the role;
2) Time and Level of Participation;
3) Performance of Duties and Level of Oversight;
4) Professional Conduct and Independence etc.

Feedback on each Director is encouraged to be provided as a part of the survey.

EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

The Companies Act, 2013 and Listing Regulations provides that annual performance evaluation of Directors should be carried out by Independent Directors and annual performance evaluation of Independent Directors should be carried out by other Directors to the exclusion of Director being evaluated. The Nomination and Remuneration Committee carries out review of the performance of the Board of Directors, based on feedback received from the Directors. The evaluation of the Board as a whole, its Committees and Individual Directors including Executive Director, Non-Executive Director and Independent Director was conducted based on the criteria and framework adopted by the Board. The Board takes note of the evaluation process results as collated by the Nomination & Remuneration Committee of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a) In the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards had been followed along with proper explanation relating to any material departures;

b) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;

c) Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual accounts for the financial year ended March 31, 2019 had been prepared on a 'going concern' basis;

e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENTS

The Directors of the Company wish to acknowledge with gratitude and place on record their appreciation to all stakeholders – shareholders, investors, customers, suppliers, business associates, banks, regulatory and governmental authorities for their cooperation, assistance and support. Further they also wish to thank their employees for their dedicated services.

For and on behalf of the Board of Directors
Sd/-
Jeetendra Kapoor
Chairman
DIN: 00005345

Place: Mumbai
Date: May 22, 2019

ANNEXURE I

FORM AOC - I

Statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures

[Pursuant to first proviso of Sub-Section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014]

(₹ in Lacs)

Name of the Subsidiary	FY ended	Date of acquisition	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit & Loss before tax	Provision for tax	Profit & Loss after tax	% of Shareholding
Balaji Motion Pictures Limited	March 31, 2019	N.A.	N.A.	200	(467)	67	334	-	321	(46)	-	(46)	100
ALT Digital Media Entertainment Limited	March 31, 2019	N.A.	N.A.	45,005	(22,469)	26,939	4,402	6,351	4,187	(11,492)	-	(11,492)	100
Marinating Films Private Limited	March 31, 2019	December 24, 2014	N.A.	771	(553)	477	259	69	114	(14)	-	(14)	99.90
Chhayabani Balaji Entertainment Private Limited	March 31, 2019	N.A.	N.A.	138	(209)	70	141	-	164	(80)	-	(80)	50

For and on behalf of the Board of Directors

Sd/-
Jeetendra Kapoor
Chairman
DIN: 00005345

Place: Mumbai
Date: May 22, 2019

ANNEXURE II

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
For The Financial Year Ended 31st March, 2019
[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Balaji Telefilms Limited
C-13 Balaji House, Dalia Industrial Estate,
Opp. Laxmi Indl. Estate, New Link Road,
Andheri-West Mumbai -400053

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Balaji Telefilms Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit Period);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not**

ANNEXURE II

Applicable to the Company during the Audit Period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period); and**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the Company during the Audit Period)**

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. as mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the law applicable specifically to the Company i.e. The Cinematograph Act,1952.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For MMJC & Associates LLP
Practising Company Secretaries

Sd/-
Bhavisha Jewani
Designated Partner
FCS No. 8503
CP No. 9346
Place: Mumbai
Date: 22.05.2019

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'ANNEXURE A'

To,
The Members,
Balaji Telefilms Limited
C-13 Balaji House, Dalia Industrial Estate,
Opp. Laxmi Indl. Estate, New Link Road,
Andheri-West Mumbai -400053

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For MMJC & Associates LLP
Practising Company Secretaries

Sd/-
Bhavisha Jewani
Designated Partner
FCS No. 8503
CP No. 9346

Place: Mumbai
Date: 22.05.2019

ANNEXURE III CSR REPORT

[Pursuant to The Companies (Corporate Social Responsibility Policy) Rules, 2014]

1.	A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and project or programs.	The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is available on the Company's website at **http://balajitelefilms.com/corporate-social-responsibility.php**
2.	The Composition of the CSR Committee	Mr. Jeetendra Kapoor - Chairman Mrs. Shobha Kapoor - Member Mr. Duraiswamy Gunaseela Rajan - Member Mr. Ashutosh Khanna - Member
3.	Average Net Profit of the Company for last three financial years	₹ 3,646.47/- Lacs
4.	Prescribed CSR Expenditure (2% of the average net profit of the Company for last three financial years)	₹ 72.93/- Lacs
5.	Details of CSR Spent during the financial year	
	a) Total amount to be spent for the financial year.	₹ 85.26/- Lacs
	b) Amount unspent, if any.	Nil
	c) Manner in which the amount spent during the financial year	Refer Annexure A
6.	Reasons for not spending 2% of the average net profit of the last three financial years:	N.A.
7.	CSR Committee Responsibility Statement	The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.

ANNEXURE A

Sr. No.	CSR project or activity Identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto to the March 31, 2019	Amount spent: Direct or through implementing agency
1.	Krishna Kala Trust	Providing help to old age home	Local Area	36,56,000	36,56,000	36,56,000	Direct
2.	Ketto Foundation	Providing Medical Aid	Local Area	7,50,000	7,50,000	7,50,000	Direct
3.	Alert India	Promoting Health Care	Local Area	5,00,000	5,00,000	5,00,000	Direct
4.	ASKR Trust	Promoting Child Education	Local Area	3,50,000	3,50,000	3,50,000	Direct
5.	Social Welfare	Livelihood enhancements	Local Area	4,24,981	4,24,981	4,24,981	Direct
6.	Ratna Bahuddeshiya	Sanitation	Local Area	3,00,000	3,00,000	3,00,000	Direct
7.	Desire Society	Promoting Health Care	Local Area	3,21,806	3,21,806	3,21,806	Direct
8.	Dr. Rela Institute	Providing Medical Aid	Tamil Nadu	1,00,000	1,00,000	1,00,000	Direct
9.	Animal Welfare	Providing aid for Animals	Local Area	3,92,091	3,92,091	3,92,091	Direct
10.	Old Age Home	Providing help to Old People	Local Area	12,41,413	12,41,413	12,41,413	Direct
11.	Medical Aid	Promoting Health Care among Children	Local Area	3,55,400	3,55,400	3,55,400	Direct
12.	Children Education	Providing Financial assistance for Education	Local Area	57,324	57,324	57,324	Direct
13.	Santokba and Premkorba Charitable Trust	Disaster Management - Kerala Flood Cause	Kerala	45,280	45,280	45,280	Direct
14.	United Way of Mumbai	Social Welfare	Local Area	32,000	32,000	32,000	Direct
	TOTAL			**85,26,295**		**85,26,295**	

For and on behalf of the CSR Committee

	Sd/-	Sd/-
	Shobha Kapoor	**Jeetendra Kapoor**
Place: Mumbai	Managing Director	Chairman-CSR Committee
Date: May 22, 2019	**DIN:**00005124	**DIN:** 00005345

ANNEXURE IV

FORM MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS

1.	**CIN**	L99999MH1994PLC082802.
2.	**Registration Date**	10/11/1994.
3.	**Name of the Company**	Balaji Telefilms Limited.
4.	**Category/Sub-category of the Company**	Company Limited by Shares/Public Non-Government Company.
5.	**Address of the Registered office & Contact details**	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053. Tel:- +91-022-40698000, Fax: +91-022-40698181/82 Email: investor@balajitelefilms.com Website: www.balajitelefilms.com
6.	**Whether listed Company**	Yes
7.	**Name, Address & Contact details of the Registrar & Transfer Agent, if any.**	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032. Tel: +91-40-6716 2222/1500 Fax: +91-40-23440674 Email: einward.ris@karvy.com Website: www.karvyfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1.	Media & Entertainment	591	100

ANNEXURE IV

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and Address of the Company	CIN/GLN	Holding/Subsidiary Associate	% of Shares Held	Applicable Section
Balaji Motion Pictures Limited*	U22300MH2007PLC168515	Wholly – Owned Subsidiary Company	100	2 (87)
ALT Digital Media Entertainment Limited *	U74999MH2015PLC266206	Wholly – Owned Subsidiary Company	100	2 (87)
Marinating Films Private Limited*	U74120MH2011PTC220971	Subsidiary Company	99.90	2 (87)
Chhayabani Balaji Entertainment Private Limited*	U22190MH2015PTC261948	Subsidiary Company	50	2 (87)

*Registered Office at C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai- 400 053, Maharashtra.

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2018				No. of Shares held at the end of the year i.e. March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters & Promoter Group									
(1) Indian									
a) Individual/ HUF	3,28,73,663	0	3,28,73,663	32.51	3,46,07,830	0	3,46,07,830	34.22	1.71
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	**3,28,73,663**	**0**	**3,28,73,663**	**32.51**	**3,46,07,830**	**0**	**3,46,07,830**	**34.22**	**1.71**
(2) Foreign									
a) Individuals (NRIs/Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Institutions	0	0	0	0	0	0	0	0	0
e) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
f) Others	0	0	0	0	0	0	0	0	0

ANNEXURE IV

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2018				No. of Shares held at the end of the year i.e. March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Shareholding of Promoters A= A (1) + A(2)	**3,28,73,663**	**0**	**3,28,73,663**	**32.51**	**3,46,07,830**	**0**	**3,46,07,830**	**34.22**	**1.71**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	1,44,874	0	1,44,874	0.14	5,16,339	0	5,16,339	0.51	0.37
b) Banks / Financial Institutions	21,36,939	0	21,36,939	2.11	5,01,370	0	5,01,370	0.50	-1.62
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) Foreign Institutional Investors	1,80,66,634	0	1,80,66,634	17.86	1,93,98,743	0	1,93,98,743	19.18	1.32
h) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
i) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
j) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	**2,03,48,447**	**0**	**2,03,48,447**	**20.12**	**2,04,16,452**	**0**	**2,04,16,452**	**20.19**	**0.07**
(2) Non-Institutions									
a) Bodies Corporate	3,20,66,764	0	3,20,66,764	31.71	3,20,80,154	0	3,20,80,154	31.72	0.01
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	76,95,194	6,115	77,01,309	7.62	77,41,559	5,555	77,47,114	7.66	0.05
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	59,94,209	0	59,94,209	5.93	46,29,121	0	46,29,121	4.58	-1.35
c) Others									

ANNEXURE IV

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2018				No. of Shares held at the end of the year i.e. March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
HUF	6,04,389	0	6,04,389	0.60	4,41,934	0	4,41,934	0.44	-0.16
Foreign Corporate Bodies	0	0	0	0	0	0	0	0	0
Directors	300	0	300	0	300	0	300	0	0
Clearing Members	58,792	0	58,792	0.06	86,394	0	86,394	0.09	0.03
IEPF	738	0	738	0	741	0	741	0	0
Non-Resident Indians	7,53,639	0	7,53,639	0.75	4,77,329	0	4,77,329	0.47	-0.27
NRI Non-Repatriation	7,26,143	0	7,26,143	0.72	6,43,024	0	6,43,024	0.64	-0.08
Trusts	2,050	0	2,050	0	50	0	50	0	0
d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-total (B)(2)	**4,79,02,218**	**6,115**	**4,79,08,333**	**47.37**	**4,61,00,606**	**5,555**	**4,61,06,161**	**45.59**	**-1.78**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**6,82,50,665**	**6,115**	**6,82,56,780**	**67.49**	**6,65,17,058**	**5,555**	**6,65,22,613**	**65.78**	**-1.71**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**10,11,24,328**	**6,115**	**10,11,30,443**	**100.00**	**10,11,24,888**	**5,555**	**10,11,30,443**	**100.00**	**0.00**

ii) Shareholding of Promoter:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 01, 2018			Shareholding at the end of the year i.e. March 31, 2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Jeetendra Kapoor	32,60,522	3.22	0	32,60,522	3.22	0	0
2.	Mrs. Shobha Kapoor	1,00,35,633	9.92	0	1,10,08,850	10.89	0	0.96
3.	Ms. Ekta Kapoor	1,75,47,258	17.35	0	1,83,08,208	18.10	0	0.75
4.	Mr. Tusshar Kapoor	20,30,250	2.01	0	20,30,250	2.01	0	0
	Total	**3,28,73,663**	**32.50**	**0**	**3,46,07,830**	**34.22**	**0**	**1.71**

ANNEXURE IV

iii) Change in Promoters' Shareholding:

Sr. No.	Name of the Shareholder	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**Mr. Jeetendra Kapoor**				
	At the beginning of the year	32,60,522	3.22	32,60,522	3.22
	Bought during the year	-	-	32,60,522	3.22
	Sold during the year	-	-	32,60,522	3.22
	At the end of the year	32,60,522	3.22	32,60,522	3.22
2.	**Mrs. Shobha Kapoor**				
	At the beginning of the year	1,00,35,633	9.92	100,35,633	9.92
	Bought during the year	9,73,217	0.96	1,10,08,850	10.89
	Sold during the year	-	-	1,10,08,850	10.89
	At the end of the year	1,10,08,850	10.89	1,10,08,850	10.89
3.	**Ms. Ekta Kapoor**				
	At the beginning of the year	1,75,47,258	17.35	1,75,47,258	17.35
	Bought during the year	7,60,950	0.75	1,83,08,208	18.10
	Sold during the year	-	-	1,83,08,208	18.10
	At the end of the year	1,83,08,208	18.10	1,83,08,208	18.10
4.	**Mr. Tusshar Kapoor**				
	At the beginning of the year	20,30,250	2.01	20,30,250	2.01
	Bought during the year	-	-	20,30,250	2.01
	Sold during the year	-	-	20,30,250	2.01
	At the end of the year	20,30,250	2.01	20,30,250	2.01

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on March 31, 2019:

Sr. No.	Name of Shareholders	Shareholding		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**Reliance Industries Limited**				
	At the beginning of the year	2,52,00,000	24.92	2,52,00,000	24.92
	Bought during the year	0	0	2,52,00,000	24.92
	Sold during the year	0	0	2,52,00,000	24.92
	At the end of the year	2,52,00,000	24.92	2,52,00,000	24.92

ANNEXURE IV

Sr. No.	Name of Shareholders	Shareholding		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2.	**Atyant Capital India Fund I**				
	At the beginning of the year	40,78,223	4.03	40,78,223	4.03
	Bought during the year	0	0	40,78,223	4.03
	Sold during the year	0	0	40,78,223	4.03
	At the end of the year	40,78,223	4.03	40,78,223	4.03
3.	**AADI Financial Advisors LLP**				
	At the beginning of the year	36,35,000	3.59	36,35,000	3.59
	Bought during the year	0	0	36,35,000	3.59
	Sold during the year	0	0	36,35,000	3.59
	At the end of the year	36,35,000	3.59	36,35,000	3.59
4.	**GHI LTP Ltd.#**				
	At the beginning of the year	36,00,000	3.56	36,00,000	3.56
	Bought during the year	0	0	36,00,000	3.56
	Sold during the year	36,00,000	3.56	0	0
	At the end of the year	0	0	0	0
5.	**Gothic Corporation***				
	At the beginning of the year	0	0	0	0
	Bought during the year	36,00,000	3.56	36,00,000	3.56
	Sold during the year	0	0	36,00,000	3.56
	At the end of the year	36,00,000	3.56	36,00,000	3.56
6.	**Vanderbilt University -Atyant Capital Management**				
	At the beginning of the year	35,41,227	3.50	35,41,227	3.50
	Bought during the year	7,36,000	0.73	42,77,227	4.23
	Sold during the year	0	0	42,77,227	4.23
	At the end of the year	42,77,227	4.23	42,77,227	4.23
7.	**India capital Fund Limited**				
	At the beginning of the year	18,76,777	1.86	18,76,777	1.86
	Bought during the year	6,88,000	0.68	25,64,777	2.54
	Sold during the year	0	0	25,64,777	2.54
	At the end of the year	25,64,777	2.54	25,64,777	2.54
8.	**Axis Bank Limited**				
	At the beginning of the year	17,15,588	1.70	17,15,588	1.70
	Bought during the year	0	0	17,15,588	1.70
	Sold during the year	30,023	0.03	16,85,565	1.67
	Bought during the year	14,423	0.01	16,99,988	1.68

ANNEXURE IV

Sr. No.	Name of Shareholders	Shareholding		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Sold during the year	137	0	16,99,851	1.68
	Bought during the year	38,077	0.04	17,37,928	1.72
	Sold during the year	147	0	17,37,781	1.72
	Bought during the year	36,000	0.04	17,73,781	1.75
	Sold during the year	2,665	0	17,71,116	1.75
	Bought during the year	53,277	0.05	18,24,393	1.80
	Sold during the year	4,489	0	18,19,904	1.80
	Bought during the year	2,70,479	0.27	20,90,383	2.07
	Sold during the year	2,318	0	20,88,065	2.06
	Bought during the year	24,078	0.02	21,12,143	2.09
	Sold during the year	3,976	0	21,08,167	2.08
	Bought during the year	2,108	0	21,00,275	2.09
	Sold during the year	50,888	0.05	20,59,387	2.04
	Bought during the year	62,112	0.06	21,21,499	2.10
	Sold during the year	17,611	0.02	21,03,888	2.08
	Bought during the year	15,150	0.01	21,19,038	2.10
	Sold during the year	1,44,906	0.14	19,74,132	1.95
	Bought during the year	622	0	19,74,754	1.95
	Sold during the year	7,285	0.01	19,67,469	1.95
	Bought during the year	3,525	0	19,70,994	1.95
	Sold during the year	387	0	19,70,607	1.95
	Bought during the year	500	0	19,71,107	1.95
	Sold during the year	56	0	19,71,051	1.95
	Bought during the year	2,000	0	19,73,051	1.95
	Sold during the year	10,938	0.01	19,62,113	1.94
	Bought during the year	5,089	0.01	19,67,202	1.95
	Sold during the year	25,940	0.03	19,41,262	1.92
	Bought during the year	914	0	19,42,176	1.92
	Sold during the year	2,000	0	19,40,176	1.92
	Bought during the year	15,288	0.02	19,55,464	1.93
	Sold during the year	21,368	0.02	19,34,096	1.91
	Bought during the year	3,289	0	19,37,385	1.92
	Sold during the year	18,87,015	1.87	50,370	0.05
	Bought during the year	1,544	0	51,914	0.05
	At the end of the year	51,914	0.05	51,914	0.05

ANNEXURE IV

Sr. No.	Name of Shareholders	Shareholding		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
9.	**GHI JBD Ltd.#**				
	At the beginning of the year	12,95,000	1.28	12,95,000	1.28
	Bought during the year	0	0	12,95,000	1.28
	Sold during the year	12,95,000	1.28	0	0
	At the end of the year	0	0	0	0
10.	**The Duke Endowment***				
	At the beginning of the year	0	0	0	0
	Bought during the year	12,95,000	1.28	12,95,000	1.28
	Sold during the year	0	0	12,95,000	1.28
	At the end of the year	12,95,000	1.28	12,95,000	1.28
11.	**Gothic HSP Corporation***				
	At the beginning of the year	0	0	0	0
	Bought during the year	11,87,663	1.17	11,87,663	1.17
	Sold during the year	0	0	11,87,663	1.17
	At the end of the year	11,87,663	1.17	11,87,663	1.17
12.	**GHI HSP Ltd.#**				
	At the beginning of the year	11,87,663	1.17	11,87,663	1.17
	Bought during the year	0	0	11,87,663	1.17
	Sold during the year	11,87,663	1.17	0	0
	At the end of the year	0	0	0	0
13.	**HSBC Global Investment Funds-Indian Equity**				
	At the beginning of the year	8,05,765	0.80	8,05,765	0.80
	Bought during the year	77,132	0.07	8,82,897	0.87
	Sold during the year	0	0	8,82,897	0.87
	At the end of the year	8,82,897	0.87	8,82,897	0.87
14.	**Employees' Retirement Plan of Duke University***				
	At the beginning of the year	0	0	0	0
	Bought during the year	6,41,587	0.63	6,41,587	0.63
	Sold during the year	0	0	6,41,587	0.63
	At the end of the year	6,41,587	0.63	6,41,587	0.63

*Not in the list of top 10 shareholders as on April 01, 2018. The same has been reflected above since the shareholder was one of the top 10 shareholders as on March 31, 2019.

Ceased to be in the list of top 10 shareholders as on March 31, 2019. The same is reflected above since the shareholder was one of the top 10 shareholder as on April 01, 2018.

ANNEXURE IV

v) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name of Directors / KMP	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Mr. Jeetendra Kapoor**				
	At the beginning of the year	32,60,522	3.22	32,60,522	3.22
	Bought during the year	-	-	32,60,522	3.22
	Sold during the year	-	-	32,60,522	3.22
	At the end of the year	32,60,522	3.22	32,60,522	3.22
2.	**Mrs. Shobha Kapoor**				
	At the beginning of the year	1,00,35,633	9.92	1,00,35,633	9.92
	Bought during the year	9,73,217	0.96	1,10,08,850	10.89
	Sold during the year	-	-	1,10,08,850	10.89
	At the end of the year	1,10,08,850	10.89	1,10,08,850	10.89
3.	**Ms. Ekta Kapoor**				
	At the beginning of the year	1,75,47,258	17.35	1,75,47,258	17.35
	Bought during the year	7,60,950	0.75	1,83,08,208	18.10
	Sold during the year	-	-	1,83,08,208	18.10
	At the end of the year	1,83,08,208	18.10	1,83,08,208	18.10
4.	**Mr. Tusshar Kapoor**				
	At the beginning of the year	20,30,250	2.01	20,30,250	2.01
	Bought during the year	-	-	20,30,250	2.01
	Sold during the year	-	-	20,30,250	2.01
	At the end of the year	20,30,250	2.01	20,30,250	2.01
5.	**Mr. Duraiswamy Gunaseela Rajan**				
	At the beginning of the year	300	0.00	300	0.00
	Bought during the year	-	-	300	0.00
	Sold during the year	-	-	300	0.00
	At the end of the year	300	0.00	300	0.00

Notes:

1. Directors: Mr. Arun Kumar Purwar, Mr. Ashutosh Khanna, Mr. Pradeep Kumar Sarda, Mr. Devender Kumar Vasal, Mr. Virendra Babubhai Dalal, Mr. Anshuman Thakur, Ms. Jyoti Deshpande and KMPs: Mr. Sunil Lulla, Mr. Sanjay Dwivedi and Mrs. Simmi Singh Bisht did not hold any shares during the financial year 2018-19.
2. Mr. Tusshar Kapoor ceased to be a Director of the Company w.e.f. March 27, 2019 and his shareholding as on March 31, 2019 was 20,30,250 shares.

V. INDEBTEDNESS

The Company had no indebtedness with respect to Secured or Unsecured Loans or Deposits during the financial year 2018-19.

ANNEXURE IV

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director and/or Manager: (Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Shobha Kapoor (Managing Director)	Ekta Kapoor (Joint Managing Director)	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	2,22,60,000	2,22,60,000	**4,45,20,000**
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income-Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as 1.06% of profit			
5.	Others- Employer's Contribution to Provident Fund.	17,28,000	17,28,000	**34,56,000**
	Total (A)	**2,39,88,000**	**2,39,88,000**	**4,79,76,000**
	Ceiling as per the Act (per annum)	**₹ 2,41,03,840/-** per Managerial Personnel (Calculated as per Schedule V of the Companies Act, 2013)		

B. Remuneration to Other Directors : (Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
1.	**Independent Directors**	**Duraiswamy Gunaseela Rajan**	**Ashutosh Khanna**	**Devender Kumar Vasal**	**Virendra Babubhai Dalal**	**Arun Kumar Purwar**	**Pradeep Sarda**	
	Fee for attending Board and Committee Meetings	6,00,000	4,00,000	6,00,000	6,00,000	5,00,000	2,50,000	29,50,000
	Commission	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-
	Total (1)	**6,00,000**	**4,00,000**	**6,00,000**	**6,00,000**	**5,00,000**	**2,50,000**	**29,50,000**
2.	**Other Non- Executive Directors**	**Jeetendra Kapoor**	**Tusshar Kapoor**	**Anshuman Thakur**	**Jyoti Deshpande**			
	Fee for attending Board and Committee Meetings	4,00,000	3,00,000	2,00,000	4,00,000			13,00,000
	Commission	-	-	-	-			-
	Others	-	-	-	-			-
	Total (2)	**4,00,000**	**3,00,000**	**2,00,000**	**4,00,000**			**13,00,000**
	Total (B) = (1+2)	**10,00,000**	**7,00,000**	**8,00,000**	**10,00,000**	**5,00,000**	**2,50,000**	**42,50,000**
	Total Managerial Remuneration (A+B)							**5,22,26,000**
	Ceiling as per Act	**₹ 2,41,03,840/-** per Managerial Personnel (Calculated as per Schedule V of the Companies Act, 2013)						

Notes:

1. The Independent Directors and Non-Executive Directors have been paid only sitting fees for attending Meetings of the Board or Committees which is excluded under Section 197(2) of the Companies Act 2013.
2. Mr. Tusshar Kapoor ceased to be a Director w.e.f. March 27, 2019. Therefore, remuneration paid to Mr. Tusshar Kapoor is for the period from April 01, 2018 to March 27, 2019.

ANNEXURE IV

C. **Remuneration to Key Managerial Personnel other than MD / Manager / WTD** **(Amount in ₹)**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Sunil Lulla (Group CEO)	Sanjay Dwivedi (Group CFO)	Simmi Singh Bisht (Group Head Secretarial)	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	2,12,69,652	1,44,63,356	22,05,340	3,79,38,348
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit	-	-	-	-
5.	Others - Provident Fund and other allowances	10,22,581	7,68,000	1,33,409	19,23,990
	Total	**2,22,92,233**	**1,52,31,356**	**23,38,749**	**3,98,62,338**

Note:

1. Mr. Sunil Lulla was appointed as the Group Chief Executive Officer of the Company w.e.f. May 25, 2018. Therefore, remuneration paid to Mr. Sunil Lulla is for the period from May 25, 2018 to March 31, 2019.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for breach of any section of Companies Act, 2013 against the Company or its Directors or other officers in default, if any, during the year.

For and on behalf of the Board of Directors

Sd/-
Jeetendra Kapoor
Chairman
DIN: 00005345

Place: Mumbai
Date: May 22, 2019

ANNEXURE V

PARTICULARS OF EMPLOYEES

a) **Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

i) **Remuneration to Managing Director and Joint Managing Director:**

Name of the Director	Title	*Remuneration in Fiscal Year 2019 (in ₹)	Remuneration in Fiscal Year 2018 (in ₹)	No. of Stock options /PSUs granted in fiscal 2019	% increase of remuneration in 2019 as compared to 2018	Excl of MD	Incl of MD	Ratio of remuneration to	
						Ratio of Remuneration to Median Remuneration of employees	Ratio of Remuneration to Median Remuneration of Employees and MD	Revenues (fiscal 2019)	Net Profit (fiscal 2019)
Mrs. Shobha Kapoor	Managing Director	2,39,88,000	2,39,73,000	-	-	1:58	1:56	1:184	1:11
Ms. Ekta Kapoor	Joint Managing Director	2,39,88,000	2,39,73,000	-	-	1:58	1:56	1:184	1:11

Note: *Includes Employer's Contribution to Provident Fund

ii) **Remuneration paid to Independent Directors:** **(Amount in ₹)**

Name of the Directors	Remuneration in Fiscal 2019	Remuneration in Fiscal 2018	Number of Stock Option / PSUs granted in Fiscal 2019	% increase of remuneration (2019 over 2018)
Mr. Duraiswamy Gunaseela Rajan	6,00,000	5,50,000	-	-
Mr. Ashutosh Khanna	4,00,000	7,00,000	-	75
Mr. Devender Kumar Vasal	6,00,000	7,50,000	-	25
Mr. Virendra Babubhai Dalal	6,00,000	7,50,000	-	25
Mr. Pradeep Kumar Sarda	2,50,000	3,25,000	-	30
Mr. Arun Kumar Purwar	5,00,000	7,00,000	-	40

iii) **Remuneration of other KMP:**

Name of the KMP	Title	Remuneration in Fiscal Year 2019 (in ₹)	Remuneration in Fiscal Year 2018 (in ₹)	No. of Stock options / PSUs granted in fiscal 2018	% increase of remuneration in 2019 as compared to 2018	Excl of MD	Incl of MD	Ratio of remuneration to	
						Ratio of Remuneration to Median Remuneration of Employees	Ratio of Remuneration to Median Remuneration of Employees and MD	Revenues (fiscal 2019)	Net Profit (fiscal 2019)
Mr. Sunil Lulla	Group CEO	2,22,92,233	-	-	-	1:54	1:52	1:198	1:12
Mr. Sanjay Dwivedi	Group CFO	1,52,31,356	1,79,36,709	-	-	1:37	1:36	1:289	1:17
Mrs. Simmi Singh Bisht	Group Head Secretarial	23,38,749	20,31,090	-	15%	1:5	1:5	1:1883	1:113

The average percentage increase made in the salaries of employees other than managerial remuneration in the last financial year i.e. 2018-19 was 10% whereas there has been no change in the managerial remuneration for the same financial year.

ANNEXURE V

The number of permanent employees on the roll of the Company is 109.

It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

b) **Information as per Rule 5(2) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

(i) The following details are given hereunder in respect of employees employed throughout the year and were in receipt of remuneration aggregating ₹ 1.02 Crores or more per annum.

Employee Name	Designation	Educational Qualification	Age	Experience (in years)	Date of Joining	Gross Remuneration paid	Previous Employment and Designation	Whether such employee holds by himself or alongwith his spouse or dependent children not less than 2% of the Equity Shares of the Company	Whether such employee is a relative of any Director or Manager and if yes name of the Director or Manager.
Mrs. Shobha Kapoor	Managing Director	Undergraduate	70	24	Nov 10, 1994	2,39,88,000	N. A.	Yes	Yes. She is wife of Mr. Jeetendra Kapoor and Mother of Ms. Ekta Kapoor
Ms. Ekta Kapoor	Joint Managing Director	Undergraduate	44	24	Nov 10, 1994	2,39,88,000	N. A.	Yes	Yes. She is daughter of Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor
Mr. Sunil Lulla	Group CEO	M.M.S.	58	34	May 25,2018	2,22,92,233	GREY Group India (Chairman & MD)	No	No
Mr. Sanjay Dwivedi	Group CFO	C.A.	49	22	Jan 25,2013	1,52,31,356	Nimbus Communication Ltd (SVP-Finance)	No	No
Mr. Nachiket Pantvaidya	Group COO & CEO (Alt Digital)	P.G.D.M	48	24	Dec 01,2015	2,70,70,060	Sony Entertainment Network (SR EVP & Business Head)	No	No
Mr. Ketan Gupta	C.O.O	Graduate	41	20	May 02,2018	1,16,67,291	Fox TVSI	No	No

ii) Employees employed for a part of year and were in receipt of remuneration aggregating ₹ 8.5 Lacs or more per month.

Mr. Sunil Lulla, Group Chief Executive Officer and Mr. Ketan Gupta, COO were appointed for part of the year and their remuneration details are as given above.

For and on behalf of the Board of Directors

Sd/-
Jeetendra Kapoor
Chairman
DIN: 00005345

Place: Mumbai
Date: May 22, 2019

ANNEXURE VI

FORM AOC-2
PARTICULARS OF CONTRACT / ARRANGEMENTS / TRANSACTIONS MADE WITH RELATED PARTIES

For the financial year ended March 31, 2019
[Pursuant to Clause h of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts), Rules, 2014]

1) DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

The following contract or arrangement or transaction entered into during the year ended March 31, 2019 was not at arm's length basis.

Name(s) of the Related Party and nature of relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Salient terms of the Contracts or Arrangements or Transactions including the value, if any	Justification for entering into such Contracts or Arrangements or Transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188
Alt Digital Media Entertainment Limited Chhayabani Balaji Entertainment Private Limited Marinating Films Private Limited	Arrangement to let out Company's premises Viz. C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai - 400 053 to its Subsidiary Companies for usage as its Registered Office without charging of any rent.	On-going	-	In order to curtail expenses and maximize profits, of the subsidiary Companies, the Company has let out its premises without charging any rent.	February 12, 2019	N.A.	N.A.

2) DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARMS LENGTH BASIS

There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2019, which were at arm's length basis.

For and on behalf of the Board of Directors

Sd/-
Jeetendra Kapoor
Chairman
DIN: 00005345

Place: Mumbai
Date: May 22, 2019

CORPORATE GOVERNANCE REPORT

Balaji Telefilms Limited is committed to strong Corporate Governance and believes in its indispensability in investor's protection. Integrity, transparency, accountability and compliance with laws are cemented in the Company's business practices to ensure ethical and responsible leadership both at the Board and at the Management level.

The Report is on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter to be referred as 'Listing Regulations').

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is as under:

- Ensure that quantity, quality and frequency of financial and managerial information, which management shares with the Board, places the Board Members fully in control of the Company's affairs.
- Ensure that the Board exercises its fiduciary responsibilities towards Shareholders and Creditors, thereby ensuring high accountability.
- Ensure that the extent to which the information is disclosed to present and potential investors is maximized.
- Ensure that the Board, the Employees and all concerned are fully committed to maximizing long-term value to the Shareholders and the Company through ethical business conduct.
- Ensure that the Board continues in its pursuit of achieving its objectives through the adoption and monitoring of corporate strategies and prudent business plans.

CODE OF CONDUCT

The Company has laid down a Code of Conduct for the Directors and Senior Management of the Company and a Code of Conduct for Independent Directors. The Code of Conduct suitably incorporates the duties of Independent Directors of the Company. The Code has been posted on the website of the Company. A declaration to the effect that the Directors and Senior Managerial Personnel have adhered to the same, signed by the Group Chief Executive Officer of the Company, forms part of this Report, which along with the Auditors' certificate on Compliance of Listing Regulations by the Company is annexed to this report. Declaration from Independent Directors affirming Compliance with the Code of Conduct for Independent Directors has also been received.

BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Board either directly exercises its powers or through Committees. Policy formulation, setting up of goals and evaluation of performance and control functions vest with the Board, while the Committees oversee operational issues. The Board also discharges its responsibilities / duties as mentioned under Regulation 17 of the Listing Regulations and other applicable laws.

COMPOSITION

The Board of your Company has an appropriate mix of Executive and Non- Executive Directors with more than half of the Board of the Company comprising of Independent Directors to maintain its independence and separate its functions of governance and management. Listing Regulations mandate that for a Company with a Non-Executive Chairman who is also a promoter, at least half of the Board should be Independent Directors. As on March 31, 2019, the Board comprised of eleven Members, of whom two are Executive Directors, three Non-Executive Non-Independent Directors, six Independent Directors. The Composition of the Board represents an optimal mix of professionalism, knowledge and experience so as to enable the Board to discharge its responsibilities and provide effective leadership to the business.

None of the Directors of the Company held Committee Membership of more than ten Committees or Committee Chairmanships of more than five Committees across all Companies in which the person is a Director.

The names and categories of the Directors on the Board, their attendance at Company's Board Meetings and its Annual General Meeting during the financial year 2018-19 and also the number of Directorships and Committee Memberships / Chairmanships held by them in various Companies as on March 31, 2019 are given below:

CORPORATE GOVERNANCE REPORT

Name of the Director	Attendance Particulars			Name of Listed Entity along with category of Directorship, other Directorships and Committee Memberships/Chairmanships					No of shares held as on March 31, 2019
	Board Meetings		Last AGM	*Other Directorships	Name of Listed Entity	Category of Directorship	#Committee Memberships	#Committee Chairmanships	
	Held	Attended							
Mr. Jeetendra Kapoor (P, N, NI)	4	4	Present	3	N.A.	N.A.	2	1	32,60,522
Mrs. Shobha Kapoor (P, E, NI)	4	4	Present	4	N.A.	N.A.	1	0	1,10,08,850
Ms. Ekta Kapoor (P, E, NI)	4	4	Absent	4	N.A.	N.A.	1	0	1,83,08,208
**Mr. Tusshar Kapoor (P, N, NI)	4	3	Present	N.A.					20,30,250
Mr. Pradeep Kumar Sarda (N,I)	4	1	Present	1	Mercury Trade Links Limited	Director	2	0	NIL
Mr. Duraiswamy Gunaseela Rajan (N,I)	4	4	Present	5	IFGL Refractories Limited	Director	5	4	300
Mr. Ashutosh Khanna (N,I)	4	3	Present	1	N.A.	N.A.	0	0	NIL
Mr. Devender Kumar Vasal (N,I)	4	4	Present	1	N.A.	N.A.	3	0	NIL
Mr. Virendra Babubhai Dalal (N,I)	4	4	Present	1	N.A.	N.A.	2	0	NIL
Mr. Arun Kumar Purwar (N,I)	4	4	Present	5	Alkem Laboratories Limited	Independent Director	2	1	NIL
					Jindal Steel and Power Limited	Independent Director			
					Reliance Communications Limited	Independent Director			
					IIFL Holdings Limited	Independent Director			
Mr. Anshuman Thakur (N, NI)	4	2	Present	0	N.A.	N.A.	0	0	NIL
Ms. Jyoti Deshpande (N, NI)	4	4	Present	3	Network18 Media & Investments Limited	Director	0	0	NIL
					TV18 Broadcast Limited	Director			
					Eros International Media Limited	Director			

P=Promoter, E= Executive, N=Non-Executive, I=Independent, NI=Non-Independent

*Excluding Private Limited Company, Foreign Companies, Section 8 Companies and Alternate Directorships.

#Includes only Audit Committee and Stakeholders' Relationship Committee.

The number of Directorships, Committee Membership(s) / Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and Listing Regulations.

** Mr. Tusshar Kapoor has ceased to be a Non-Executive Non-Independent Director of the Company w.e.f. March 27, 2019.

During the year under review, none of the Independent Director has resigned from the Board of the Company before the expiry of the tenure.

CORPORATE GOVERNANCE REPORT

CHART MATRIX

In terms of the requirement of Listing Regulations, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company's business for effective functioning as given below:

Leadership
Leadership experience in leading well-governed large organizations, with an understanding of organizational systems, strategic planning, forecasting, evaluating best solutions, business strategy and corporate Management.

Finance and Accounting Proficiency
Experience in handling and understanding of accounting and financial statements, financial management, financial reporting, cost analysis / reduction, problem-solving approach.

Understanding the use of Information Technology in Digital Media and Entertainment Industry
Experience in understanding the digital and OTT platform in the industry for its efficient functioning and profitability in the business, ability to anticipate technological driven changes and disruption which may impact the business. Experience in Marketing, Advertising and Media.

Experience of large Companies
Experience of having served in large Companies in diverse industries to provide Board oversight to all dimensions of business, key responsibilities, Board accountability.

Governance
Experience in developing governance practices, maintaining high governance standards with an understanding of changing regulatory framework and environment, protecting the interests of all stakeholders, decision making, maintaining Board and Management accountability, building and developing business ethics, values and adhering to code of conduct.

BOARD INDEPENDENCE

Our definition of 'Independence' of Directors is derived from Section 149(6) of the Companies Act, 2013 and Regulation 16 of Listing Regulations. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, all Non-Executive Directors except Mr. Jeetendra Kapoor, Ms. Jyoti Deshpande and Mr. Anshuman Thakur are Independent. The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations. The Board of Directors have assessed the same and taken on record their Independence criteria.

In case of appointment / re-appointment of Independent Directors of the Company, formal appointment letters containing the terms and conditions of Independence are issued in the manner provided under the Companies Act, 2013 and the Listing Regulations. The terms and conditions can be accessed on the Company's website on **www.balajitelefilms.com**

Pursuant to Regulation 25 of the Listing Regulations, a meeting of Independent Directors is required to be held once in a year inter alia, to:

- Review the performance of Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Meeting of Independent Directors of the Company was held on August 10, 2018 without the presence of Non-Independent Directors and Members of the Management.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board's business. The Board / Committee Meetings are pre-scheduled and tentative dates of the Board and Committee Meetings are informed well in advance to facilitate Directors to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is noted and confirmed in the subsequent Board meeting.

The notice of Board meeting is given well in advance to all the Directors. The Agenda of the Board / Committee

CORPORATE GOVERNANCE REPORT

meetings is prepared by the Company Secretary in consultation with the Chairman and the Managing Director of the Company. The Agenda is circulated at least 7 days prior to the date of the meeting. The Agenda for the Board and Committee meetings cover items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The Agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

Prior Approval from the Board is obtained for circulating the agenda items with shorter notice for matters that form part of the Board and Committee agenda and are considered to be in the nature of Unpublished Price Sensitive Information.

During the year under review, 4 (four) meetings of the Board of Directors were held, the dates being May 19, 2018, August 10, 2018, November 14, 2018, and February 12, 2019. The maximum time gap between any two meetings was not more than one hundred twenty days.

FAMILARIZATION PROGRAMME OF DIRECTORS

The Company has a familiarization programme for its Independent Directors. The Independent Directors are familiarized of their roles, rights, and responsibilities in the Company, nature of industry in which the Company operates and business model of the Company through such programmes. The details of such familiarization program have been disclosed on the Company's website at **http://www.balajitelefilms.com/familiarisation-programme-independent-directors.php**

MECHANISM FOR EVALUATING BOARD MEMBERS

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the Evaluation criteria for the Performance Evaluation of Executive/Non-Executive/Independent Director. During the year under review, a structured questionnaire was circulated to the Members of the Board for seeking feedback from the Directors on various aspects such as Board's & Committees' functioning, knowledge & skills of the Board of Directors, managing relationships, fulfillment of independent criteria by Independent Directors, leadership & strategy formulation by Executive Directors etc. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board & Committee and for identifying possible paths for improvement. The Chairman of the Board shared the feedback with the Member about the results of the performance evaluations at the Board Meeting.

COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Minutes of the Meetings of all Committees are placed before the Board for review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action.

The Board has currently established the following Statutory Committees:

AUDIT COMMITTEE

The Audit Committee provides direction to the Audit and Risk Management function in the Company and monitors the quality of Internal Audit and Management Audit. The terms and composition of the Audit Committee are as per the guidelines set out in the Listing Regulations read with Section 177 of the Companies Act, 2013.

Terms of Reference

The responsibilities of the Audit Committee include overseeing the financial reporting process to ensure proper disclosure of financial statements, recommending appointment, remuneration and terms of appointment of Auditors and approving payment for any other services rendered by the Statutory Auditors, reviewing the Annual Financial Statements and Auditors' Report before submission to the Board, reviewing the Quarterly Financial Statements before submission to the Board, evaluation of internal financial controls and risk management systems, reviewing adequacy of internal audit function, structure and staffing of the internal audit function, reviewing findings of internal investigations and discussing the nature and scope of audit as well as

CORPORATE GOVERNANCE REPORT

post-audit discussion with external auditors, reviewing functioning of Whistle Blower Mechanism and such other responsibilities as set out in Section 177 of the Companies Act, 2013 and Part C, Schedule II of Listing Regulations.

In addition to the above, the Audit Committee mandatorily reviews the following:

- management's discussions and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- internal audit reports relating to internal control weaknesses;
- the appointment, removal and terms of remuneration of the Internal Auditor; and
- statement of deviation(s):

a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations;

b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of the Listing Regulations.

Composition

Name of the Members	Designation	Nature of Membership
Mr. Duraiswamy Gunaseela Rajan	Independent Director	Chairman
Mr. Jeetendra Kapoor	Non-Executive Director	Member
Mr. Pradeep Kumar Sarda	Independent Director	Member
Mr. Devender Kumar Vasal	Independent Director	Member
Mr. Virendra Babubhai Dalal	Independent Director	Member
Mrs. Simmi Singh Bisht	Group Head Secretarial	Secretary

Meetings and Attendance

During the year under review, Audit Committee held 4 (four) Meetings, the dates being May 19, 2018, August 10, 2018, November 13, 2018 and February 12, 2019. The details of the attendance thereat are as follows:

Name of the Members	No. of Meetings	
	Held during the tenure	Attended
Mr. Duraiswamy Gunaseela Rajan	4	4
Mr. Jeetendra Kapoor	4	4
Mr. Pradeep Kumar Sarda	4	2
Mr. Devender Kumar Vasal	4	4
Mr. Virendra Babubhai Dalal	4	4

The Statutory Auditors and Internal Auditors of the Company are invitees to the Audit Committee Meetings. The Audit Committee holds discussions with the Statutory Auditors on the limited review of the quarterly and half yearly accounts of the Company and yearly Audit of the Company's accounts, Auditor's Report and other related matters. The report of the Internal Auditor is also reviewed by the Audit Committee.

CORPORATE GOVERNANCE REPORT

NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

The Committee is entrusted with the following role and responsibilities:

1. Formulation of criteria for determining qualifications, positive attributes & independence of a Director and to recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

2. Formulation of criteria for evaluation of Board, Committee and Individual Directors including Independent Directors.

3. Devising a policy on Board Diversity.

4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

6. Recommend to the Board, all remuneration payable to Senior Management.

Performance evaluation criteria for Independent Directors

In accordance with the Companies Act, 2013 and Listing Regulations, the Committee has laid down the following criteria to evaluate the performance of Independent Directors:

1) Knowledge to perform the role;
2) Time and Level of Participation;
3) Performance of Duties and Level of Oversight and
4) Professional Conduct and Independence.

Feedback on each Director is encouraged to be provided as a part of the survey.

Composition

Name of the Members	Designation	Nature of Membership
Mr. Ashutosh Khanna	Independent Director	Chairman
Mr. Jeetendra Kapoor	Non-Executive Director	Member
Mr. Pradeep Kumar Sarda	Independent Director	Member
Mr. Devender Kumar Vasal	Independent Director	Member
Mrs. Simmi Singh Bisht	Group Head Secretarial	Secretary

Meetings and Attendance

During the year under review, the Nomination & Remuneration Committee held 5 (five) meetings, the dates being May 19, 2018, June 20, 2018, August 10, 2018, November 13, 2018 and February 12, 2019. The details of the attendance thereat are as follows:

Name of the Members	No. of Meetings	
	Held during the tenure	Attended
Mr. Ashutosh Khanna	5	4
Mr. Jeetendra Kapoor	5	5
Mr. Pradeep Kumar Sarda	5	3
Mr. Devender Kumar Vasal	5	5

CORPORATE GOVERNANCE REPORT

Nomination & Remuneration Policy

The Nomination & Remuneration Policy of the Company along with criteria for making payments to Non-Executive Directors may be accessed at **http://balajitelefilms.com/nomination-remuneration-policy.php**

Details of the remuneration paid to the Directors of the Company for the year ended March 31, 2019:

Name	Designation	Salary	Perquisites	Sitting Fees	Commission	Employer Contribution to Provident Fund	Total
Mr. Jeetendra Kapoor	Chairman	-	-	4,00,000	-	-	4,00,000
Mrs. Shobha Kapoor	Managing Director	2,22,60,000	-	-	-	17,28,000	2,39,88,000
Ms. Ekta Kapoor	Joint Managing Director	2,22,60,000	-	-	-	17,28,000	2,39,88,000
Mr. Tusshar Kapoor*	Non-Executive Director	-	-	3,00,000	-	-	3,00,000
Mr. Pradeep Kumar Sarda	Independent Director	-	-	2,50,000	-	-	2,50,000
Mr. Duraiswamy Gunaseela Rajan	Independent Director	-	-	6,00,000	-	-	6,00,000
Mr. Ashutosh Khanna	Independent Director	-	-	4,00,000	-	-	4,00,000
Mr. Devender Kumar Vasal	Independent Director	-	-	6,00,000	-	-	6,00,000
Mr. Virendra Babubhai Dalal	Independent Director	-	-	6,00,000	-	-	6,00,000
Mr. Arun Kumar Purwar	Independent Director	-	-	5,00,000	-	-	5,00,000
Mr. Anshuman Thakur	Non-Executive Director	-	-	2,00,000	-	-	2,00,000
Ms. Jyoti Deshpande	Non-Executive Director	-	-	4,00,000	-	-	4,00,000

Note: During the year under review, no performance linked incentive was paid / stock option was granted to any Directors of the Company.

None of the Directors are related to any other Directors on the Board, except for Mr. Jeetendra Kapoor, his spouse Mrs. Shobha Kapoor, their daughter Ms. Ekta Kapoor and their son Mr. Tusshar Kapoor, who are related to each other.

*Tusshar Kapoor has ceased to be Director of the Company w.e.f. March 27, 2019.

CORPORATE GOVERNANCE REPORT

STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The Committee is entrusted with the following role and responsibilities:

1. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

2. Resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

3. Review of measures taken for effective exercise of voting rights by shareholders.

4. Review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

Composition

Name of the Members	Designation	Nature of Membership
Mr. Jeetendra Kapoor	Non-Executive Director	Chairman
Mrs. Shobha Kapoor	Executive Director	Member
Ms. Ekta Kapoor	Executive Director	Member
Mr. Devender Kumar Vasal	Independent Director	Member
Mrs. Simmi Singh Bisht	Group Head Secretarial	Secretary

Meetings and Attendance

During the year under review, Stakeholder Relationship Committee held 4 (four) Meetings, the dates being May 19, 2018, August 10, 2018, November 13, 2018 and February 12, 2019. The details of the attendance thereat are as follows:

Name of the Members	No. of Meetings	
	Held during the tenure	Attended
Mr. Jeetendra Kapoor	4	4
Mrs. Shobha Kapoor	4	4
Ms. Ekta Kapoor	4	3
Mr. Devender Kumar Vasal	4	4

Compliance Officer

Mrs. Simmi Singh Bisht, Group Head Secretarial is the Compliance Officer under Listing Regulations.

Shareholder's Complaints during the financial year 2018-19

Sr. No.	Nature of Complaints	Opening Bal.	Received	Disposed	Pending
1.	Non-receipt of Dividend	0	6	6	0
2.	Non-receipt of Annual Report	0	4	4	0
3.	Letters from Regulatory Authorities (NSE/BSE/ROC)	0	0	0	0

CORPORATE GOVERNANCE REPORT

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of Reference

The terms of reference of the Committee includes formulation and recommendation to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013; to recommend the amount of expenditure to be incurred on CSR activities as indicated in the CSR Policy; monitor the CSR Policy of the Company from time to time; institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company; and perform any other function or duty as stipulated by the Companies Act, 2013 and any other Regulatory Authority or under any applicable laws, as may be prescribed from time to time.

Composition

Name of the Members	Designation	Nature of Membership
Mr. Jeetendra Kapoor	Non-Executive Director	Chairman
Mrs. Shobha Kapoor	Executive Director	Member
Mr. Duraiswamy Gunaseela Rajan	Independent Director	Member
Mr. Ashutosh Khanna	Independent Director	Member
Mrs. Simmi Singh Bisht	Group Head Secretarial	Secretary

Meetings and Attendance

During the year under review, Corporate Social Responsibility Committee held 4 (four) Meetings, the dates being May 19, 2018, August 10, 2018, November 13, 2018 and February 12, 2019. The details of the attendance thereat are as follows:

Name of the Director	No. of Meetings	
	Held during the tenure	Attended
Mr. Jeetendra Kapoor	4	4
Mrs. Shobha Kapoor	4	4
Mr. Duraiswamy Gunaseela Rajan	4	4
Mr. Ashutosh Khanna	4	3

INTERNAL COMPLAINTS COMMITTEE

Terms of Reference

The Board of Directors in its Board meeting held on January 24, 2014 and February 12, 2019 constituted the Internal Complaints Committee and Apex Committee (Management) of the Company to deal with all complaints and allegations of Sexual Harassment at Workplace.

Composition

The current composition of Internal Complaints Committee is as follows:

Name of the Members	Designation	Nature of Membership
Mrs. Chloe Ferns	Creative Director	Presiding Officer
Mr. Sunil Nair	Chief Operating Officer (ALT Digital)	Member
Mrs. Divya Dixit	Vice President- Marketing	Member
Mr. Bhargav Vyas	AVP – Finance and Accounts	Member
Ms. Neha Kedia	Vice President – Complykaro	External Independent Member

CORPORATE GOVERNANCE REPORT

The current composition of Apex Committee (Management) is as follows:

Name of the Members	Designation	Nature of Membership
Mrs. Shobha Kapoor	Managing Director	Chairperson
Mr. Sunil Lulla	Group CEO	Member
Mr. Nachiket Pantvaidya	Group COO and CEO (ALT Digital)	Member
Mrs. Priyanka Chaudhari	Vice President & Senior Counsel, Legal	Member
Mr. Ashish Pinto	Group Head – HR	Member

GENERAL BODY MEETINGS:

Annual General Meeting

During the preceding three years, the Company's Annual General Meetings were held at "The Club", 197, D. N. Nagar, Andheri (West), Mumbai – 400 053, Maharashtra.

The date and time of Annual General Meetings held during last three years and the Special resolutions passed there at, are as follows:

Financial Year	Date and Time	Time	Special Resolutions passed
2017-18	Friday, August 31, 2018	12:00 Noon	• Re-appointment of Mrs. Shobha Kapoor (DIN: 00005124) as Managing Director of the Company; • Re-appointment of Ms. Ekta Kapoor (DIN:00005093) as Joint Managing Director of the Company; • Re-appointment of Mr. Duraiswamy Gunaseela Rajan (DIN: 00303060) as Independent Director of the Company; • Re-appointment of Mr. Pradeep Kumar Sarda (DIN: 00021405) as Independent Director of the Company; • Re-appointment of Mr. Ashutosh Khanna (DIN: 03153990) as Independent Director of the Company; • Re-appointment of Mr. Devender Kumar Vasal (DIN: 06858991) as Independent Director of the Company; • Continuation of Directorship of Mr. Jeetendra Kapoor (DIN: 00005345) as Chairman, Non-Executive Director of the Company.
2016-17	Thursday, August 31, 2017	12:00 Noon	• Payment of Commission to Non-Executive Director for a period of 5 years w.e.f April 01, 2017.
2015-16	Wednesday, August 31, 2016	3:00 P.M.	• Payment of Commission to Mrs. Shobha Kapoor (DIN: 00005124), Managing Director of the Company for the financial Year 2015-16; • Payment of Commission to Ms. Ekta Kapoor (DIN: 00005093), Joint Managing Director of the Company for the financial Year 2015-16; • Revision in remuneration of Mrs. Shobha Kapoor (DIN: 00005124), Managing Director of the Company; • Revision in remuneration of Ms. Ekta Kapoor (DIN: 00005093), Joint Managing Director of the Company.

No special resolution was passed by the Company during the financial year 2018-19 through Postal Ballot. No special resolution is proposed to be conducted through Postal Ballot on the date of this report.

CORPORATE GOVERNANCE REPORT

MEANS OF COMMUNICATION:

i) Publication of quarterly results

The Unaudited Quarterly/Half Yearly Financial Results are announced within forty-five days of the close of the quarter. The Annual Audited Financial Results are announced within sixty days from the close of the financial year as per the requirements of the Listing Regulations. The aforesaid financial results are sent to BSE Limited (BSE) & National Stock Exchange of India Ltd. (NSE) and are published in Business Standard (All India) and Mumbai Lakshadeep (Regional Daily) within forty-eight hours after they are approved by the Board. Simultaneously, they are also put on the Company's website and can be accessed at **http://www.balajitelefilms.com/outcome-board-meetings-agm-egm.php**

ii) Website and New releases

The Annual Report of the Company, the quarterly/ half yearly results, the annual results, presentations made to the Institutional Investors and Analysts of the Company, information required to be disclosed under Regulation 30 (8) and 46 of the Listing Regulations are also placed on the Company's website on **www.balajitelefilms.com.**

The Company informs to BSE & NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members and subsequently issues a Press Release in this regard.

DISCLOSURES

i) Related Parties Transactions

There have been no materially significant related party transactions between the Company and its Promoters, Directors or their relatives, the Management, Subsidiaries, except for those disclosed in the Board's Report. In line with requirement of Companies Act, 2013 and Listing Regulations, your Company has formulated a policy on Related Party Transactions which is also available on Company's website at **http://www.balajitelefilms.com/related-party-trancation-policy.php**

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

This policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All Related Party Transactions are placed before the Audit Committee for review. Prior omnibus approval is obtained for Related Party Transactions on an annual basis for transactions which are of repetitive nature and / or entered in the ordinary course of business and are at Arm's Length. All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis except those given in Annexure VI in Form No. 2 which forms part of this Report.

Transactions with the related parties are disclosed in Notes forming part of the financial statements.

ii) Disclosure of Pending Cases/ Instances of Non-Compliances

The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India (SEBI) and other Statutory Authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other Statutory Authorities relating to the above.

iii) Compliance with the Discretionary Requirements under Regulation 27 read with Part E of Schedule II

The Board of Directors periodically reviews the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non- mandatory requirements of Listing Regulations as on March 31, 2019 to the extent mentioned below:

CORPORATE GOVERNANCE REPORT

- Modified Opinion(s) in Audit Report: The Auditors have issued an unmodified opinion on the financial statements of the Company.
- Separate posts of Chairman and Chief Executive Officer (CEO). Chairman's office is separate from that of the Managing Director & CEO.
- Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.
- The quarterly, half-yearly and annual financial results of the Company are posted on the Company's corporate website and extract of these results are published in newspapers. Significant events are also posted on the Company's website under the 'Investor Relations' section.

iv) Vigil Mechanism / Whistle Blower Policy

The Company has established Whistle Blower Policy for its Directors and Employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and is displayed on Company's website at **http://www.balajitelefilms.com/whistle-blower-policy.php.** The Company takes cognizance of complaints made and suggestions given by the employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective steps are taken. No personnel has been denied access to the Audit Committee of the Board of Directors of the Company.

In order to maintain highest levels of confidentiality, the Company has appointed an outsourced agency viz. 'In Touch India Limited' to receive complaints and coordinate with the Whistle-Blower, if required. This agency forwards the complaints received to the Ethics Committee for preliminary review. The Ethics Committee decides further course of action after preliminary review of the complaint / protected disclosure. The Ethics Committee comprises of the following individuals:

1. Group Chief Executive Officer.
2. Group Chief Financial Officer
3. Group Head – Human Resource
4. General Counsel – Legal

An employee who wishes to report a complaint or make a protected disclosure can contact 'In Touch India Limited' through the following channels:

- Hotline - **1800 103 2931**
- Website - **www.speak-up.info/balaji**
- E-mail id- **balaji@intouch-india.com**

In case the Whistle-Blower is not satisfied with action taken on his/her complaint, then the Whistle-Blower can write to the Chairman of the Audit Committee (Email id-**dgrajan@balajitelefilms.com**).

When escalating the matter, Whistle-Blower should provide complete details of the complaint and the reason for dissatisfaction.

There were no complaints received during the financial year 2018-19.

v) Prevention of Insider Trading

Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") the Company has in place Code of Internal Procedures and Conduct for Regulating, Monitoring, and Reporting of Trading by Designated Persons ("Code"), Code of Conduct for Fair Disclosures of Unpublished Price Sensitive Information and Policy and Procedure for dealing with Leak or Suspected Leak of Unpublished Price Sensitive Information (UPSI), which may be accessed at **http://www.balajitelefilms.com/code-conduct-insider-trading.php,** to deter the instances of insider trading in the securities of the Company based on the Unpublished Price Sensitive Information.

The Company has implemented a software to track the trading of securities carried out by the employees of the Company. A system generated report is prepared by the Service Provider after comparing with Benpos Report to determine cases of any violation of the PIT Regulations and Code.

vi) Prevention of Sexual Harassment at Workplace Policy

The Company has in place Prevention of Sexual Harassment at Workplace Policy in line with the requirements of the Sexual Harassment of Women

CORPORATE GOVERNANCE REPORT

at Workplace (Prevention, Prohibition, Redressal) Act, 2013 and the Rules made thereunder. The Company has zero tolerance towards any action on the part of any executive which may fall under the ambit of 'Sexual Harassment' at workplace and is fully committed to uphold and maintain the dignity of every executive working in the Company. The Policy provides for protection against sexual harassment at workplace and for prevention and redressal of such complaints.

vii) Subsidiary Companies

During the year under review, out of the four subsidiaries, ALT Digital Media Entertainment Limited (ALT Digital) became material subsidiary of the Company as its net worth exceeded 20% of the consolidated net worth of the Holding Company in the immediately preceding accounting year. In line with the requirements of Regulation 24(1) of the Listing Regulations, Mr. Duraiswamy Gunaseela Rajan, Mr. Devender Kumar Vasal and Mr. Virendra Babubhai Dalal, who are Independent Directors on the Board of the Company are also Independent Directors on the Board of ALT Digital.

The Company has formulated a policy for determining 'Material Subsidiaries' and the same has been uploaded on the website of the Company and may be accessed at **http://www.balajitelefilms.com/policy-determining-material-subsidiary.php.**

The Company monitors the performance of the Subsidiary Companies by reviewing:

1. Financial Statements and Investments made by the Subsidiary Companies on quarterly basis;
2. Statement of all Significant transactions entered by the Unlisted Subsidiary Companies;
3. The copies of the minutes of the meetings of the Board of Directors of the Subsidiary Companies are tabled at the subsequent Board Meetings.

viii) Disclosure on Risk Management

The Company has in place a Risk Management Policy. The Risk Management System is periodically reviewed and evaluated by the Audit Committee and Board of Directors.

ix) CEO/CFO Certification

As required under Regulation 17(8) of the Listing Regulations, a Certificate from Mr. Sunil Lulla, Group Chief Executive Officer and Mr. Sanjay Dwivedi, Group Chief Financial Officer of the Company, on the Financial Statements of the Company is annexed to this report.

x) Disclosure on commodity price risk and commodity hedging activities

The Company has not undertaken any commodity price risk during financial year 2018-19. The Company does not indulge in commodity hedging activities.

xi) Certificate from Practicing Company Secretary

The Company has obtained a Certificate from M/s AVS and Associates confirming that no Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority is annexed to this report.

xii) Compliance with Mandatory Requirements

The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub – regulation (2) of Regulation 46 of Listing Regulations.

xiii) Utilization of Funds- Preferential Allotment/ Qualified Institutions Placement

The funds raised through allotment of shares to Reliance Industries Limited on Preferential basis on August 20, 2017 are utilized for Investment in Alt Digital, wholly owned subsidiary of the Company.

xiv) Total Fees Paid to Statutory Auditors

The total fees paid to Statutory Auditors on consolidated basis for all the services rendered by it to the Company and its subsidiaries is ₹65.50

CORPORATE GOVERNANCE REPORT

Lacs. During the year under review, there was no resignation of Statutory Auditors.

xv) **Recommendations of Committee**

There was no such instance during the financial year 2018-19 where the Board had not accepted any recommendation of any Committee of the Board.

xvi) **Unclaimed Dividend/ Shares**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'). The details of unclaimed/unpaid dividend are available on the website of the Company on **www.balajitelefilms.com**

xvii) **Disclosure with respect to Demat Suspense Account/ Unclaimed Suspense Account**

During the year under review, there were no shares in Demat Suspense Account or Unclaimed Suspense Account of the Company.

CORPORATE GOVERNANCE REPORT

GENERAL SHAREHOLDER INFORMATION:

1.	**Annual General Meeting**	
	Date	August 30, 2019
	Time	12:00 Noon
	Venue	The Club, 197, D. N. Nagar, Andheri (West), Mumbai – 400 053, Maharashtra.
2.	**Date of Book Closure**	Saturday, August 24, 2019 to Friday, August 30, 2019
3.	**Financial Calendar**	
	Financial Year	April 01, 2019 to March 31, 2020
	*Financial reporting for 1st quarter ending 30th June, 2019	Second week of August 2019
	*Financial reporting for 2nd quarter ending 30th September, 2019	Third week of November 2019
	*Financial reporting for 3rd quarter ending 31st December, 2019	Second week of February 2020
	*Financial reporting for the year ending 31st March, 2020	Fourth week of May 2020
	*Annual General Meeting for year ending 31st March, 2020 *** Tentative and subject to change.**	August 2020
4.	**Payment of Dividend**	On or after September 04, 2019
5.	**Listing details**	
	Name of Stock Exchange(s)	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra. **National Stock Exchange of India Ltd.** Exchange Plaza, 5th floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra .
	ISIN	INE794B01026
	Stock Code	BSE: 532382 NSE: BALAJITELE
	Listing Fees	Paid for both the Stock Exchanges
	Listing on Stock Exchanges outside India	Not Listed
6.	**Registered Office of the Company**	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053, Maharashtra. Tel: +91-22-40698000 Fax: +91-22-40698181/82 E-mail: **investor@balajitelefilms.com** Website: **www.balajitelefilms.com**

CORPORATE GOVERNANCE REPORT

7.	**Share Transfer Agent**	Karvy Fintech Private Limited (Company's Registrar and Transfer Agent) Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032. Tel: +91-40-67161500 / 2222 Fax No.: +91-40-23431551 Toll Free no.:1800-345-4001 Email: einward.ris@karvy.comw Website: www.karvyfintech.com
8.	**Share Transfer System**	
	Shares sent for physical transfer are registered and returned within fifteen days from the date of receipt, if the documents are clear in all respects. The Stakeholders Relationship Committee meets as often as required. There were no transactions in transfers of shares in physical form during the year 2018-19 and no share transfer pending as on March 31, 2019.	
9.	**Dematerialisation of Equity Shares**	
	The Company's shares are traded in dematerialized form. To facilitate trading in dematerialized form there are two depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited. (CDSL). The Company has entered into agreement with both these depositories. Shareholders can open account with any of the Depository Participant registered with these depositories. As on March 31, 2019 about 99.99% comprising 10,11,24,888 Equity Shares were in the dematerialized form.	
10.	**Outstanding GDRs/ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on Equity**	
	The Company did not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments as on March 31, 2019.	

11. Stock Market Data relating to Shares listed in India

The monthly high and low prices on BSE Limited and National Stock Exchange of India Ltd. as well as the volume of shares traded during the financial year 2018-19 are as below:

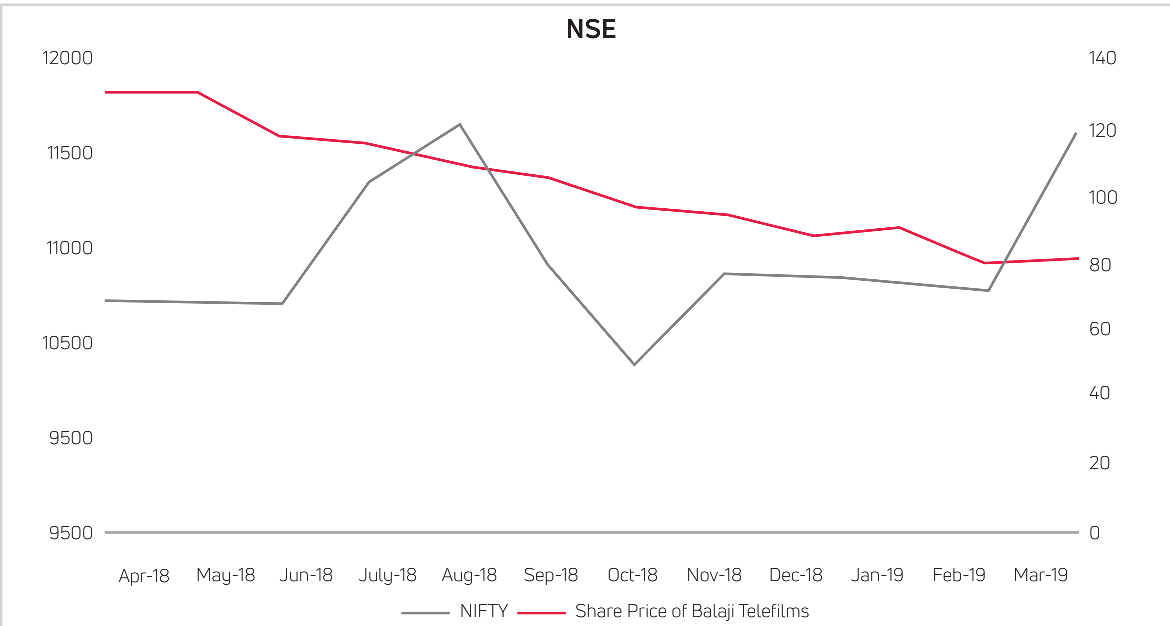
MONTH	BSE			NSE		
	HIGH	LOW	NO. OF SHARES TRADED	HIGH	LOW	NO. OF SHARES TRADED
April	140.00	128.70	2,25,317	140.10	128.00	17,59,386
May	135.00	115.85	7,07,333	135.05	115.50	19,77,668
June	134.00	115.05	4,64,409	133.50	114.80	18,75,829
July	119.00	109.30	1,86,072	119.85	109.15	8,90,827
August	120.50	106.15	6,19,698	120.45	105.50	13,07,957
September	113.40	88.90	3,39,721	113.35	87.95	18,85,474
October	110.75	95.25	2,85,062	111.70	95.00	12,37,229
November	105.05	92.95	49,675	105.30	94.10	4,91,695
December	97.15	87.85	3,23,310	97.90	84.20	6,89,178
January	107.10	85.00	72,55,370	108.00	84.30	33,66,931
February	94.45	79.75	91,073	95.00	78.60	6,03,630
March	92.20	79.00	20,35,805	92.80	81.00	45,35,607

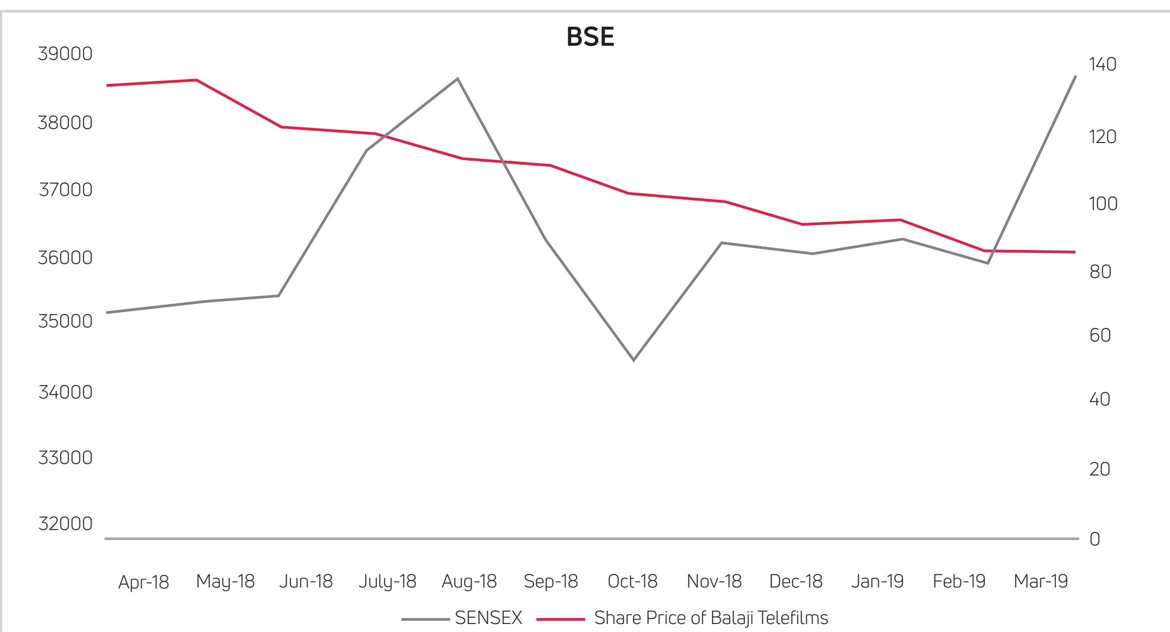
During the year under review, the securities were not suspended from trading on the Stock Exchange(s).

CORPORATE GOVERNANCE REPORT

12. Stock Performance in comparison to Broad – Based Indices

The chart below shows the comparison of the Company's share price movement on BSE Limited and National Stock Exchange of India Ltd. vis-à-vis the movement of the BSE Sensex and NSE Nifty respectively for the Financial Year March 31, 2019 (based on month end closing);





CORPORATE GOVERNANCE REPORT

13. Credit Rating

Since the Company does not have any debt securities or borrowings, Credit rating is not required for the Company.

14. Shareholding Pattern of Balaji Telefilms Limited as on March 31, 2019

Description	No. of Shareholders	Shares	% Equity
Banks	2	52,214	0.05
Clearing members	38	86,394	0.09
Directors	1	300	0.00
Foreign nationals	1	181	0.00
Foreign portfolio - corp	21	1,10,43,293	10.92
Foreign portfolio investors	2	83,55,450	8.26
HUF	539	4,41,934	0.44
IEPF	1	741	0.00
Indian financial institutions	2	4,49,156	0.44
Bodies corporates	437	3,20,71,554	31.71
Mutual funds	4	5,16,339	0.51
NBFC	7	8,600	0.01
Non resident indians	384	4,77,329	0.47
Non resident indian non repatriable	217	6,43,024	0.64
Promoters	5	3,46,07,830	34.22
Resident individuals	22046	1,23,76,054	12.24
Trusts	1	50	0.00
Total	**23708**	**10,11,30,443**	**100.00**

15. Distribution of shareholding as on March 31, 2019

Number of Shares	No. of Share Holders	% of Total Shareholders	Total Shares	Amount	% to Equity
1 - 5000	23,336	98.43	61,59,375	1,23,18,750	6.09
5001 - 10000	168	0.71	12,52,157	25,04,314	1.24
10001 - 20000	74	0.31	10,65,538	21,31,076	1.05
20001 - 30000	35	0.15	8,84,767	17,69,534	0.87
30001 - 40000	12	0.05	4,51,810	9,03,620	0.45
40001 - 50000	12	0.05	5,54,190	11,08,380	0.55
50001 - 100000	22	0.09	15,00,610	30,01,220	1.48
100001 and above	49	0.21	8,92,61,996	17,85,23,992	88.26
Total	**23,708**	**100.00**	**10,11,30,443**	**20,22,60,886**	**100.00**

16. Plant Locations:

As the Company is engaged in the business of Media & Entertainment, there is no plant location.

CORPORATE GOVERNANCE REPORT

17. Address for Correspondence:

Investors' Correspondence	Financial Statements Queries
Mrs. Simmi Singh Bisht - Group Head Secretarial **Mr. Kartik Sankaran - Senior VP Investor Relations**	**Mr. Sanjay Dwivedi - Group Chief Financial Officer**
Balaji Telefilms Limited	Balaji Telefilms Limited
C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053, Maharashtra.	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053, Maharashtra.
Tel: +91-22-40698000 Fax: +91-22-40698181/82	Tel: +91-22-40698000 Fax: +91-22-40698181/82
Email: investor@balajitelefilms.com simmi.bisht@balajitelefilms.com kartik.sankaran@balajitelefilms.com	Email: sanjay.dwivedi@balajitelefilms.com

CORPORATE GOVERNANCE REPORT

CEO AND CFO CERTIFICATE PURSUANT TO REGULATION 17(8), PART B OF SCHEDULE II OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors
BALAJI TELEFILMS LIMITED

We, the undersigned, in our respective capacities as Group Chief Executive Officer and Group Chief Financial Officer of Balaji Telefilms Limited ('the Company'), to the best of our knowledge and belief certify that:

a. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2019 and to the best of our knowledge and belief, we state that:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c. We are responsible for establishing and maintaining internal controls for financial reporting and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:

   i. significant changes, if any, in the internal control over financial reporting during the year;

   ii. significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

	Sd/-	Sd/-
	Sunil Lulla	**Sanjay Dwivedi**
Mumbai, May 22, 2019	**Group Chief Executive Officer**	**Group Chief Financial Officer**

CORPORATE GOVERNANCE REPORT

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT PURSUANT TO REGULATION 34(3), PART D OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Sunil Lulla, Group Chief Executive Officer of the Company, hereby confirm that all the members of the Board and Senior Management Personnel have affirmed Compliance with the Code of Conduct as applicable to them, in respect of the financial year ended March 31, 2019.

Mumbai, May 22, 2019

Sd/-
Sunil Lulla
Group Chief Executive Officer

CORPORATE GOVERNANCE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10)(i) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

To,
The Members of
Balaji Telefilms Limited
Add: C-13, Balaji House, Dalia Industrial Estate,
Opp. Laxmi Indl Estate, New Link Road,
Andheri - (West), Mumbai - 400053

Based on our verification of the declarations provided to Balaji Telefilms Limited **('the Company')** by its Directors and the documents, information, Forms and Returns available on the website of the Ministry of Corporate Affairs, BSE Limited, National Stock Exchange India Limited and in the public domain as on the date of issue of this certificate, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year as on March 31, 2019 have been debarred or disqualified for being appointed or continuing as a director of a Company, by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of the Directors	DIN
1.	Ekta Ravi Kapoor	00005093
2.	Shobha Ravi Kapoor	00005124
3.	Jeetendra Amarnath Kapoor	00005345
4.	Pradeep Kumar Sarda	00021405
5.	Arun Kumar Purwar	00026383
6.	Virendra Babubhai Dalal	00247971
7.	Duraiswamy Gunaseela Rajan	00303060
8.	Jyoti Deshpande	02303283
9.	Ashutosh Khanna	03153990
10.	Anshuman Thakur	03279460
11.	Devender Kumar Vasal	06858991

We further hereby inform that, ensuring the eligibility for the appointment / continuity of Director on the Board is the responsibility of the Company. Our responsibility is to issue this certificate based on verification of documents and information available in the public domain. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For AVS & Associates
Company Secretaries

Sd/-
Vijay Yadav
Partner
Mem. No: A39251
C.P. No: 16806

Place: Navi Mumbai
Date: 22/05/2019

CORPORATE GOVERNANCE REPORT

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Balaji Telefilms Limited

We have examined the compliance of conditions of Corporate Governance by Balaji Telefilms Limited for the year ended March 31, 2019 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Sd/-
Mehul Desai
Partner
Membership Number: 103211
UDIN: 19103211AAAAAG7143

Mumbai
May 22, 2019

Independent auditor's report

To the Members of Balaji Telefilms Limited

Report on the audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial Statements of Balaji Telefilms Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of carrying value of investments in and loans to Subsidiaries	
(Refer note 05 and 15 to the Standalone Financial Statements) The carrying value of Company's investments in and loans to subsidiaries is ₹ 47,483 lacs as at March 31, 2019. The value of these investments and loans form a significant part of the total assets of the Company. Accumulated losses have eroded/partly eroded the net worth of the respective subsidiaries. This is an indication of potential impairment of carrying value of these investments and loans.	Our audit procedures included the following: • Understanding and evaluating the design and testing the operating effectiveness of the Company's controls over valuation of investments and recoverability of loans; • Assessing the historical accuracy of the Management's forecasted business plans by comparing the forecasts used in the prior year with the actual performance in the current year; • Comparing the forecasts with the latest approved budgets;

Independent auditor's report

The Company assesses the carrying value of these investments and recoverability of loans by taking into account forecast business plans which are based on various assumptions including growth rate and discount factor. Management uses an independent external professional valuer to determine the fair value of these investments. Based on this, the Company assessed that there is no requirement of considering impairment provision in the carrying value of its investments in and loans to subsidiaries as at March 31, 2019. We considered this as a Key Audit Matter due to uncertainties and significant judgement required by the Management in preparation of future cash flows based on the business plans and the underlying assumptions such as discount rate, growth rate and valuation model.	• Evaluating the competence, capabilities and objectivity of the independent professional valuer engaged by the Management; • Together with auditor's valuation experts – a. assessing Management's forecasts to evaluate whether the forecasts seem to be reasonable; b. comparing the growth rates used in the forecasts with historical results and industry trends; c. testing appropriateness of the method and model used for determining the fair value of investments, mathematical accuracy of the models' calculations, evaluating reasonableness and challenging key assumptions used such as growth rate, discount rate; d. evaluating the sensitivity analysis in consideration of potential impact of reasonably possible upside or downside changes in the key assumptions. • Considered the results of the aforesaid procedures in evaluating the recoverability of loan given to subsidiary. Based on the above procedures performed, the management's assessment of carrying value of investments in and loans to Subsidiaries, was considered to be appropriate.
Assessment of recoverability of certain Film Advances to and receivables from co-producers and directors which are subject to litigation	
(Refer note 10 and 40 to the Standalone Financial Statements) The film advances and receivables subject to litigation as at March 31, 2019 aggregated ₹ 1,619 lacs. The Company has given certain advances to co-producers and directors where the production of films has not commenced. This also includes amounts receivable from co-producers in respect of certain films. These advances and receivables are subject to litigations towards recovery of these dues as a result of which there is a high level of judgement required in assessing the recoverability of these advances and receivables.	Our audit procedures in relation to these advances and receivables included: • Understanding and evaluating process and controls designed and implemented by the management including testing operating effectiveness of relevant controls; • Reading of agreements with counterparties and obtaining understanding of the arrangements; • Discussions with the Company's internal legal counsel to understand the current status of the litigations, the probable date of conclusion and Management's assessment of the outcome;

Independent auditor's report

The management's assessment of its case being strong and these balances to be good and fully recoverable is supported by independent legal advice, where considered necessary by the management. We considered assessment of recoverability of these advances and receivables as key audit matter since they constitute a significant item in the Standalone Financial Statements, the eventual outcome of claims is sub judice and the assessment of management is based on the application of significant judgement and legal advice. Any outcome different than the management's assessment could significantly impact the Company's reported profit and financial position.	• Reading the minutes of the meetings of Audit Committee and Board of Directors where the status of these litigations were discussed; • Reading recent communications received from the parties and the management's response to such communications; • Verifying the legal documents like petitions filed by the Company and correspondence with judicial authorities; • Evaluating independence, objectivity and competence of the management's legal advisor; • Obtaining direct confirmations through legal letters from management's independent legal advisor, where considered relevant. Based on the above procedures performed, the management's assessment of recoverability of these film advances to and receivables from co-producers and directors, which are subject to litigation, was considered to be appropriate.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are

Independent auditor's report

free from material misstatement, whether due to fraud or error.

7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent auditor's report

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. As required by Section 143(3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

    (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30 to the standalone financial statements.

        ii. The Company has long-term contracts as at March 31, 2019 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2019.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

        iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Mehul Desai
Partner
Membership Number: 103211

Mumbai
Date: May 22, 2019

Annexure A
to Independent Auditors' Report

Referred to in paragraph 14(f) of the Independent Auditors' Report of even date to the members of Balaji Telefilms Limited on the standalone financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Balaji Telefilms Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

Annexure A
to Independent Auditors' Report

that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Mehul Desai
Partner
Membership Number: 103211

Mumbai
Date: May 22, 2019

Annexure B
to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Balaji Telefilms Limited on the standalone financial statements for the year ended March 31, 2019

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of immovable properties, as disclosed in Note 4 on Property, plant and equipment to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. (Television serials, Films and Internet series where Company owns the rights are verified with reference to the title documents/ agreements). No differences were noticed on physical verification of inventory as compared to book records.

iii. The Company has granted unsecured loans to one company covered in the register maintained under Section 189 of the Act. There are no firms /LLPs/ other parties covered in the register maintained under Section 189 of the Act.

(a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.

(b) In respect of the aforesaid loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in absence of stipulation of repayment terms we do not make any comment on the regularity of repayment of principal and payment of interest.

(c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 30 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of customs, duty of excise and goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax and value added tax as at March 31, 2019 which have not been deposited on account of a dispute, are as follows:

Annexure B
to Independent Auditors' Report

Name of the statute	Nature of dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994	Service Tax	6,348.00	2006-07 and 2007-08	High Court
The Finance Act, 1994	Service Tax	2,943.00	April 2008 to April 2011	Commissioner of Service Tax
Value Added Tax and Central Sales Tax Act	Sales Tax and VAT	171.34	2012-13 and 2013-14	Joint Commissioner of Sales Tax
Value Added Tax and Central Sales Tax Act	Sales Tax and VAT	8.52	2014-15	Deputy Commissioner of Sales Tax
The Income Tax Act, 1961	Tax Deducted at Source	218.08	2009-10 and 2010-11	High Court

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Mehul Desai
Partner
Membership Number: 103211

Mumbai
Date: May 22, 2019

Balance Sheet
as at March 31, 2019

Particulars	Note No.	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	3,002.75	3,022.63
(b) Capital work-in-progress	4	52.46	226.79
(c) Financial Assets			
(i) Investments	5	48,694.65	34,586.63
(ii) Trade receivables	13(ii)	431.01	-
(iii) Loans	6	940.19	894.30
(iv) Other financial assets	7(i)	326.12	371.65
(d) Deferred tax assets (net)	8	1,981.86	1,963.69
(e) Non-Current tax assets (net)	9	2,628.08	2,149.47
(f) Other non-current assets	10	3,238.08	5,773.76
Total non-current assets		**61,295.20**	**48,988.92**
Current assets			
(a) Inventories	11	6,328.14	6,855.96
(b) Financial assets			
(i) Investments	12	22,106.08	34,190.36
(ii) Trade receivables	13(i)	10,283.76	8,298.44
(iii) Cash and cash equivalents	14	1,587.04	1,039.58
(iv) Loans	15	316.13	910.38
(v) Other financial assets	7(ii)	1,543.02	1,216.04
(c) Contract assets	7(a)	1,755.38	-
(d) Other current assets	16	4,482.86	2,766.97
Total current assets		**48,402.41**	**55,277.73**
Total Assets		**109,697.61**	**104,266.65**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	2,022.61	2,022.61
(b) Other equity	18	98,970.11	96,307.89
Total equity		**100,992.72**	**98,330.50**
Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	19		
(I) total outstanding dues of micro and small enterprises		-	-
(II) total outstanding dues other than (i) (I) above		7,210.55	4,268.43
(ii) Other financial liabilities	20	127.20	365.85
(b) Provisions	21(i)	15.99	-
(c) Other current liabilities	21(ii)	1,281.60	647.67
(d) Current Tax Liabilities (net)	22	69.55	654.20
Total current liabilities		**8,704.89**	**5,936.15**
Total Equity and Liabilities		**109,697.61**	**104,266.65**

The above Balance Sheet should be read in conjunction with the accompanying notes
This is the Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date: May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Managing Director)
DIN: 00005124

D.G. Rajan
(Audit Committee Chairman)
DIN: 00303060

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Simmi Singh Bisht
(Group Head Secretarial)

Statement of Profit and Loss

for the year ended March 31, 2019

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
		₹ in Lacs	₹ in Lacs
(I) Revenue from operations	23	44,030.15	41,658.69
(II) Other Income	24	2,482.16	1,659.28
(III) Total income (I+II)		**46,512.31**	**43,317.97**
(IV) Expenses			
(a) Cost of Production / Acquisition and Telecast Fees	25	36,705.29	27,845.88
(b) Changes in inventories	25	(1,963.00)	2,349.50
(c) Marketing and distribution expenses		2,035.94	1,312.00
(d) Employee benefits expense	26	2,271.11	1,595.94
(e) Depreciation and amortization expense	27	1,308.79	1,389.93
(f) Other expenses	28	3,509.14	3,247.75
(V) Total expenses		**43,867.27**	**37,741.00**
(VI) Profit before exceptional items and tax (III-V)		**2,645.04**	**5,576.97**
(VII) Less: Exceptional Items	31	**-**	**905.07**
(VIII) Profit Before Tax (VI-VII)		**2,645.04**	**4,671.90**
(IX) Tax expense:	29		
(a) Current tax		695.81	1,309.38
(b) Deferred tax		(63.23)	1,023.44
(c) Short/(Excess) provision for tax in respect of earlier years		-	708.98
Total tax expense		**632.58**	**3,041.80**
(X) Profit for the year (VIII-IX)		**2,012.46**	**1,630.10**
(XI) Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the post employment benefit obligations		(5.82)	(5.70)
Income tax relating to items that will not be reclassified to profit or loss		2.01	1.97
Other comprehensive income for the year, net of tax		(3.81)	(3.73)
(XII) Total comprehensive income for the year (X+XI)		**2,008.65**	**1,626.37**
(XIII) Basic and diluted earnings per share (In ₹) (Face value of ₹ 2 each)	36	1.99	1.79

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes
This is the Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date: May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Managing Director)
DIN: 00005124

D.G. Rajan
(Audit Committee Chairman)
DIN: 00303060

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)

Simmi Singh Bisht
(Group Head Secretarial)

Place : Mumbai
Date : May 22, 2019

Statement of Cash Flows
for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax		**2,645.04**		**4,671.90**
Adjustments for:				
Depreciation and amortisation expenses	1,308.79		1,389.93	
Advances written off	598.37		199.52	
Provision for doubtful debts and advances (net)	255.59		113.13	
Loss on fixed assets written off /disposals (net)	10.47		26.63	
Impact of adoption of Ind AS 115 directly recognised in retained earnings	129.04		-	
Net gains on financial assets mandatorily measured at fair value through profit and loss	(2,068.36)		(1,376.88)	
Dividend Income on investments mandatorily measured at fair value through profit and loss	(10.15)		-	
Exceptional items considered in income-tax	-		905.07	
Provision for gratuity expenses	11.89		30.62	
Advances / creditors written back	(192.07)		(67.29)	
Amortisation of prepaid rent element of rental security deposit	75.28		74.38	
Unwinding of discount on security deposit	(82.34)		(74.42)	
Service Tax CENVAT Credit Write-off	-		153.57	
Employee share based payment expenses	612.01		-	
Interest income on fixed deposits	(20.02)		(16.76)	
Interest income on deferred consideration	(25.03)		-	
Interest income on income-tax refund	(7.57)		(41.61)	
Interest income on loan to subsidiary	(35.76)	560.14	(24.40)	1,291.49
Operating profit before working capital changes		**3,205.18**		**5,963.39**
Adjustments for:				
(Increase)/decrease in trade receivable	(2,416.33)		1,559.68	
(Increase)/decrease in other current financial assets	309.30		14.56	
(Increase)/decrease in other current assets	(1,890.62)		4,470.21	
(Increase)/decrease in contract assets	(1,755.38)		-	
(Increase)/decrease in other non current financial assets	45.53		(48.01)	
(Increase)/decrease in loans	36.45		(18.69)	
(Increase)/decrease in other non current assets	1,781.24		(2,173.55)	
(Increase)/decrease in inventories	527.82		2,349.50	
Increase/(decrease) in trade payables	3,134.19		(2,368.51)	
Increase/(decrease) in other financial liabilities	-		0.34	
Increase/(decrease) in other current liabilities	633.93	406.13	(3,075.12)	710.41
Cash generated from operations		**3,611.31**		**6,673.80**
Income-tax paid		(1,759.07)		(1,469.34)
Net cash flow generated from operating activities (A)		**1,852.24**		**5,204.46**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payments for property, plant and equipment	(1,125.05)		(1,016.08)	
Proceeds from sale of property, plant and equipment	-		39.30	
Payments for purchase of current investments	(15,018.85)		(73,732.04)	
Proceeds from sale of current investments	28,701.22		45,969.10	
Payments for purchase of non current investments	(15,325.00)		(15,025.00)	
Proceeds from sale of non current investments	1,506.61		497.24	
Loans to related parties (net)	594.25		(603.85)	
Interest income received	88.38		82.77	
Net cash used in investing activities (B)		**(578.44)**		**(43,788.56)**

Statement of Cash Flow

for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of equity share capital	-		41,328.00	
Share issue costs	-		(1,653.87)	
Dividend paid to company's shareholders (including DDT)	(487.67)		(486.87)	
Net cash generated from/(used in) financing activities (C)		**(487.67)**		**39,187.26**
Net increase in cash and cash equivalents (A+B+C)		**786.13**		**603.16**
Cash and cash equivalents at the beginning of the year		673.64		70.48
Cash and cash equivalents at the end of the year		**1,459.77**		**673.64**

Components of cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Cash and cash equivalents above comprises of		
- Cash and cash equivalent as per note 14 (excluding balance in unpaid dividend account)	1,577.71	1,034.98
- Temporarily overdrawn book balances as per note 20	(117.94)	(361.34)
Cash and cash equivalents at the end of the year	**1,459.77**	**673.64**

The above Statement of cash flows should be read in conjunction with the accompanying notes
This is the Statement of cash flows referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date: May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Managing Director)
DIN: 00005124

D.G. Rajan
(Audit Committee Chairman)
DIN: 00303060

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)

Simmi Singh Bisht
(Group Head Secretarial)

Place : Mumbai
Date : May 22, 2019

Statement Of Changes In Equity

for the year ended March 31, 2019

A. Equity share capital

Particulars	₹ in Lacs
As at April 1, 2017	**1,518.61**
Changes in equity share capital during the year	504.00
As at March 31, 2018	**2,022.61**
As at April 1, 2018	**2,022.61**
Changes in equity share capital during the year	-
As at March 31, 2019	**2,022.61**

B. Other Equity

(₹ in Lacs)

Particulars	Reserves and surplus					
	General reserve	Securities premium	Retained earnings	Capital reserve	Share options outstanding account	Total
Balance as at April 1, 2017	**5,133.10**	**29,579.21**	**21,333.03**	**(47.08)**	**-**	**55,998.26**
Profit for the year	-	-	1,630.10	-	-	1,630.10
Other comprehensive income for the year	-	-	(3.73)	-	-	(3.73)
Total comprehensive income for the year	**-**	**-**	**1,626.37**	**-**	**-**	**1,626.37**
Transactions with owners in their capacity as owners:						
Share issue costs	-	(1,653.87)	-	-	-	(1,653.87)
On issue of equity shares	-	40,824.00	-	-	-	40,824.00
Payment of dividends (Refer note 46)	-	-	(404.52)	-	-	(404.52)
Dividend distribution tax (Refer note 46)	-	-	(82.35)	-	-	(82.35)
Balance as at March 31, 2018	**5,133.10**	**68,749.34**	**22,472.53**	**(47.08)**	**-**	**96,307.89**
As at April 1, 2018	**5,133.10**	**68,749.34**	**22,472.53**	**(47.08)**	**-**	**96,307.89**
Change in accounting policy (Refer note 47)	-	-	83.98	-	-	83.98
Restated balance as at April 1, 2018	**5,133.10**	**68,749.34**	**22,556.51**	**(47.08)**	**-**	**96,391.87**
Profit for the year	-	-	2,012.46	-	-	2,012.46
Other comprehensive income for the year	-	-	(3.81)	-	-	(3.81)
Total comprehensive income for the year	**-**	**-**	**2,008.65**	**-**	**-**	**2,008.65**
Transactions with owners in their capacity as owners:						
Employee share options expense (Refer note 42)	-	-	-	-	1,057.26	1,057.26
Payment of dividends (Refer note 46)	-	-	(404.52)	-		(404.52)
Dividend distribution tax (Refer note 46)	-	-	(83.15)	-		(83.15)
Balance as at March 31, 2019	**5,133.10**	**68,749.34**	**24,077.49**	**(47.08)**	**1,057.26**	**98,970.11**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes
This is the Statement of Changes in Equity referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date: May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Managing Director)
DIN: 00005124

D.G. Rajan
(Audit Committee Chairman)
DIN: 00303060

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Simmi Singh Bisht
(Group Head Secretarial)

Notes forming part of financial statements
for the year ended March 31, 2019

Note 1 :Background

Balaji Telefilms Limited ('the Company') was incorporated on November 10, 1994 under the Companies Act, 1956. The Company has established itself as a leader in television content in India particularly for Hindi language content and has also successfully ventured in the regional television content market and event business. The company is also in the business of production of films. The registered office and principal place of business of the Company is at Andheri (West), Mumbai.

Note 2: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of the Financial Statements.

(a) Basis of preparation

(i) The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criterias set out in the Schedule III to the Companies Act, 2013.

Based on the nature of products/services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained it's operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

(ii) <u>Historical cost convention</u>

The financial statements have been prepared on a historical cost basis, except for the following:
(I) certain financial assets and liabilities that are measured at fair value;
(II) defined benefit plans - plan assets measured at fair value.
(III) Share based payments

(iii) New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2018:

Ind AS 115, Revenue from Contract with the Customers: Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under the method, the Company has elected to apply the revenue standard only to contracts that are not completed as at the date of initial application. The Company had to change its accounting policies and make certain adjustments following the adoption of Ind AS 115. This is disclosed in note 47.

Amendment to Ind AS 12, Income Taxes: The amendments clarify the accounting for deferred taxes where an asset is measured at fair value and fair value is below the asset's tax base. They also clarify certain other aspects of accounting of deferred tax. The amendment does not have any impact of the Company's financial statements.

Notes forming part of financial statements
for the year ended March 31, 2019

(b) Segment Reporting

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. The chief operating decision maker of the Company consists of the managing director, chief executive officer and chief financial officer which assesses the financial performance and position of the Company, and makes strategic decisions. Refer note 38.

(c) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(d) Revenue

The Company derives revenue from producing television programs, Internet series, sale or licensing movie rights and delivering events to its customers. The Company identifies and evaluate each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

Revenue generated from the commissioned television programs and Internet series produced for broadcasters is recognized over the period of time over the contract period.

Revenue from sale and licensing of movies - The Company evaluates if a license represents a right to access the content (revenue recognized over time) or represents a right to use the content (revenue recognized at a point in time). The Company has determined that most license revenues are satisfied at a point in time due to their being limited ongoing involvement in the use of the license following its transfer to the customer.

Revenue from events is recognised over the period of time.

The transaction price, being the amount to which the Company expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration where the Company's performance may result in additional revenues based on the achievement of agreed targets.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

Revenue excludes any taxes and duties collected on behalf of the government.

Notes forming part of financial statements

for the year ended March 31, 2019

(e) Interest and Dividend Income Recognition:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's carrying amount on initial recognition.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(f) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred Tax assets are recognised for all deductible temporary differences, unused tax losses and carry forward tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax losses and tax credits.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(g) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Notes forming part of financial statements
for the year ended March 31, 2019

As a lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(h) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of Cash Flow Statement, Cash and cash equivalents are considered net of outstanding overdrafts, if any, as they are considered an integral part of Company's cash management.

(i) Inventories

Inventories comprise of Television / Internet Series, Films and Events and are stated at the lower of cost and net realisable value. Cost is determined on the following basis:

Television / Internet Series: At average cost

Films / Events : Actual/Unamortised Cost

Unamortised cost of Films: The cost of film is amortised in the ratio of current revenue to expected total revenue. At the end of each accounting period, balance unamortised cost is compared with net expected revenue. If net expected revenue is less than unamortised cost, the same is written down to net expected revenue.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

(j) Trade receivables

Trade receivable are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(k) Financial Instruments

(i) Financial Assets

Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or Other Comprehensive Income.

Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Notes forming part of financial statements

for the year ended March 31, 2019

Investments in Subsidiaries, associates, and Joint Ventures:

The Company accounts for its equity investments in subsidiaries, associates and joint venture at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates, and joint ventures, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

The Company accounts for its investments other than equity in subsidiaries, associates and joint venture at fair value through profit or loss.

Financial assets at fair value through profit or loss (FVTPL):

Investments in instruments other than covered above are classified as FVTPL, unless the Company has irrevocably elected on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in those instruments.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Assets that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Other debt instruments are designated as at fair value through profit or loss on initial recognition.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 44 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of Financial Assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Notes forming part of financial statements
for the year ended March 31, 2019

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(ii) Financial Liabilities:

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(l) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(m) Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the asset, net of their residual values, if any, over their estimated useful lives which are in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013 except for the following assets which are depreciated as per management estimates of their useful life which are as under:

Studios and sets – 3 years

Leasehold improvements – on a straight line basis over the period of lease

Notes forming part of financial statements

for the year ended March 31, 2019

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

(n) Impairment of assets

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit or Loss.

(o) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are not recognized for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Where the likelihood of outflow of resources is remote, no provision or disclosure as specified in Ind AS -37 – "Provision, contingent liabilities and contingent assets" is made.

(p) Business combinations

Business combination of entities under common control is accounted as per Appendix C of the Ind-AS 103, except if required otherwise as per the Scheme of business combination approved by the National Company Law Tribunal.

(q) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.

Notes forming part of financial statements
for the year ended March 31, 2019

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity;

(b) defined contribution plans such as provident fund

Defined benefit plans:

The Company has taken a Group Gratuity cum Life Assurance Policy from the Life Insurance Corporation of India (LIC).

The liability recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets. Contributions are made to LIC in respect of gratuity based upon actuarial valuation done at the end of every financial year using 'Projected Unit Credit Method'.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans:

Contributions to Provident Fund and Pension Fund are charged to the Statement of Profit and Loss as incurred. Provident fund contributions are made to a government administered provident fund towards which the Company has no further obligations beyond its monthly contributions.

(r) Share Based Payment

Shared-based compensation benefits are provided to employees via "Balaji Telefilms ESOP, 2017" ("BTL ESOP 2017'').

The fair value of options granted under the BTL ESOP 2017 scheme is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- excluding any impact of service conditions
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time)

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Notes forming part of financial statements
for the year ended March 31, 2019

(s) Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal digits after lakhs as per the requirement of Schedule III of the Act, unless otherwise stated.

Note 3: Critical Estimates and Judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

Estimated useful life of Tangible Assets:

The Company reviews the useful lives and carrying amount of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods

Estimation of Current Tax Expense and Income Tax Payable / Receivable:

The calculation of Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material adjustment to taxable profits/losses.

Estimation of Defined Benefit Obligation:

The Company's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, this liability is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

Notes forming part of financial statements

for the year ended March 31, 2019

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

Estimation of Contingent Liabilities:

The company exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision or contingent liability.

Recognition of Deferred Tax Assets:

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. In assessing the realizability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

Impairment of Trade Receivables:

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Fair valuation:

Some of the Company's assets and liability are measured at fair value for financial reporting purpose. In estimating the fair value of an asset and liability Company uses market observable data to the extent available. When Level 1 inputs are not available, the company engages third party qualified valuer to establish the appropriate techniques and input to valuation model.

Information about the valuation techniques used in determining the fair value of various assets are disclosed in note 43.

Impairment assessment of Investments carried at cost:

The Company conducts impairment review of the investments in subsidiaries whenever events or changes in circumstances indicate their carrying amounts may not be recoverable or tests for impairment annually. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which is based on future cash flows and suitable discount rate in order to calculate the present value.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 4 - Property, plant and equipment and Capital Work in Progress

(₹ in Lacs)

Description of Assets	Buildings - Freehold	Computers	Plant and machinery - Others	Studios and sets	Vehicles	Furniture and fixtures	Office equipments	Electrical fittings	Lease Hold Improvements	Total	Capital work-in-progress
I. Gross Carrying Amount											
Balance as at April 1, 2017	**472.57**	**1,142.75**	**2,559.58**	**5,878.20**	**1,413.41**	**336.47**	**440.21**	**95.28**	**454.70**	**12,793.17**	**340.27**
Additions	-	18.71	1.64	-	261.85	0.10	15.56	0.90	-	298.76	717.31
Transfer	-	-	-	830.80	-	-	-	-	-	830.80	(830.80)
Disposals	-	-	-	-	(385.82)	-	-	-	-	(385.82)	-
Balance as at March 31, 2018	**472.57**	**1,161.46**	**2,561.22**	**6,709.00**	**1,289.44**	**336.57**	**455.77**	**96.18**	**454.70**	**13,536.91**	**226.79**
II. Accumulated Depreciation											
Balance as at April 1, 2017	**(96.80)**	**(1,088.48)**	**(1,956.47)**	**(4,304.63)**	**(796.22)**	**(289.95)**	**(389.64)**	**(67.36)**	**(454.70)**	**(9,444.25)**	**-**
Depreciation expense	(7.90)	(22.85)	(98.98)	(1,089.38)	(125.48)	(12.39)	(23.69)	(9.26)	-	(1,389.93)	-
Disposals	-	-	-	-	319.90	-	-	-	-	319.90	-
Balance as at March 31, 2018	**(104.70)**	**(1,111.33)**	**(2,055.45)**	**(5,394.01)**	**(601.80)**	**(302.34)**	**(413.33)**	**(76.62)**	**(454.70)**	**(10,514.28)**	**-**
III. Net Carrying Amount as at March 31, 2018	**367.87**	**50.13**	**505.77**	**1,314.99**	**687.64**	**34.23**	**42.44**	**19.56**	**-**	**3,022.63**	**226.79**
I. Gross Carrying Amount											
Balance as at April 1, 2018	**472.57**	**1,161.46**	**2,561.22**	**6,709.00**	**1,289.44**	**336.57**	**455.77**	**96.18**	**454.70**	**13,536.91**	**226.79**
Additions	-	100.54	67.19	-	12.09	-	15.60	0.13	-	195.55	929.50
Write-off	-	-	-	-	-	-	-	-	-	-	(10.47)
Transfer from CWIP	-	-	-	1,093.36	-	-	-	-	-	1,093.36	(1,093.36)
Balance as at March 31, 2019	**472.57**	**1,262.00**	**2,628.41**	**7,802.36**	**1,301.53**	**336.57**	**471.37**	**96.31**	**454.70**	**14,825.82**	**52.46**
II. Accumulated Depreciation											
Balance as at April 1, 2018	**(104.70)**	**(1,111.33)**	**(2,055.45)**	**(5,394.01)**	**(601.80)**	**(302.34)**	**(413.33)**	**(76.62)**	**(454.70)**	**(10,514.28)**	**-**
Depreciation expense	(7.90)	(36.09)	(78.49)	(1,037.04)	(110.78)	(9.46)	(21.73)	(7.30)	-	(1,308.79)	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2019	**(112.60)**	**(1,147.42)**	**(2,133.94)**	**(6,431.05)**	**(712.58)**	**(311.80)**	**(435.06)**	**(83.92)**	**(454.70)**	**(11,823.07)**	**-**
III. Net Carrying Amount as at March 31, 2019	**359.97**	**114.58**	**494.47**	**1,371.31**	**588.95**	**24.77**	**36.31**	**12.39**	**-**	**3,002.75**	**52.46**

Notes:

a. Building includes ₹ 220.86 lacs (Previous year ₹220.86 lacs), being cost of ownership premises in Co-operative Society including cost of shares of face value of ₹ 0.01 lac received under Bye-laws of the Society.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 5 Non-current investments

Particulars	As at March 31, 2019		As at March 31, 2018	
	₹ in Lacs		₹ in Lacs	
(1) Investment in fully paid-up Equity shares (unquoted) (at cost)				
(i) Wholly owned subsidiaries :				
2,000,000 (Previous year 2,000,000) Equity shares of ₹10/- each in Balaji Motion Pictures Limited	200.00		200.00	
Add : Capital contribution on account of employee stock option plan (Refer note 42)	75.91	275.91	-	200.00
450,050,000 (Previous year 300,050,000) Equity shares of ₹10/- each in Alt Digital Media Entertainment Limited	45,005.00		30,005.00	
Add : Capital contribution on account of employee stock option plan (Refer note 42)	369.34	45,374.34	-	30,005.00
(ii) Subsidiaries :				
(a) 4,455,100 (Previous year 5,100) Equity Shares of ₹10/- each in Marinating Films Private Limited		1,023.99		100.00
(b) 25,000 (Previous year 25,000) Equity Shares of ₹10/- each in Chhayabani Balaji Entertainment Private Limited		2.50		2.50
(2) Investment in fully paid-up preference shares of subsidiaries (unquoted) (at fair value through profit or loss)				
(i) Subsidiary :				
(a) Nil (Previous year 4,450,000) Preference shares of ₹10/- each in Marinating Films Private Limited		-		923.99
(b) 7,50,000 (Previous year 7,50,000) Preference shares of ₹10/- each in Chhayabani Balaji Entertainment Private limited		188.20		188.20
(3) Investment in compulsory convertible debentures of subsidiaries (unquoted) (at cost)				
(a) 3,250,000 (Previous year Nil) compulsory convertible debentures of ₹10/- each in Marinating Films Private Limited		325.00		-
(4) Investment in Associate (unquoted) (at cost)				
(i) IPB Capital Advisors LLP		0.50		0.50
(ii) Indus Balaji Education Capital Advisors LLP		0.38		0.38
(5) Investment in Indus Balaji Investor Trust (unquoted) (at fair value through profit or loss)				
(i) 2,242,859 (Previous year 2,959,617) Class A units of ₹100 each	1,502.86		3,164.82	
(ii) 3,880 (Previous year 5,000) Class B units of ₹100 each	0.97		1.24	
		1,503.83		3,166.06
Aggregate carrying value of unquoted investments		**48,694.65**		**34,586.63**
Aggregate amount of impairment in the value of investments		**-**		**-**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 6 Loans (Non-Current)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Security deposit	991.11	921.22
Loans to professional staff	-	24.00
Less: Loss allowance	(50.92)	(50.92)
Total	**940.19**	**894.30**

Break-up of security details

Loans considered good - Secured	-	-
Loans considered good - Unsecured	940.19	894.30
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	50.92	50.92
Total	**991.11**	**945.22**
Less: Loss allowance	(50.92)	(50.92)
Total loans	**940.19**	**894.30**

Note: Security Deposits include deposits given to three directors (Previous year : four directors) of the company of ₹ 708.32 lacs (Previous year : ₹ 760.98 lacs) for the properties taken on lease from them.

Note 7 Other financial assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
i) Non-current financial assets		
Unsecured, Considered good		
Fixed deposits with banks having more than 12 months maturity (Refer Note 1 below)	326.12	371.65
Total	**326.12**	**371.65**
ii) Current financial assets		
Unsecured, Considered good		
(a) Subsidiaries current account (Refer Note 2 below)	-	110.26
(b) Other Receivables	1,543.02	587.27
(c) Unbilled revenue	-	518.51
Total	**1,543.02**	**1,216.04**

Note 1: The above fixed deposits with banks are kept in lien against bank guarantees
Note 2: The above amount represents collections made by the subsidiary company pertaining to the acquired business (Refer Note 41)

Notes forming part of financial statements
for the year ended March 31, 2019

Note 7(a) Contract assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Contract assets relating to Commissioned sales	1,755.38	-
Less: Loss allowance	-	-
Total	**1,755.38**	**-**

Note 8 Deferred tax assets (net)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Deferred tax assets		
Depreciation on fixed assets	903.43	783.00
Minimum alternate tax credit entitlement	1,282.77	1,188.67
Carried forward tax losses	109.27	619.05
Security deposits	-	27.64
Deferred sales consideration	24.08	-
Loss allowance on financial assets	226.23	113.96
	2,545.78	**2,732.32**
Deferred tax liabilities		
Fair valuation of investments	(552.86)	(768.63)
Security deposits	(11.06)	-
	(563.92)	**(768.63)**
Deferred tax assets (net)	**1,981.86**	**1,963.69**

(i) Movement in deferred tax balances

Particulars	For period ended March 31, 2019		
	Opening Balance	Movement	Closing Balance
Tax effect of items constituting deferred tax liabilities			
Fair value of investments	768.63	(215.77)	552.86
Security deposits	(27.64)	38.70	11.06
	740.99	**(177.07)**	**563.92**
Tax effect of items constituting deferred tax assets			
Depreciation on fixed assets	783.00	(120.43)	903.43
Carried forward tax losses	619.05	509.78	109.27
Minimum alternate tax credit entitlement	1,188.67	(94.10)	1,282.77
Deferred sales consideration	-	(24.08)	24.08
Loss allowance on financial assets	113.96	(112.27)	226.23
	2,704.68	**158.90**	**2,545.78**
Net deferred tax asset/ (liabilities)	**1,963.69**	**(18.17)**	**1,981.86**

Movement comprises of credit to statement of profit and loss of ₹ 63.23 lacs and a debit of ₹ 45.06 lacs directly in retained earnings as a result of change in accounting policy (Refer note 47)

Notes forming part of financial statements

for the year ended March 31, 2019

Particulars	For Year Ended March 31, 2018		
	Opening Balance	Movement	Closing Balance
Tax effect of items constituting deferred tax liabilities			
Fair value of investments	483.39	285.24	768.63
Security deposits	9.18	(36.82)	(27.64)
	492.57	**248.42**	**740.99**
Tax effect of items constituting deferred tax assets			
Depreciation on fixed assets	604.37	(178.63)	783.00
Carried forward tax losses	2,676.31	2,057.26	619.05
Minimum alternate tax credit entitlement	85.49	(1,103.18)	1,188.67
Loss allowance on financial assets	113.53	(0.43)	113.96
	3,479.70	**775.02**	**2,704.68**
Net deferred tax asset/ (liabilities)	**2,987.13**	**1,023.44**	**1,963.69**

Note 9 Non-current tax assets (Net)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Advance payment of income-tax	2,628.08	2,149.47
Total	**2,628.08**	**2,149.47**

Note 10 Other non-current assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Advance to vendors	3,238.08	5,773.76
Total	**3,238.08**	**5,773.76**

Note 11 Inventories

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Finished		
Television serials	79.53	1,512.61
Films	-	690.24
Work in process		
Films	6,248.61	3,674.90
Internet series	-	978.21
Total	**6,328.14**	**6,855.96**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 12 Current investments

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Investment in mutual funds (Non trade) (Unquoted) (carried at fair value through profit or loss)	22,106.08	34,190.36
Total	**22,106.08**	**34,190.36**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Quantity (Units)	Amount ₹ in Lacs	Quantity (Units)	Amount ₹ in Lacs
IN UNITS OF MUTUAL FUNDS				
Reliance Regular Savings Fund - Debt Plan-Growth Plan	-	-	7,204,165.45	1,743.96
HDFC Short Term Plan - Regular Plan - Growth	-	-	1,657,247.97	570.66
Birla Sun Life Short Term Fund - Growth - Regular Plan	-	-	3,176,433.78	2,110.64
AXIS Short Term Fund - Growth	3,003,941.17	607.76	3,003,941.17	566.17
Axis Treasury Advantage Fund - Growth	-	-	27,049.82	523.83
Aditya Birla SL Corporate Bond Fund	862,729.78	618.39	15,898,883.10	2,057.41
Aditya Birla SL Short Term Opportunities Fund-Growth	1,363,052.81	421.18	1,970,963.76	568.73
Aditya Birla SL Treasury Optimizer Plan - Growth	-	-	691,085.32	1,531.21
Axis Liquid Fund - Growth	-	-	85,400.23	1,640.31
HDFC Liquid Fund - Regular Plan - Growth	50,734.17	1,857.02	20,770.96	708.41
HDFC Medium Term Opportunities Fund	-	-	5,289,717.85	1,021.49
HDFC Short Term Opportunities Fund - Growth	-	-	8,028,947.03	1,539.53
ICICI Prudential Corporate Bond Fund	-	-	9,440,367.51	2,551.62
ICICI Prudential Regular Savings Fund	-	-	13,827,599.05	2,568.49
IDFC Credit Risk Fund-Regular Plan-Growth	23,781,937.00	2,695.99	23,781,937.00	2,549.16
Kotak Corporate Bond Fund - Growth	-	-	67,596.10	1,542.87
Kotak Credit Risk Fund - Regular Plan -Growth	8,077,655.15	1,643.24	8,077,655.15	1,544.88
Kotak Low Duration Fund - Growth	-	-	50,717.71	1,076.80
Kotak Medium Term Fund - Growth	10,669,322.14	1,630.68	10,669,322.14	1,539.87
L&T Credit Risk Fund - Regular Plan- Growth	10,300,252.36	2,172.28	10,300,252.36	2,050.51
Reliance Strategic Debt Fund - Growth	16,775,231.19	2,466.56	18,527,324.78	2,596.25
Reliance Fixed Horizon Fund - XXXVI - Series 4 Growth Plan	-	-	10,073,102.63	1,015.31
UTI Short Term Income Fund - Institutional Option	2,694,691.46	606.58	2,694,691.46	572.26
Reliance Fixed Horizon Fund - XLI - Series 2 Reg	10,878,040.73	1,092.55	-	-

Notes forming part of financial statements
for the year ended March 31, 2019

Particulars	As at March 31, 2019		As at March 31, 2018	
	Quantity (Units)	Amount ₹ in Lacs	Quantity (Units)	Amount ₹ in Lacs
Aditya Birla SL Banking and PSU Debt Fund-Reg-Growth	850,102.74	2,024.17	-	-
ICICI Prudential Liquid Fund- Regular-Growth	418,474.35	1,152.56	-	-
ICICI Prudential Money Market Fund	703,078.98	1,819.79	-	-
Reliance Ultra Short Duration Fund	37,611.15	1,093.92	-	-
Franklin India Ultra Short Bond Fund-Super Institutional Plan-Growth	774,353.47	203.41	-	-
Total		**22,106.08**		**34,190.36**
Aggregate amount of unquoted Investments		**22,106.08**		**34,190.36**
Aggregate amount of quoted Investments and market value thereof		-		-
Aggregate amount of impairment in value of Investments		-		-

Note 13 Trade receivables

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Trade Receivables	**9,742.32**	**8,588.91**
Receivables from Related Party	1,318.15	55.23
Less: Loss allowance	(345.70)	(345.70)
Total Receivables	**10,714.77**	**8,298.44**
13(i) Current portion	10,283.76	8,298.44
13(ii) Non-current portion	431.01	-
Break-up of security details		
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	11,060.47	8,644.14
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	**11,060.47**	**8,644.14**
Less: Loss allowance	(345.70)	(345.70)
Total Trade Receivables	**10,714.77**	**8,298.44**

The average credit period on sales is 75 days. No interest is charged on trade receivables overdue. The Company has generally recognised an allowance for doubtful debts at 100% against receivables from whom recoverability is uncertain.

Trade receivables disclosed above include amounts that are past due at the end of the reporting period for which the Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period.

The Company has provided ₹ 345.70 (Previous Year ₹ 345.70) lacs towards doubtful receivables as at March 31, 2019

Notes forming part of financial statements
for the year ended March 31, 2019

Note 14 Cash and cash equivalents

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
(a) Cash on hand	25.62	24.17
(b) Balances with banks-		
(i) In current accounts	1,533.65	1,010.81
(ii) In deposit accounts with original maturity of less than three months	18.44	-
(c) Unpaid dividend accounts	9.33	4.60
Total	**1,587.04**	**1,039.58**

Note 15 Loans (Current)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Loans to related parties	292.13	886.38
Loans to professional staff	24.00	24.00
Less: Loss allowance	-	-
Total	**316.13**	**910.38**

Break-up of security details

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Loans considered good - Secured	-	-
Loans considered good - Unsecured	316.13	910.38
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	**316.13**	**910.38**
Less: Loss allowance	-	-
Total loans	**316.13**	**910.38**

Note 16 Other Current assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
(a) Prepaid expenses	68.81	102.35
(b) Balances with government authorities	1,404.46	1,608.97
(c) Advances to vendors	2,049.93	1,055.65
(d) Other Receivables	959.66	-
Total	**4,482.86**	**2,766.97**

Notes forming part of financial statements

for the year ended March 31, 2019

Note 17 Equity share capital

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
(a) Authorised		
150,000,000 (Previous Year 150,000,000) Equity shares of ₹ 2/- each	3,000.00	3,000.00
30,000,000 (Previous year 30,000,000) Preference shares of ₹ 2/- each	600.00	600.00
	3,600.00	**3,600.00**
(b) Issued, Subscribed and fully paid-up		
101,130,443 (Previous Year 101,130,443) Equity shares of ₹ 2/- each	2,022.61	2,022.61
Total	**2,022.61**	**2,022.61**

Notes :

(i) Details of Equity shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares	% of Holding	Number of shares	% of Holding
Reliance Industries Ltd.	25,200,000	24.92	25,200,000	24.92
Ekta Kapoor	18,308,208	18.10	16,735,116	16.55
Shobha Kapoor	11,008,850	10.89	10,035,633	9.92

(ii) The reconciliation of the number of shares outstanding is set out below:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Equity shares outstanding at the beginning of the year	101,130,443	2,022.61	75,930,443	1,518.61
Add: Issue of Equity Shares during the year	-	-	25,200,000	504.00
Equity shares outstanding at the end of the year	101,130,443	2,022.61	101,130,443	2,022.61

(iii) **Terms and rights attached to equity shares**

The company has only one class of equity shares having a par value of INR 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the company, the shareholders will be eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

(iv) No shares are issued for consideration other than cash during the 5 years immediately preceding March 31, 2019.

(v) **Shares reserved for Issue under options**

Information relating to Balaji Telefilms Employee Stock Option Scheme, including details of option issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note no. 42.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 18 Other equity - Reserves & Surplus

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
(a) General reserve	5,133.10	5,133.10
(b) Securities premium account	68,749.34	68,749.34
(c) Retained earnings	24,077.49	22,472.53
(d) Capital Reserve	(47.08)	(47.08)
(e) Share options outstanding account	1,057.26	-
Total	**98,970.11**	**96,307.89**

Note 18(a) General Reserve

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Balance at beginning of year	5,133.10	5,133.10
Add: Transferred from retained earnings	-	-
Balance at the end of the year	**5,133.10**	**5,133.10**

Note 18(b) Securities premium account

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Balance at beginning of year	68,749.34	29,579.21
Add: On issue of equity shares	-	40,824.00
Less: Share issue costs	-	(1,653.87)
Balance at the end of the year	**68,749.34**	**68,749.34**

Note 18(c) Retained earnings

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Balance at beginning of year (as originally presented)	22,472.53	21,333.03
Change in accounting policy (Ind AS 115) (Refer Note 47)	83.98	-
Restated balance	22,556.51	21,333.03
Profit for the year	2,012.46	1,630.10
Items of other comprehensive income recognised directly in retained earnings	(3.81)	(3.73)
Total comprehensive income for the year	**2,008.65**	**1,626.37**
Payment of dividends	(404.52)	(404.52)
Dividend distribution tax	(83.15)	(82.35)
Balance at the end of the year	**24,077.49**	**22,472.53**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 18(d) Capital reserve

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Balance at beginning of year	(47.08)	(47.08)
Balance at the end of the year	**(47.08)**	**(47.08)**

Note 18(e) Share options outstanding account

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Balance at beginning of year	-	-
Add: Additions during the year (Refer Note no. 42)	1,057.26	-
Balance at the end of the year	**1,057.26**	**-**

Nature and purpose of reserves :

A. General Reserve : General reserve is created out of transfer from retained earnings and is a free reserve.

B. Securities Premium Account : Security Premium is created to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

C. Capital Reserve : Capital Reserve represents excess of net assets taken over pursuant to the scheme of arrangement sanctioned by National Company Law Tribunal (Refer note 41).

D. Share options outstanding account : The share options outstanding account is used to recognise the grant date fair value of option issued to employees under Balaji Telefilms ESOP, 2017.

Note 19 Trade payables

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Trade payables- micro and small enterprises	-	-
Trade payables- Others	7,210.55	4,268.43
Total	**7,210.55**	**4,268.43**

Notes:

(a) Micro, Small and Medium Enterprises :

The balances above includes INR Nil (Previous Year Nil) due to Micro and Small Enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act). No interest is paid / payable during the year to any Micro / Small Enterprise registered under the MSME. There were no delayed payments during the year to any Micro or Small Enterprise registered under the MSME Act. The above information has been determined to the extent such parties could be identified on the basis of the information available with the Management regarding the status of suppliers under the MSME Act.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 20 Other financial liabilities (current)

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Unpaid dividends (Refer Note below)	9.26	4.51
Temporarily overdrawn book balances	117.94	361.34
Total	**127.20**	**365.85**

Note
Appropriate amount shall be transferred to Investor Education and Protection Fund if and when due.

Note 21(i) Provisions - Current

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Provision for Gratuity (Refer Note - 35)	15.99	-
Total	**15.99**	**-**

Note 21(ii) Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Contract liabilities/ advances from customers	811.45	318.79
Statutory liabilities	330.94	176.89
Employee Benefit Payables	139.21	151.99
Total	**1,281.60**	**647.67**

Note 22 Current tax liabilities (net)

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Provision for tax	69.55	654.20
Total	**69.55**	**654.20**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 23 Revenue from operations

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
(a) Revenue from contracts with customers		
- Sale of service		
Commissioned television programs	27,934.08	27,099.74
Internet programs	5,059.57	2,784.29
Sale and licensing of movies	9,906.60	10,409.68
Sale of television programs/ movies concept rights	58.20	100.60
Event Management	939.00	1,169.00
(b) Other Operating Income		
Facilities / equipment hire Income	132.70	95.38
Total	**44,030.15**	**41,658.69**

See note 47 for details about restatements for change in accounting policies consequent to adoption of Ind AS 115.

Unsatisfied long-term licensing contracts:
The following table shows unsatisfied performance obligations resulting from long-term licensing contracts.

Particulars	For the year ended March 31, 2019 ₹ in Lacs
Aggregate amount of the transaction price allocated to long-term licensing contracts that are fully unsatisfied as at reporting date	9,900.00

Management expects that 86% of transaction price allocated to the unsatisfied contracts as on March 31, 2019 will be recognised as revenue during the next reporting period (₹ 8,500 lacs). The remaining 14% (₹ 1,400 lacs) will be recognised in the financial year 2020-2021. The amount disclosed above does not include variable consideration which is constrained. All other contracts are for periods of one year or less. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

As permitted under the transitional provisions in Ind AS 115, the transaction price allocated to (partially) unsatisfied performance obligations as of March 31, 2018 is not disclosed.

The Revenue recognised is equivalent to the contract price and there is no element of discount, rebates, incentives, etc. which are adjusted to revenue.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 24 Other Income

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
(a) Interest income		
On fixed deposits with banks	20.02	16.76
On Income-tax refund	7.57	41.61
On loan given to subsidiary company	35.76	24.40
(b) Unwinding of discount on security deposit	82.34	74.42
(c) Interest income on deferred considerations	25.03	-
(d) Net gains on financial assets mandatorily measured at fair value through profit and loss*	2,068.36	1,376.88
(e) Dividend Income on investments mandatorily measured at fair value through profit and loss	10.15	-
(f) Insurance claim received	1.97	55.33
(g) Advances / Creditors written back	192.07	67.29
(h) Net foreign exchange differences	38.89	-
(i) Others	-	2.59
Total	**2,482.16**	**1,659.28**

* Total net gains on Investments mandatorily measured at fair value through profit and loss included ₹ 2,090.35 lacs (Previous year ₹ 660.83 lacs) as net gains on sale of investments

Note 25 Cost of Production / Acquisition and Telecast Fees

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Production expenses including purchase of costumes and dresses	2,271.20	715.55
Artists, Directors, technicians and Professional Fees	16,393.94	12,565.85
Location hire charges	2,958.32	1,584.74
Shooting and location expenses	4,594.18	4,706.28
Telecasting fees / purchase of rights	168.02	8.65
Food and refreshment charges	480.30	443.71
Sets & studio maintenance charges	882.04	800.60
Uplinking charges	39.36	108.53
Insurance expense	36.29	37.97
Line production cost	5,844.71	4,194.39
Set properties and equipment hire charges	2,286.87	1,918.78
Purchase of tapes	-	5.18
Sound expense	82.54	98.78
Other production expenses	667.52	656.86
Total	**36,705.29**	**27,845.88**

Notes forming part of financial statements
for the year ended March 31, 2019

Changes in Inventories :

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Opening balance :		
Television serials, internet series and films	6,855.95	9,205.45
Less: Derecognition of inventory on account of adoption of Ind AS 115 (Refer Note no. 47)	(2,490.81)	-
Opening balance as on April 1, 2018	4,365.14	9,205.45
Closing balance :		
Television serials, internet series and films	6,328.14	6,855.95
Total changes in inventories	**(1,963.00)**	**2,349.50**

Note 26 Employee Benefits Expense

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Salaries and wages	1,501.73	1,440.72
Contributions to provident and other funds (Refer Note 35(a))	126.91	88.19
Gratuity (Refer Note 35(b))	11.89	30.62
Staff welfare expenses	18.57	36.41
Employee share based payment expenses (Refer Note no. 42)	612.01	-
Total	**2,271.11**	**1,595.94**

Note 27 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Depreciation of property, plant and equipment (Refer Note 4)	1,308.79	1,389.93
Total	**1,308.79**	**1,389.93**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 28 Other expenses

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Power and fuel	78.38	101.17
Rent including lease rentals	191.51	183.76
Repairs and maintenance - Others	158.43	83.17
Insurance	61.39	54.68
Rates and taxes	158.03	556.32
Communication expenses	40.67	31.12
Legal and professional charges (Refer Note 28.1)	978.10	1,244.39
Security and housekeeping expenses	61.53	39.30
Business promotion expenses	145.06	86.90
Travelling and conveyance expenses	85.28	82.25
Donations and contributions	22.44	18.36
Expenditure on corporate social responsibility (Refer Note 28.2)	85.26	45.43
Advances written off	598.37	199.52
Provision for doubtful debts and advances	255.57	113.13
Bad debts written off	0.02	78.10
Software expenses	13.58	14.90
Directors sitting fees	42.50	51.75
Loss of fixed assets written off/ disposals	10.47	26.63
Miscellaneous expenses	522.55	236.85
Total	**3,509.14**	**3,247.75**

Note 28.1 Details of auditors remuneration (Included in legal and professional charges)

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
As Auditors :		
Audit fee	35.00	29.50
In other capacities :		
Other services - Certification	2.50	18.50
Reimbursement of expenses	1.63	0.84
Total	**39.13**	**48.84**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 28.2 Corporate social responsibility expenditure

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Amounts required to be spent as per section 135 of the Act	78.96	57.32
Amounts spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	85.26	45.43
Total	**85.26**	**45.43**

Note 29 Tax expense

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Income tax expense		
Current tax		
Current tax on profits for the year	695.81	1,309.38
Adjustments for current tax of prior periods	-	708.98
	695.81	**2,018.36**
Deferred tax		
Decrease/ (increase) in deferred tax assets	158.90	775.02
(Decrease)/ increase in deferred tax liabilities	(177.07)	248.42
Reversal of deferred tax directly recognised in retained earnings on April 1, 2018 due to change in accounting policy (refer note 47)	(45.06)	-
Total deferred tax expense/(benefit)	**(63.23)**	**1,023.44**
Income tax expense	**632.58**	**3,041.80**

Income Tax Expense for the year can be reconciled to the accounting profit as follows

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Profit before tax	2,645.04	5,576.97
Tax calculated at 34.944% (Previous year- 34.608%)	**924.28**	**1,930.08**
Tax effect of amounts that are not deductible in determining taxable profit	54.38	95.31
Effect of set off of carried forward long term capital losses	(330.34)	-
Tax on deductions under chapter VI-A	(3.92)	(3.62)
Expired tax losses	-	281.08
Excess provision for tax in respect of earlier years	-	708.98
Tax rate difference	(20.00)	12.76
Others	8.18	17.21
Total	**632.58**	**3,041.80**
Tax expense recognised in profit & loss	**632.58**	**3,041.80**

Notes forming part of financial statements
for the year ended March 31, 2019

30 Contingent liabilities (to the extent not provided for)

Claims against the company not acknowledged as debts	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
In respect of Service Tax Matters	2,943.00	2,943.00
In respect of VAT Matters	179.86	145.50
In respect of Income Tax Matters	218.08	218.08
In respect of Labour Matters (Net of ₹ 14.67 lacs paid under protest)	54.00	79.36

Apart from the above, the Company had received a Show Cause Notice (SCN) for demand of ₹ 6,348 lacs from Service Tax Department, Mumbai for the period April 2006 to March 2008 on exports made to one of the customers of the Company. On an appeal to Commissioner of Service Tax, the matter was adjudicated in the Company's favour and Service Tax Department had dropped the demand of ₹ 6,348 lacs. The department had further filed an appeal against the said order with the Customs, Excise & Service Tax Appellate Tribunal (CESTAT) which was dismissed by the Hon'ble CESTAT vide their order dated March 9, 2016. Department has further filed an appeal against the said order with the High Court on October 19,2016 and same is pending for adjudication.

Pursuant to the notices issued to Balaji Motion Pictures Limited (BMPL), pertaining to the films division acquired by company under scheme of merger (Refer Note 41), under Section 153A of Income-tax Act, 1961 (in respect of proceedings initiated under section 132) the assessments for all the relevant assessment years were completed by the Department during the quarter ended June 30, 2015. During the year ended March 31, 2017, the BMPL 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. During the year ended March 31, 2018, ITAT deleted the penalty for Assessment year 2010-11 and order is awaited for AY 2013-14.

The Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the aforesaid matter is not likely to have an impact and accordingly, no provision has been made in these Financial Statements

31 Pursuant to action under Section 132 of the Income-tax Act, 1961 during the financial year 2013-14, the Company filed Return of Income u/s 153A for the respective years from FY 2006-07 to FY 2013-14. Income Tax Department completed the assessment thereof u/s 143(3) read with Section 153A in the financial year 2015-16. However, since there were differences in the original returns filed u/s 139(1) and those filed u/s 153A for the respective years, orders levying penalty were passed. The Company succeeded in cancelling the penalty for one of the years. Penalty procedings for other years is still pending for disposal before the Income-tax Appellate Tribunal, Mumbai. The Order u/s 132B dated September 27, 2017 is received by the Company. The Company, as a matter of abundant precaution, has adjusted the net penalty amount against the advance tax balance appearing in the books and the resultant charge (net of interest on refund due) amounting to ₹ 905.07 lacs is debited to the Statement of Profit and Loss and disclosed under Exceptional Items for the year ended March 31, 2018.

Notes forming part of financial statements
for the year ended March 31, 2019

32 The Company has investments in subsidiaries namely Balaji Motion Pictures Limited (BMPL), ALT Digital Media Entertainment Limited (ALT), Chhayabani Balaji Entertainment Private Limited (CBEPL) and Marinating Films Private Limited (MFPL) aggregating to ₹ 47,189.94 lacs (Previous year ₹31,419.69 lacs). Further, the Company has also given loans and advances aggregating to ₹ 292.13 lacs to BMPL (Previous year ₹885.37 lacs given to BMPL). As per the latest audited balance sheet of BMPL and CBEPL for the year ended March 31, 2019, the accumulated losses have fully eroded the net-worth of the respective companies. As per the latest audited balance sheet of ALT and MFPL the investment is partially eroded as at March 31, 2019. However, basis the management evaluation it is not necessary to recognise an impairment loss for these investments as the carrying amount of the investments does not exceed its recoverable amount. Recoverable amounts has been determined with the assistance of external valuation expert. The company is committed to provide financial support to BMPL, ALT, MFPL and CBEPL for a period of at least 12 months from the date of signature of these financial statements, in such case if assistance is needed.

33 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries :

(₹ in Lacs)

Name of the party	Relationship	Amount outstanding as at March 31, 2019	Maximum balance outstanding during the year
Balaji Motion Pictures Limited	100% Subsidiary	292.13	885.37
		(885.37)	(996.11)
Event Media LLP	Subsidiary Body Corporate	-	-
		(-)	(138.48)
ALT Digital Media Entertainment Limited	100% Subsidiary	-	-
		(-)	(8.57)

Note: Figures in Brackets denote last year's figures

Notes forming part of financial statements
for the year ended March 31, 2019

34 Related Party Transactions

(a) Name of related parties and description of relationship.

Name of the Related Party	Relationship
Balaji Motion Pictures Limited	Subsidiary Company
Marinating Films Private Limited	Subsidiary Company
Alt Digital Media Entertainment Limited	Subsidiary Company
Chhayabani Balaji Entertainment Private Limited	Subsidiary Company
Event Media LLP	Subsidiary Body Corporate (Upto January 15, 2018)
IPB Capital Advisors LLP	Associate
Indus Balaji Education Capital Advisors LLP	Associate
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Key management person (upto March 27, 2019) and relative of key management person thereafter.
Mr. Sunil Lulla	Key management person (from May 25, 2018)
Mr. Anshuman Thakur	Key management person (from September 1, 2017)
Mr. Arun K. Purwar	Key management person
Mr. D G Rajan	Key management person
Mr. Ashutosh Khanna	Key management person
Mr. Devender Kumar Vasal	Key management person
Mr. V B Dalal	Key management person
Mr. Pradeep Sarda	Key management person
Ms. Jyoti Deshpande	Key management person (from March 23, 2018)
Mr. Jyotindra Thacker	Key management person (from September 1, 2017 to March 21, 2018)

Notes forming part of financial statements

for the year ended March 31, 2019

(b) Details of Transactions during the year and balances at the year end

₹ in Lacs

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel	Subsidiary Body Corporate
Loans given			
Balaji Motion Pictures Limited	96.00	-	-
	(883.03)	-	-
Loans Recovered			
Balaji Motion Pictures Limited	725.50	-	-
	(215.98)	-	-
Loans including Interest and Investment written off			
Event Media LLP	-	-	-
	-	-	(80.83)
Sale of internet programs and licensing of movies			
Alt Digital Media Entertainment Limited	5,654.13	-	-
	(2,850.12)	-	-
Reimbursement of Expenses received			
Alt Digital Media Entertainment Limited	416.13	-	-
	(166.98)	-	-
Marinating Films Private Limited	9.98	-	-
	(-)	-	-
Interest income on deferred consideration			
Alt Digital Media Entertainment Limited	25.03	-	-
	(-)	-	-
Interest Income on Loan Given			
Balaji Motion Pictures Limited	35.76	-	-
	(24.40)	-	-
Commission Paid to			
Balaji Motion Pictures Limited	320.10	-	-
	(-)	-	-
Rent Income			
Balaji Motion Pictures Limited	6.00	-	-
	(1.50)	-	-
Directors sitting fees			
Mr. Jeetendra Kapoor	-	4.00	-
	-	(6.25)	-
Mr. Tusshar Kapoor	-	3.00	-
	-	(3.00)	-
Mr. Anshuman Thakur	-	2.00	-
	-	(2.00)	-
Mr. Arun K. Purwar	-	5.00	-
	-	(7.00)	-
Mr. Ashutosh Khanna	-	4.00	-
	-	(7.00)	-

Notes forming part of financial statements
for the year ended March 31, 2019

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel	Subsidiary Body Corporate
Mr. D.G. Rajan	-	6.00	-
	-	(5.50)	-
Mr. Devender Kumar Vasal	-	6.00	-
	-	(7.50)	-
Ms. Jyoti Deshpande	-	4.00	-
	-	(-)	-
Mr. Jyotindra Thacker	-	-	-
	-	(2.00)	-
Mr. Pradeep Sarda	-	2.50	-
	-	(3.25)	-
Mr. V.B. Dalal	-	6.00	-
	-	(7.50)	-
Rent paid			
Mr. Jeetendra Kapoor	-	55.55	-
	-	(50.16)	-
Mrs. Shobha Kapoor	-	1,505.33	-
	-	(1,416.70)	-
Mr. Tusshar Kapoor	-	13.92	-
	-	(13.13)	-
Ms.Ekta Kapoor	-	234.99	-
	-	(215.61)	-
Remuneration (Refer note (iii) below)			
Mrs. Shobha Kapoor	-	239.88	-
	-	(239.73)	-
Ms Ekta Kapoor		239.88	
	-	(239.73)	-
Mr. Sameer Nair	-	-	-
	-	(263.92)	-
Mr. Sunil Lulla	-	222.92	-
	-	(-)	-
Cross-charge from			
Alt Digital Media Entertainment Limited	578.92	-	-
	(-)	-	-
Capital contribution on account of Employee stock option			
Alt Digital Media Entertainment Limited	369.34	-	-
	(-)	-	-
Balaji Motion Pictures Limited	75.91	-	-
	(-)	-	-

Notes forming part of financial statements
for the year ended March 31, 2019

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel	Subsidiary Body Corporate
Investment made			
Marinating Films Private Limited	325.00	-	-
	(100.00)	-	-
Chhayabani Balaji Entertainment Limited	-	-	-
	(25.00)	-	-
Alt Digital Media Entertainment Limited	15,000.00	-	-
	(15,000.00)	-	-
Amount receivable as at March 31, 2019			
Mrs. Shobha Kapoor *	-	308.32	-
	-	(310.53)	-
Mr. Jeetendra Kapoor *	-	300.00	-
	-	(270.27)	-
Mr. Tusshar Kapoor *	-	100.00	-
	-	(90.09)	-
Ms. Ekta Kapoor *	-	100.00	-
	-	(90.09)	-
Balaji Motion Pictures Limited	292.13	-	-
	(885.87)	-	-
Marinating Films Private Limited	9.98	-	-
	(-)	-	-
Alt Digital Media Entertainment Limited	1,508.41	-	-
	(55.23)	-	-
Amount receivable on Current account as at March 31, 2019			
Balaji Motion Pictures Limited	-	-	-
	(110.26)	-	-
Contract Asset (Unbilled Revenue)			
Alt Digital Media Entertainment Limited	1,073.23	-	-
	(-)	-	-
Advance received for content			
Alt Digital Media Entertainment Limited	156.46	-	-
	(210.60)	-	-

* - Deposit for leased property

Note

(i) There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties.

(ii) Figures in bracket relate to the previous financial year

(iii) The company provides long term benefits in the form of gratuity to its key managerial person along with all employees, cost of the same is not identifiable seperately and hence not disclosed.

Notes forming part of financial statements
for the year ended March 31, 2019

35 Employee Benefits

a) Defined Contribution Plans

Both the employees and the Company make pre-determined contributions to the provident fund. Amount recognized as expense amounts to ₹ 126.91 lacs (Previous Year ₹ 88.19 lacs)

b) Defined Benefit Plans

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at March 31, 2019	Valuation as at March 31, 2018
Discount rate(s)	7.64%	7.80%
Expected rate(s) of salary increase	5.00%	5.00%
Rate of employee turnover	10.00%	10.00%
Mortality Rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Defined benefit plans – as per actuarial valuation on March 31, 2019

(₹ in Lacs)

Particulars	Funded Plan Gratuity March 31, 2019	Funded Plan Gratuity March 31, 2018
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Actuarial (Gains)/Losses on Obligation for the year	5.18	5.37
Return on Plan Assets, Excluding Interest Income	0.64	0.33
Change in asset ceiling	-	-
Net amount recognised in Other Comprehensive Income (OCI)	**5.82**	**5.70**
Expenses recognised in the Statement of Profit or Loss for the current year		
Current Service Cost	12.03	9.44
Past Service Cost	-	8.70
Net interest cost	(0.14)	(2.25)
Plan asset written off	-	14.73
Expenses Recognized	**11.89**	**30.62**

Notes forming part of financial statements

for the year ended March 31, 2019

Particulars	Funded Plan Gratuity March 31, 2019	Funded Plan Gratuity March 31, 2018
I. Net Asset/(Liability) recognised in the Balance Sheet		
Present value of defined benefit obligation at the end of the year	(113.98)	(90.10)
Fair value of plan assets at the end of the year	97.99	91.82
Surplus/(Deficit)	(15.99)	1.72
Net (Liability)/ Asset recognized in the Balance sheet	**(15.99)**	**-**
II. Change in the obligation during the year ended		
Present value of defined benefit obligation at the beginning of the year	90.10	71.04
Expenses Recognised in Profit and Loss Account		
Current Service Cost	12.03	9.44
Past Service Cost	-	8.70
Interest Cost	7.03	5.22
(Benefit paid from the Fund)	(0.36)	(9.67)
Actuarial (Gains)/ Losses on Obligations - Due to change in demographic assumptions	-	9.31
Actuarial (Gains)/ Losses on Obligations - Due to change in financial assumptions	1.03	(2.42)
Actuarial (Gains)/ Losses on Obligations- Due to experience	4.15	(1.52)
Present value of defined benefit obligation at the end of the year	**113.98**	**90.10**
III. Change in fair value of assets during the year ended 31st March		
Fair value of plan assets at the beginning of the year	91.82	101.66
Interest Income	7.17	7.47
Contributions by the employer	-	3.09
(Benefit paid from the Fund)	(0.36)	(9.67)
Return on Plan Assets, excluding Interest Income	(0.64)	(0.33)
Plan Assets written off	-	(10.40)
Fair value of plan assets at the end of the year	**97.99**	**91.82**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Projected Benefit Obligation on Current Assumptions	113.98	90.10
Delta Effect of +1% Change in Rate of Discounting	(6.16)	(5.20)
Delta Effect of -1% Change in Rate of Discounting	6.88	5.82
Delta Effect of +1% Change in Rate of Salary Increase	5.96	5.55
Delta Effect of -1% Change in Rate of Salary Increase	(5.47)	(5.10)
Delta Effect of +1% Change in Rate of Employee Turnover	0.83	0.80
Delta Effect of -1% Change in Rate of Employee Turnover	(0.96)	(0.91)

Notes forming part of financial statements
for the year ended March 31, 2019

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

The company expects to contribute ₹ 31.47 lacs to the gratuity fund during the next financial year.

Maturity profile of defined benefit obligation:

(₹ in Lacs)

Projected Benefits Payable in future years from Date of Reporting	For the year ended March 31, 2019	For the year ended March 31, 2018
1st Following year	14.41	12.84
2nd Following year	11.06	9.76
3rd Following year	12.05	9.45
4th Following year	11.65	9.93
5th Following year	11.57	9.55
Sum of Years 6 to 10	55.89	47.89
Sum of Years 11 and above	79.60	68.64

Plan Assets

The fair value of Company's gratuity plan asset as of March 31, 2019 by category are as follows:

(₹ in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Asset category:		
Deposits with Insurance companies	97.99	91.82
	100%	100%

The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published benchmarks.

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes forming part of financial statements

for the year ended March 31, 2019

36 Earning per share

Basic and Diluted earnings per share calculation is as below:

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Profit for the year attributable to equity share holders (₹ in Lacs) (a)	2,012.46	1,630.10
Weighted average number of equity shares outstanding during the year (Nos.) (b)	101,130,443	91,257,566
Earnings per share - Basic and diluted (₹) (a/b)	1.99	1.79
Nominal value of shares (₹)	2	2

37 Lease Transactions

Amount of lease rentals charged to the Statement of profit and loss in respect of operating leases is ₹ 3,149.83 Lacs (Previous Year ₹ 1,768.50 Lacs)

The company does not have any non-cancellable leases as on March 31, 2019.

38 Segment Information

The company has presented data relating to it's segments in it's Consolidated Financial Statements. Accordingly, in terms of paragraph 4 of the Indian Accounting Standard (Ind AS 108) "Operating Segments", no disclosure related to it's segments are presented in the Standalone Financial Statements.

39 Details relating to investment in Limited Liability Partnership (LLP)

Name of the LLP	Names of partners in the LLP	As at March 31, 2019		As at March 31, 2018	
		Total capital ₹ in Lacs	Share of each partner in the profits of the LLP	Total capital ₹ in Lacs	Share of each partner in the profits of the LLP
IPB Capital Advisors LLP	Balaji Telefilms Limited	0.500	50.00%	0.500	50.00%
	IP Capital Advisors LLP	0.490	49.00%	0.490	49.00%
	IPM Capital Advisors LLP	0.010	1.00%	0.010	1.00%
		1.000	**100%**	**1.000**	**100%**
Indus Balaji Education Capital Advisors LLP	Balaji Telefilms Limited	0.375	18.75%	0.375	18.75%
	IP Capital Advisors LLP	0.375	18.75%	0.375	18.75%
	IPX Capital Advisors LLP	0.250	12.50%	0.250	12.50%
	Mohit Ralhan	0.500	25.00%	0.500	25.00%
	IPM Capital Advisors LLP	0.500	25.00%	0.500	25.00%
		2.000	**100.00%**	**2.000**	**100.00%**
Event Media LLP	Balaji Telefilms Limited*	-	-	-	-
	Select Media Holdings LLP	-	-	0.490	49.00%
		-	**-**	**0.490**	**-**

* During the previous year the company has exited the partnership.

Notes forming part of financial statements

for the year ended March 31, 2019

40 The Company has given certain advances to co-producers and directors where the production of films has not commenced. This also includes amounts receivable from co-producers in respect of certain films. These advances and receivables are subject to litigations as at March 31, 2019 aggregating to ₹ 1,619 lacs towards recovery of these dues . On the basis of the evaluation carried out by the management, in consultation with the lawyers, the amounts are considered good and fully recoverable.

41 During the previous year, the composite Scheme of Arrangement and Amalgamation (the 'Scheme') between the Company and two of its subsidiaries viz. Balaji Motion Pictures Limited ('BMPL') and Bolt Media Limited ('Bolt'), for the merger of Bolt and the film production undertaking of BMPL with the Company and the consequent capital reduction in the books of BMPL has been approved by the National Company Law Tribunal (Mumbai bench) ('NCLT') and subsequently filed with the Registrar of Companies, Securities and Exchange Board of India and Stock Exchanges by December 15, 2017 (the 'Effective date'). Pursuant to the Scheme becoming effective, the same has been accounted for in accordance with 'Pooling of Interest' method specified in Appendix C of Ind-AS 103 Business Combinations.

Details of assets and liabilities acquired are as under :

(₹ in Lacs)

Particulars	BMPL	BOLT	Total
Assets taken over:			
Property, plant and equipment	336.28	2.27	338.55
Non Current Financial assets	201.00	-	201.00
Current tax assets (net)	854.71	63.15	917.86
Other Non current assets	3,909.22	-	3,909.22
Inventories	10,516.07	-	10,516.07
Current Financial Assets :			
(i) Trade receivables	41.76	35.12	76.88
(ii) Cash and cash equivalents	59.56	26.85	86.41
(iii) Other financial assets	226.96	-	226.96
Other Current Assets	2,715.53	3.56	2,719.09
Total (A)	**18,861.09**	**130.95**	**18,992.04**
Liabilities taken over:			
Financial liabilities :			
(i) Borrowings	21,840.97	232.14	22,073.11
(ii) Trade payables	254.27	14.52	268.79
(iii) Other financial liabilities	980.09	58.60	1,038.69
Other Current Liabilities	544.80	-	544.80
Total (B)	**23,620.13**	**305.26**	**23,925.39**
Losses taken over (C)	**7,511.96**	**179.31**	**7,691.27**
Investment cancellation (D)	**2,800.00**	**5.00**	**2,805.00**
Capital Reserve	(47.08)	-	(47.08)

Notes forming part of financial statements
for the year ended March 31, 2019

42 Share based payments

The Nomination and Remuneration Committee ("NRC") of the Board of Directors of the Company has formulated the Balaji Telefilms ESOP, 2017 ("the ESOP Scheme") to grant Stock Options in the form of Options to the eligible employees of the Company and its subsidiaries. The ESOP Scheme has been adopted by the NRC by a Resolution passed at its meeting held on February 13, 2018 pursuant to the enabling authority granted under resolution passed by the members of the Company by way of Postal Ballot or electronic voting held on December 30, 2017. ESOP Scheme has been formulated in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("the SEBI Regulations"), as amended.

The NRC, vide a resolution passed at its meeting held on May 19, 2018, and June 20, 2018 has granted Options ("Options"), 16,63,734 Options on May 19, 2018 and 21,25,239 Options on June 20, 2018 to the eligible employees of the Company and its subsidiaries (as per terms decided by the NRC).

The Options granted would vest over a period of 3 years – the first 25% to vest at the end of one year from the grant date, 35% to vest at the end of second year from the grant date and balance 40% to vest at the end of third year from the grant date. Once vested, the option remain exercisable for the period of 3 years from the last vesting date.

When exercisable, each option is convertible into one equity share. The exercise price of the options is based on the stock exchange last closing market price after deducting 25% discount as determined by the Members of Nomination and Remuneration Committee.

The vesting schedule and exercise period of the Options granted on May 19, 2018 is as follows:

Year	Vesting of options	Vesting dates	Exercise Period up to
1	25%	May 18, 2019	May 18, 2024
2	35%	May 18, 2020	May 18, 2024
3	40%	May 18, 2021	May 18, 2024

The vesting schedule and exercise period of the Options granted on June 20, 2018 is as follows:

Year	Vesting of options	Vesting dates	Exercise Period up to
1	25%	June 19, 2019	June 19, 2024
2	35%	June 19, 2020	June 19, 2024
3	40%	June 19, 2021	June 19, 2024

During the year ended March 31, 2019 the Company recorded an employee compensation expenses of ₹ 612.01 Lakhs (previous year Nil lakhs) in the Statement of Profit and Loss.

Certain employees of the Subsidiaries are alloted employee stock options of the Company. The Company does not charge any cost for this benefit. Accordingly, fair value of the award granted to subsidiary's employees is recognised over the vesting period; and the same is treated as a capital contribution to the subsidiary. Accordingly, ₹ 445.25 lacs has been added to the cost of the investments as a capital contribution.

Notes forming part of financial statements
for the year ended March 31, 2019

Set out below is a summary of options granted under the plan:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Average Exercise price per share option (₹)	Number of options	Exercise price per share option (₹)	Number of options
Opening balance	-	-	N.A	N.A
Granted during the year	91.68	37,88,973		
Exercised during the year	-	-		
Forfeited/(lapsed) during the year	-	6,35,117		
Closing balance		**31,53,856**		

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price (₹)	Share options March 31, 2019
May 19, 2018	May 18, 2024	90.00	14,02,455
June 20, 2018	June 19, 2024	93.00	17,51,401
Total			**31,53,856**

Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2019 was ₹ 72.01 per option for options granted on May 19, 2018 (Tranche 1) and ₹ 74.33 per option for options granted on June 20, 2018 (Tranche 2) . The fair value at grant date is determined using the Binomial Tree Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2019 included:

a) Options are granted for no consideration and vest upon completion of service for a period of one to three years from the date of grant. Vested options are exercisable for a period of three years after last vesting date.
b) Exercise price: ₹ 90 (Tranche 1) and ₹ 93 (Tranche 2)
c) Grant date: May 19, 2018 (Tranche 1) and June 20, 2018 (Tranche 2)
d) Expiry date: May 18, 2024 (Tranche 1) and June 19, 2024 (Tranche 2)
e) Share price at grant date: ₹ 119.80 (Tranche 1) and ₹ 123.45 (Tranche 2)
f) Expected price volatility of the company's shares: 46.05% (Tranche 1) and 45.87% (Tranche 2)
g) Expected dividend yield: 0.91% (Tranche 1 and 2)
h) Risk-free interest rate: 7.92% (Tranche 1) and 8.05% (Tranche 2)

The expected price volatility is based on the historic volatility (based on the remaining life of the options).

43 Fair Value Measurements

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

Notes forming part of financial statements
for the year ended March 31, 2019

(a) Financial instrument by category

(₹ in Lacs)

Particulars	March 31, 2019			March 31, 2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Non-current financial assets						
Investments	1,692.03	-	-	4,278.25	-	-
Loans	-	-	940.19	-	-	894.30
Other financial assets	-	-	326.12	-	-	371.65
Trade receivable	-	-	431.01	-	-	-
Current financial assets						
Investments	22,106.08	-	-	34,190.36	-	-
Trade receivables	-	-	10,283.76	-	-	8,298.44
Cash and cash equivalents	-	-	1,587.04	-	-	1,039.58
Loans	-	-	316.13	-	-	910.38
Other financial assets	-	-	1,543.02	-	-	1,216.04
Total Financial Assets	**23,798.11**	**-**	**15,427.27**	**38,468.61**	**-**	**12,730.39**
Financial Liabilities						
Trade payables	-	-	7,210.55	-	-	4,268.43
Other financial liabilities	-	-	127.20	-	-	365.85
Total Financial Liabilities	**-**	**-**	**7,337.75**	**-**	**-**	**4,634.28**

(i) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Lacs)

Financial assets and liabilities measured at fair value-recurring fair value measurement March 31, 2019	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial instrument at FVPL				
Investment in unquoted preference shares	-	-	188.20	188.20
Investment in trusts	-	-	1,503.83	1,503.83
Mutual Fund	-	22,106.08	-	22,106.08
Total Financial Assets	**-**	**22,106.08**	**1,692.03**	**23,798.11**

Notes forming part of financial statements
for the year ended March 31, 2019

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2019	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Loans	-	-	941.35	941.35
Other financial assets	-	-	326.12	326.12
Trade receivable	-	-	434.81	434.81
Total Financial Assets	**-**	**-**	**1,702.28**	**1,702.28**

(₹ in Lacs)

Financial assets and liabilities measured at fair value-recurring fair value measurement March 31, 2018	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial instrument at FVPL				
Investment in unquoted preference shares	-	-	1,112.19	1,112.19
Investment in trusts	-	-	3,166.06	3,166.06
Mutual Fund	-	34,190.36	-	34,190.36
Total Financial Assets	**-**	**34,190.36**	**4,278.25**	**38,468.61**

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2018	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Loans	-	-	894.30	894.30
Other financial assets	-	-	371.65	371.65
Total Financial Assets	**-**	**-**	**1,265.95**	**1,265.95**

The carrying value of current trade receivables, cash and cash equivalents, current loans, trade payables and other financial assets and liabilities are considered to be the same as their fair values due to their short term nature.

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in valuation technique. The hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement). The categories used are as follows:

Level-1 Hierarchy includes financial instruments measured using quoted price.

Level-2 The fair value of financial instruments that are not traded in an active market is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.

Level -3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Notes forming part of financial statements
for the year ended March 31, 2019

(ii) Valuation technique used to determine fair value
Specific valuation technique used to value financial instruments include:
1) The mutual funds are valued using closing NAV available in the market.
2) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iii) Fair value measurements using significant unobservable inputs (level 3)
The following table presents the changes in level 3 items for the year ended March 31, 2019

(₹ in Lacs)

Particulars	Investment in unquoted preference shares	Investment in units of trusts
As at April 1, 2017	**526.46**	**4,035.93**
Acquisitions	125.00	-
Sales	-	(471.17)
Gains/(Losses) recognised in profit or loss	460.73	(398.70)
As at March 31, 2018	**1,112.19**	**3,166.06**
Converted into Equity shares	(923.99)	-
Sales	-	(2,142.88)
Gains/(Losses) recognised in profit or loss	-	480.65
As at March 31, 2019	**188.20**	**1,503.83**

(iv) Valuation input and sensitivity assessment
Expected growth rate is the significant unobservable input which has been used in the level 3 fair valuation mesurements. The sensitivity to changes in the expected growth rate to the valuation as at March 31, 2019 is as follows:
- Investment in Indus Balaji Investor Trust (growth rate considered - 5%): Increasing/Decreasing the expected growth rate by 1% would change the fair value by ₹ 124.47 lacs and (₹ 101.58) lacs respectively.
- Investment in preference shares of Chhayabani Balaji Entertainment Private limited (growth rate considered - 5%): Increasing/Decreasing the expected growth rate by 1% would change the fair value by ₹ 14.88 lacs and (₹ 12.59) lacs respectively.

(v) Valuation process
The valuation of financial assets required for financial reporting purposes is done by an independent valuation expert appointed by the management. Assumptions used for the valuation are provided by the finance department of the Company after discussion with the Chief Financial Officer (CFO) and business unit heads.

(vi) Fair value of fiancial assets measured at amortised cost

(₹ in Lacs)

Particulars	March 31, 2019		March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Trade receivable	431.01	434.81	-	-
Loans	940.19	941.35	894.30	894.30
Other financial assets	326.12	326.12	371.65	371.65

44 Financial Risk Management

Notes forming part of financial statements
for the year ended March 31, 2019

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the management is responsible for overseeing the Company's risk assessment and management policies and processes.

(A) Credit Risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company deals with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and credit ratings of its counterparties are regularly monitored and the aggregate value of transactions concluded is spread amongst counterparties.

(i) Credit Risk Management

Financial instruments and cash deposits

The Company maintains exposure in cash and cash equivalents, term deposits with banks and investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have good credit ratings and hence the risk is reduced. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good. As a practice, the company only invests with high rated banks/institutions.

The Company's maximum exposure to credit risk as at March 31, 2019 and March 31, 2018 is the carrying value of each class of financial assets as disclosed in note 43.

Security deposits given to lessors

The Company has given security deposit to lessors for premises leased by it as at March 31, 2019 and March 31, 2018. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

Trade receivables and contract assets

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past dues. The Contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rate for the contract assets.

Trade receivables and contract assets are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses.

The Company measures the expected credit loss of trade receivables, contract assets and other financial assets which are subject to credit risk, based on historical trend, industry practices and the business environment in which the entity operates and adjusted for forward looking information. Loss rates are based on actual credit loss experience and past trends.

The Company has used practical expedient by computing the expected credit loss allowance for trade receivables

Notes forming part of financial statements
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based on provision matrix. The provision matrix taken into account historical credit loss experience and adjusted to reflect current and forward looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The following table summarizes the Gross carrying amount of the financial assets and provision made:

(₹ in Lacs)

Particulars	March 31, 2019		March 31, 2018	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivables	11,060.47	(345.70)	8,644.14	(345.70)
Loans	1,307.24	(50.92)	1,855.60	(50.92)
Contract assets/ Unbilled Revenue	1,755.38	-	518.51	-

The following table summarizes the changes in the Provisions made for the receivables:

(₹ in Lacs)

Particulars	March 31, 2019	March 31, 2018
Opening balance	(396.62)	(283.49)
Provided during the year (net of write off)	-	(113.13)
Reversals of provisions	-	-
Closing balance	**(396.62)**	**(396.62)**

Of the Trade Receivables balance as at March 31, 2019 of ₹ 11,060.47 lacs (as at March 31, 2018 of ₹ 8,644.14 lacs), the top 3 customers of the company represent the balance of ₹ 7,964.90 lacs as at March 31, 2019 (as at March 31, 2018 of ₹ 5,896.57 lacs).
No significant changes in estimation techniques or assumptions were made during the reporting period.

(B) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The responsibility for liquidity risk management rests with the Board of directors, which has an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by regularly monitoring forecast and actual cash flows.

(i) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity grouping based on their contractual maturities.

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2019				
Trade payables	7,210.55	-	-	7,210.55
Other Financial Liabilities	127.20	-	-	127.20
Total financial liabilities	**7,337.75**	**-**	**-**	**7,337.75**

(₹ in Lacs)

Notes forming part of financial statements
for the year ended March 31, 2019

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2018				
Trade payables	4,268.43	-	-	4,268.43
Other Financial Liabilities	365.85	-	-	365.85
Total financial liabilities	**4,634.28**	**-**	**-**	**4,634.28**

(C) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Foreign currency risk exposure:

The Company does not have any exposure to foreign currency risk as at March 31, 2019 (Previous year Nil).

(b) Interest rate risk

The Company does not have any borrowings and is thus not exposed to interest rate risk as at March 31, 2019 (Previous year Nil).

(c) Price risk

(i) Exposure

The company's exposure to investments arises from investment held by the company in mutual funds and classified in the balance sheet as fair value through profit or loss.

To manage its price risk arising from investments in mutual funds, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company. Investments in Preference shares of subsidiaries are held for strategic purpose and are not trading in nature.

(ii) Sensitivity

(₹ in Lacs)

Particulars	Impact on profit after tax	
	March 31, 2019	March 31, 2018
Net asset value - Increase 5% (March 31, 2018 5%)*	719.07	1,112.14
Net asset value - Decrease 2% (March 31, 2018 2%)*	(287.63)	(444.86)

Profit after tax for the year would increase/ decrease as a result of gains/ losses on investments classified at fair value through profit or loss.

45 Capital Management

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The company considers the following components of its balance sheet to be managed capital: Total equity as shown in the balance sheet including reserves, retained earnings and share capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to

Notes forming part of financial statements
for the year ended March 31, 2019

shareholders, return capital to shareholders or issue new shares.

46 Dividends

(₹ in Lacs)

Particulars	March 31, 2019	March 31, 2018
Equity Shares		
(i) Final Dividend paid during the respective financial year ₹ 0.40 per fully paid share pertaining to dividends proposed for the immediately preceding financial year.	487.67	486.87
(ii) Dividend not recognised at the end of the reporting period In addition to the above dividends, since the year end, the Company has proposed dividend of ₹ 0.40 per fully paid share for the financial year 2018-19 (₹ 0.40 per fully paid share for the financial year 2017-18)	487.67	487.67

47 Changes in accounting policies

This note explains the impact of the adoption of Ind AS 115 Revenue from Contracts with Customers on the company's financial statements.

Impact on the financial statements

The Company applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under this method, the Company recognised the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of retained earnings as at April 1, 2018. Comparative prior period has not been adjusted.

Entities applying the modified retrospective method can elect to apply the revenue standard only to contracts that are not completed as at the date of initial application (that is, they would ignore the effects of applying the revenue standard to contracts that were completed prior to the date of initial application). The company elected to apply the standard to contracts that are not completed as at April 1, 2018.

The impact on the Company's retained earnings as at April 1, 2018 is as follows:

Retained earnings	As at April 1, 2018
Opening balance	22,472.53
Change in accounting policy (Ind AS 115) (net of tax)	83.98
Closing balance	22,556.51

The following table presents the amounts by which each financial statement line item is affected in the current

Notes forming part of financial statements
for the year ended March 31, 2019

year ended March 31, 2019 by the application of Ind AS 115 as compared with the previous revenue recognition requirements. Line items that were not affected by the changes have not been included. The adjustments are explained in more detail in footnotes.

(₹ in Lacs)

Balance sheet (extract)	March 31, 2019 without adoption of Ind AS 115	Increase/ (Decrease)	March 31, 2019 as reported
Non-current assets			
Deferred tax assets	2,025.06	(43.20)	1,981.86
Current assets			
Other financial assets	1,765.85	(222.83)	1,543.02
Contract assets	-	1,755.38	1,755.38
Inventories	8,699.21	(2,371.07)	6,328.14
Other current assets	3,523.20	959.66	4,482.86
Retained earnings	**23,999.56**	**77.93**	**24,077.49**
Total equity	**1,00,914.79**	**77.93**	**1,00,992.72**

(₹ in Lacs)

Statement of profit and loss (extract) year ended March 31, 2019	March 31, 2019 without adoption of Ind AS 115	Increase/ (Decrease)	March 31, 2019 as reported
Revenue from operations	42,902.79	1,127.36	44,030.15
Total Income	**42,902.79**	**1,127.36**	**44,030.15**
Expenses			
Cost of Production (including changes in Inventories)	33,606.98	1,135.31	34,742.29
Income tax expense	634.48	(1.90)	632.58
Total comprehensive income for the year	**2,014.70**	**(6.05)**	**2,008.65**
Earnings per equity share			
Basic & Diluted earnings per share	2.00	(0.01)	1.99

(i) Accounting of Revenue from Commissioned television programs and internet programs

Under the previous revenue recognition standard, Revenue from commissioned television programmes was recognised when relevant episodes of programmes (television serials) are telecast by broadcaster (customer). Revenue from internet programs was recognised on delivery of relevant content to the producers (customers). However, following the adoption of Ind AS 115, it has been assessed that the Company is acting as contracted producer of television and internet programs and therefore, proportionate revenue is to be recognised for shows produced but not telecasted/ delivered together with their related cost. This change in accounting resulted in an increase in opening reserves of ₹ 83.98 lakhs (net of tax), which has been accounted for on April 01, 2018. Further, Revenue for the year ended March 31, 2019 increased by ₹ 1,127.36 lacs, cost of production increased by ₹ 1,135.31 lacs tax expenses decreased by ₹ 1.90 lacs and profit before tax decreased by ₹ 7.95 lacs.

As a consequence of the above, Unbilled revenue (Contract asset) of ₹ 1,532.55 lacs is recognised and Inventory of ₹ 1,411.41 lacs has been derecognised and recognised as cost of production as on March 31, 2019.

(ii) Presentation of the assets and liabilities related to contract with customers

Notes forming part of financial statements
for the year ended March 31, 2019

The Company has voluntarily changed the presentation of certain amounts in the balance sheet to reflect the terminology of Ind AS 115:

Contract assets recognised in relation to commissioned television programmes and internet programs were previously presented as part of other financial assets of ₹ 222.83 lacs at March 31, 2019. Contract asset are in nature of unbilled revenue which arises when entity satisfies a performance obligation but does not have an unconditional right to consideration, for e.g., because it first needs to deliver the content which is necessary to achieve the billing milestone.

Other receivables (other current assets) recognised in relation to cost incurred towards production of shows for anticipated contracts were previously presented as part of Inventories of ₹ 959.66 lacs. In certain cases, the company begins activities towards the production of the shows and incurs cost pending finalization of the final contract with the customer. The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future and the costs are expected to be recovered. Considering this as the costs incurred to fulfil a contract, this has been now reclassed to other receivables from inventories.

48 Recent accounting pronouncements - Standards issued but not yet effective:

(a) Ind AS 116, Leases

Ind AS 116 was notified by Ministry of Corporate Affairs on March 30, 2019 and it is applicable for annual reporting periods beginning on or after April 1, 2019. This standard will replace the current guidance in Ind AS-17, Leases.

Under Ind AS 116, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The statement of profit and loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change.
Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities. The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease.

The company is in process of assessing the impact of the standard on the financial position, results of operation and cash flow.

(b) Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12, 'Income Taxes'

The appendix explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. These amendments will be applicable on or after 1 April 2019. In particular, it discusses:

- how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;
- that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
- that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable

Notes forming part of financial statements
for the year ended March 31, 2019

that the tax authorities will accept the treatment;
- that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

The Company does not expect to have a material impact on its financial statements pursuant to the aforesaid amendment.

(c) Long-term Interests in Associates and Joint Ventures – Amendments to Ind AS 28, 'Investment in Associates and Joint Ventures

The amendments clarify the accounting for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under Ind AS 109 'Financial Instruments' before applying the loss allocation and impairment requirements in Ind AS 28. These amendments are not expected to have any material impact on the financial statements of the Company.

(d) Plan Amendment, Curtailment or Settlement – Amendments to Ind AS 19, 'Employee Benefits'

The amendments to Ind AS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. They confirm that entities must :
- calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change;
- any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling; and
- separately recognise any changes in the asset ceiling through other comprehensive income.

These amendments will apply to any future plan amendments, curtailments, or settlements of the group on or after April 1, 2019. The Company does not expect to have a material impact on its financial statements pursuant to the aforesaid amendment.

(e) Ind AS 12, 'Income Taxes'

The amendments clarify that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends. Previously, it was unclear whether the income tax consequences of dividends should be recognised in profit or loss, or in equity, and the scope of the existing guidance was ambiguous. These amendments are not expected to have any material impact on the financial statements of the Company.

(f) Amendments to other existing Ind AS

Notes forming part of financial statements
for the year ended March 31, 2019

Ind AS 109 - Financial Instruments - Prepayment Features with Negative Compensation
Ind AS 103 - Business Combinations
Ind AS 111 - Joint Arrangements
Ind AS 23 - Borrowing Costs

The Company does not expect any impact from above mentioned new standards and amendments.

Signatures to notes 1 to 48

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date: May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Managing Director)
DIN: 00005124

D.G. Rajan
(Audit Committee Chairman)
DIN: 00303060

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Simmi Singh Bisht
(Group Head Secretarial)

Independent auditor's report

To the Members of Balaji Telefilms Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Balaji Telefilms Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate entities; (refer Note 38 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2019, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate entities as at March 31, 2019, of consolidated total comprehensive income (comprising of loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, other than the unaudited financial statements as certified by the management and referred to in paragraph 14 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

   Below Key Audit Matters have been reproduced from the report on the audit of the standalone financial statements of the Holding Company.

Independent auditor's report

Key audit matter	How our audit addressed the key audit matter
Assessment of carrying value of investments in and loans to Subsidiaries (Refer notes 05 and 15 to the Standalone Financial Statements of the Holding Company) The carrying value of Company's investments in and loans to subsidiaries is Rs. 47,483 lacs as at March 31, 2019. The value of these investments and loans form a significant part of the standalone total assets of the Holding Company. Accumulated losses have eroded/ partly eroded the net worth of the respective subsidiaries. This is an indication of potential impairment of carrying value of these investments and loans. The Holding Company assesses the carrying value of these investments and recoverability of loans by taking into account forecast business plans which are based on various assumptions including growth rate and discount factor. Management uses an independent external professional valuer to determine the fair value of these investments. Based on this, the Holding Company assessed that there is no requirement of considering impairment provision in the carrying value of its investments in and loans to subsidiaries as at March 31, 2019 in the Standaolne Financial Statements of the Holding Company. We considered this as a Key Audit Matter due to uncertainties and significant judgement required by the Management in preparation of future cash flows based on the business plans and the underlying assumptions such as discount rate, growth rate and valuation model.	Our audit procedures included the following: • Understanding and evaluating the design and testing the operating effectiveness of the Holding Company's controls over valuation of investments and recoverability of loans; • Assessing the historical accuracy of the Management's forecasted business plans by comparing the forecasts used in the prior year with the actual performance in the current year; • Comparing the forecasts with the latest approved budgets; • Evaluating the competence, capabilities and objectivity of the independent professional valuer engaged by the Management; • Together with auditor's valuation experts – a. assessing Management's forecasts to evaluate whether the forecasts seem to be reasonable; b. comparing the growth rates used in the forecasts with historical results and industry trends; c. testing appropriateness of the method and model used for determining the fair value of investments, mathematical accuracy of the models' calculations, evaluating reasonableness and challenging key assumptions used such as growth rate, discount rate; d. evaluating the sensitivity analysis in consideration of potential impact of reasonably possible upside or downside changes in the key assumptions. • Considered the results of the aforesaid procedures in evaluating the recoverability of loan given to subsidiary. Based on the above procedures performed, the management's assessment of carrying value of investments in and loans to Subsidiaries, was considered to be appropriate.

Independent auditor's report

Key audit matter	How our audit addressed the key audit matter
Assessment of recoverability of certain Film Advances to and receivables from co-producers and directors which are subject to litigation (Refer note 11 and 46 to the Consolidated Financial Statements and note 10 and 40 to the Standalone Financial Statements of the Holding Company) The film advances and receivables subject to litigation as at March 31, 2019 aggregated Rs. 1,619 lacs. The Holding Company has given certain advances to co-producers and directors where the production of films has not commenced. This also includes amounts receivable from co-producers in respect of certain films. These advances and receivables are subject to litigations towards recovery of these dues as a result of which there is a high level of judgement required in assessing the recoverability of these advances and receivables. The management's assessment of its case being strong and these balances to be good and fully recoverable is supported by independent legal advice, where considered necessary by the management. We considered assessment of recoverability of these advances and receivables as key audit matter since they constitute a significant item in the Standalone and Consolidated Financial Statements, the eventual outcome of claims is sub judice and the assessment of management is based on the application of significant judgement and legal advice. Any outcome different than the management's assessment could significantly impact the Company's reported profit and financial position.	Our audit procedures in relation to these advances and receivables included: • Understanding and evaluating process and controls designed and implemented by the management including testing operating effectiveness of relevant controls; • Reading of agreements with counterparties and obtaining understanding of the arrangements; • Discussions with the Company's internal legal counsel to understand the current status of the litigations, the probable date of conclusion and Management's assessment of the outcome; • Reading the minutes of the meetings of Audit Committee and Board of Directors where the status of these litigations were discussed; • Reading recent communications received from the parties and the management's response to such communications; • Verifying the legal documents like petitions filed by the Company and correspondence with judicial authorities; • Evaluating independence, objectivity and competence of the management's legal advisor; • Obtaining direct confirmations through legal letters from management's independent legal advisor, where considered relevant. Based on the above procedures performed, the management's assessment of recoverability of these film advances to and receivables from co-producers and directors, which are subject to litigation, was considered to be appropriate.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associate entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate entities are responsible for assessing the ability of the Group and of its associate entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group and of its associate entities are responsible for overseeing the financial reporting process of the Group and of its associate entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent auditor's report

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. The consolidated Ind AS financial statements include the Group's share of total comprehensive income of Rs. Nil for the year ended March 31, 2019 as considered in the consolidated financial statements, in respect of two associate entities whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management,

Independent auditor's report

and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these associate entities and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to these associate entities, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

15. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its associate entities – Refer Note 36 to the consolidated financial statements.

ii. The Group and its associate entities had long-term contracts as at March 31, 2019 for which there were no material foreseeable losses. The Group and its associate entities did not have any derivative contracts as at March 31, 2019.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and associate entities incorporated in India.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group and its associate entities for the year ended March 31, 2019.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Mumbai
May 22, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 15(f) of the Independent Auditors' Report of even date to the members of Balaji Telefilms Limited on the financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statements of Balaji Telefilms Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to two associate entities incorporated in India namely IPB Capital Advisors LLP and Indus Balaji Education Capital Advisors LLP, as they are Limited Liability Partnership Firms.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to financial statements.

Annexure A
to Independent Auditors' Report

Meaning of Internal Financial Controls with reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Mumbai
May 22, 2019

Consolidated Balance Sheet
as at March 31, 2019

Particulars	Note No.	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	3,161.95	3,233.87
(b) Capital work-in-progress	4	52.46	226.79
(c) Goodwill on consolidation	5	146.91	146.91
(d) Other intangible assets	5	455.33	795.04
(e) Financial assets			
(i) Investments	6	1,504.69	3,166.88
(ii) Trade receivables	14(ii)	150.12	-
(iii) Loans	7	940.19	913.10
(iv) Other financial assets	8(i)	326.12	371.66
(f) Deferred tax assets (net)	9	1,981.86	1,963.69
(g) Non-current tax assets (net)	10	3,017.15	2,280.71
(h) Other non-current assets	11	3,238.08	5,773.76
Total non-current assets		**14,974.86**	**18,872.41**
Current assets			
(a) Inventories	12	19,583.91	12,780.47
(b) Financial assets			
(i) Investments	13	28,525.52	44,206.15
(ii) Trade receivables	14(i)	9,882.50	9,346.90
(iii) Cash and cash equivalents	15	1,930.17	2,196.14
(iv) Other balances with banks	16	-	0.58
(v) Loans	17	71.39	398.72
(vi) Other financial assets	8(ii)	1,471.03	1,113.06
(c) Contract assets	8(a)	682.25	-
(d) Other current assets	18	10,926.59	6,000.37
Total current assets		**73,073.36**	**76,042.39**
Total Assets		**88,048.22**	**94,914.80**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	2,022.61	2,022.61
(b) Other equity			
- Equity component of compound financial instrument		66.45	66.45
- Reserves & surplus	20	74,155.85	83,263.59
Equity attributable to owners of the Company		**76,244.91**	**85,352.65**
Non-controlling interests		(101.98)	(392.81)
Total equity		**76,142.93**	**84,959.84**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	10.56	8.33
(b)Provisions	22	-	17.92
Total non-current liabilities		**10.56**	**26.25**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	23		
(I) total outstanding dues of micro and small enterprises		34.81	-
(II) total outstanding dues other than (i) (I) above		9,026.92	7,438.67
(ii) Other financial liabilities	24	132.74	381.44
(b) Provisions	25	15.99	-
(c) Other current liabilities	26	2,614.72	1,454.38
(d) Current tax liabilities (net)	27	69.55	654.22
Total current liabilities		**11,894.73**	**9,928.71**
Total Equity and Liabilities		**88,048.22**	**94,914.80**

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.
This is the Consolidated Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date: May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Managing Director)
DIN: 00005124

D.G. Rajan
(Audit Committee Chairman)
DIN: 00303060

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Simmi Singh Bisht
(Group Head Secretarial)

Consolidated Statement of Profit and Loss
for the year ended March 31, 2019

Particulars	Note No.	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
(I) Revenue from operations	28	42,770.87	41,331.79
(II) Other Income	29	3,176.67	1,902.65
(III) Total income (I+II)		**45,947.54**	**43,234.44**
(IV) Expenses			
(a) Cost of production / Acquisition and Telecast fees	30	40,044.69	30,145.98
(b) Changes in inventories	30	(2,447.28)	2,227.72
(c) Marketing and distribution expenses		4,312.16	5,518.89
(d) Employee benefits expense	31	4,956.52	3,114.49
(e) Finance costs	32	2.22	5.00
(f) Depreciation and amortization expense	33	1,806.39	1,770.62
(g) Other expenses	34	6,415.69	5,503.02
(V) Total expenses		**55,090.39**	**48,285.72**
(VI) Loss before share of net loss of associates, exceptional items and tax (III-V)		**(9,142.85)**	**(5,051.28)**
(VII) Add: Share of loss of associates		-	(0.05)
(VIII) Loss before exceptional items and tax (VI+VII)		**(9,142.85)**	**(5,051.33)**
(IX) Less: Exceptional Items	37	-	905.07
(X) Loss before Tax (VIII-IX)		**(9,142.85)**	**(5,956.40)**
(XI) Tax expense:	35		
(a) Current tax		695.81	1,309.38
(b) Deferred tax		(63.23)	(1,771.77)
(c) (Excess) provision for tax in respect of earlier years		-	(860.69)
Total tax expense		**632.58**	**(1,323.08)**
(XII) Loss for the year (X-XI)		**(9,775.43)**	**(4,633.32)**
(XIII) Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the post employment benefit obligations		27.59	(12.46)
Income tax relating to items that will not be reclassified to profit or loss		2.01	1.97
Total other comprehensive income for the year		**29.60**	**(10.49)**
(XIV) Total comprehensive income for the year (XII+XIII)		**(9,745.83)**	**(4,643.81)**
(XV) Loss for the year attributable to :			
- Owners of the Company		(9,735.33)	(4,515.26)
- Non-controlling interest		(40.10)	(118.06)
(XVI) Other Comprehensive Income for the year attributable to :			
- Owners of the Company		29.60	(10.49)
- Non-controlling interest		-	-
(XVII) Total comprehensive income for year attributable to :			
- Owners of the Company		(9,705.73)	(4,525.75)
- Non-controlling interest		(40.10)	(118.06)
(XVIII) Basic and diluted earnings per share attributable to owners of the Company (in ₹) (Face value of ₹ 2 each)	41	(9.63)	(4.95)

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes
This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date: May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Managing Director)
DIN: 00005124

D.G. Rajan
(Audit Committee Chairman)
DIN: 00303060

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Simmi Singh Bisht
(Group Head Secretarial)

Consolidated Statement of cash flows
for the year ended March 31, 2019

	Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
		₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Loss before tax		(9,142.85)		(5,956.40)
	Adjustments for:				
	Depreciation and amortisation expenses	1,806.39		1,770.62	
	Finance cost	2.22		5.00	
	Advances written off	598.37		199.52	
	Provision for doubtful debts and advances (net)	255.57		122.11	
	Loss on fixed assets written off/ disposal (net)	10.47		26.63	
	Impact of adoption of Ind AS 115 directly recognised in retained earnings	419.39		-	
	Net gains on financial assets mandatorily measured at fair value through profit and loss	(2,804.25)		(1,640.40)	
	Dividend Income on investments mandatorily measured at fair value through profit and loss	(10.15)		-	
	Exceptional items considered in income-tax	-		905.07	
	Amortisation of content	7,417.97		2,964.44	
	Discontinued shows written off	205.95		29.04	
	Advances / Creditors written back	(203.24)		(67.29)	
	Loss on fair valuation of current investments (net of tax)	-		57.50	
	Amortisation of prepaid rent element of rental security deposit	79.03		78.54	
	Unwinding of discount on security deposit	(86.21)		(78.68)	
	Gratuity asset written off	-		30.62	
	Service Tax CENVAT Credit Write-off	-		153.57	
	Employee share based payment expenses	1,057.26		-	
	Interest income on fixed deposits	(20.02)		(16.76)	
	Interest income on income-tax refund	(11.94)		(41.61)	
	Share of net profit of associates	-		0.05	
	Operating loss before working capital changes		**(426.04)**		**(1,458.43)**
	Adjustments for:				
	(Increase) / decrease in trade receivable	(685.72)		291.74	
	(Increase) / decrease in inventories	(14,427.36)		(5,942.98)	
	Increase / (decrease) in trade payables	1,826.30		315.48	
	(Increase) / decrease in other current financials assets	278.31		(432.55)	
	(Increase) / decrease in other current assets	(5,104.74)		2,355.95	
	(Increase) / decrease in the contract assets	(682.25)		-	
	Increase / (decrease) in provisions	25.66		30.38	
	(Increase) / decrease in non-current loan	59.12		(46.47)	
	(Increase) / decrease in current loan	327.33		(295.54)	
	(Increase) / decrease in non-current financial assets	45.53		(31.28)	
	(Increase) / decrease in other non-current assets	1,780.49		(1,974.03)	
	Increase / (decrease) in other financial liabilities	-		15.59	
	Increase / (decrease) in other current liabilities	1,160.34		(1,543.49)	
	Cash from operations		**(15,396.99)**		**(7,257.20)**
	Income-tax paid		(2,014.83)		(1,660.79)

Consolidated Statement of cash flows

for the year ended March 31, 2019

	Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
		₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	Net cash flow used in operating activities (A)		**(17,837.86)**		**(10,376.42)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Payments for property, plant and equipment	(1,185.40)		(1,161.34)	
	Payments for intangible assets	(55.55)		(370.22)	
	Proceeds from sale of property, plant and equipment	-		39.30	
	Payments for purchase of current investments	(29,083.84)		(87,979.99)	
	Proceeds from sale of current investments	47,099.07		61,445.33	
	Proceeds from sale of non current investments	1,506.61		497.24	
	Interest income received	31.96		-	
	Bank balance not considered as cash and cash equivalents	0.58		(0.34)	
	Net cash generated from / (used in) investing activities (B)		**18,313.43**		**(27,530.02)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from issue of equity share capital	-		41,328.00	
	Share issue costs	(15.00)		(1,738.59)	
	Isssue of preference share	-		25.00	
	Dividend paid to company's shareholders (including DDT)	(487.87)		(486.87)	
	Net cash flow generated from/ (used in) financing activities (C)		**(502.87)**		**39,127.54**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)		**(27.30)**		**1,221.10**
	Cash and cash equivalents at the beginning of the year		1,830.20		609.10
	Cash and cash equivalents at the end of the year		**1,802.90**		**1,830.20**

Components of cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Cash and cash equivalents above comprises of		
- Cash and cash equivalent as per note 15 (excluding balance in unpaid dividend account)	1,920.84	2,191.54
- Temporarily overdrawn book balances as per note 24	(117.94)	(361.34)
Cash and cash equivalents at the end of the year	**1,802.90**	**1,830.20**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes
This is the Statement of Cash Flows referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date: May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Managing Director)
DIN: 00005124

D.G. Rajan
(Audit Committee Chairman)
DIN: 00303060

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Simmi Singh Bisht
(Group Head Secretarial)

Consolidated Statement of changes in Equity

for the year ended March 31, 2019

A. Equity share capital

Particulars	(₹ in Lacs)
As at April 1, 2017	**1,518.61**
Changes in equity share capital during the year	504.00
As at March 31, 2018	**2,022.61**
As at April 1, 2018	**2,022.61**
Changes in equity share capital during the year	-
As at March 31, 2019	**2,022.61**

B. Other Equity

(₹ in Lacs)

Particulars	Attributable to owners of Balaji Telefilms Limited						Non-controlling interest	Total
	Equity component of compound financial instrument	Reserves and surplus				Total other equity		
		General Reserve	Securities Premium	Retained earnings	Share options outstanding account			
Balance as at April 1, 2017	**43.62**	**5,133.10**	**29,579.21**	**14,447.07**	**-**	**49,203.00**	**(310.62)**	**48,892.38**
Loss for the year	-	-	-	(4,515.26)	-	(4,515.26)	(118.06)	(4,633.32)
Other comprehensive income for the year	-	-	-	(10.49)	-	(10.49)	-	(10.49)
Total comprehensive income for the year	**-**	**-**	**-**	**(4,525.75)**	**-**	**(4,525.75)**	**(118.06)**	**(4,643.81)**
Transactions with owners in their capacity as owners:								
On issue of equity shares	-	-	40,824.00	-	-	40,824.00	-	40,824.00
Issue of Zero Dividend Reedemable optionally convertible Preference Shares	22.83	-	-	-	-	22.83	-	22.83
Share issue Expenses	-	-	(1,653.87)	(53.30)	-	(1,707.17)	-	(1,707.17)
Payment of dividends (Refer note 53)	-	-	-	(404.52)	-	(404.52)	-	(404.52)
Dividend distribution tax (Refer note 53)	-	-	-	(82.35)	-	(82.35)	-	(82.35)
Non-controlling interest on disposal of subsidiary	-	-	-	-	-	-	35.87	35.87
As at March 31, 2018	**66.45**	**5,133.10**	**68,749.34**	**9,381.15**	**-**	**83,330.04**	**(392.81)**	**82,937.23**
Balance as at April 1, 2018	**66.45**	**5,133.10**	**68,749.34**	**9,381.15**	**-**	**83,330.04**	**(392.81)**	**82,937.23**
Change in accounting policy (IND AS 115) (Refer note 54)	-	-	-	374.33	-	374.33	-	374.33
Restated balance as at April 01, 2018	**66.45**	**5,133.10**	**68,749.34**	**9,755.48**	**-**	**83,704.37**	**(392.81)**	**83,311.56**
Loss for the year	-	-	-	(9,735.33)	-	(9,735.33)	(40.10)	(9,775.43)
Other comprehensive income for the year	-	-	-	29.60	-	29.60	-	29.60
Total comprehensive income for the year	**-**	**-**	**-**	**(9,705.73)**	**-**	**(9,705.73)**	**(40.10)**	**(9,745.83)**
Transactions with owners in their capacity as owners:								
Employee share options expense (Refer note 49)	-	-	-	-	1,057.26	1,057.26	-	1,057.26
Share issue Expenses	-	-	-	(15.00)	-	(15.00)	-	(15.00)
Payment of dividends (Refer note 53)	-	-	-	(404.52)	-	(404.52)	-	(404.52)
Dividend distribution tax (Refer note 53)	-	-	-	(83.15)	-	(83.15)	-	(83.15)
Impact of change in ownership interest (Refer note 38(a))	-	-	-	(330.93)	-	(330.93)	330.93	-
As at March 31, 2019	**66.45**	**5,133.10**	**68,749.34**	**(783.85)**	**1,057.26**	**74,222.30**	**(101.98)**	**74,120.32**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes
This is the Consolidated Statement of Changes in Equity referred to in our report on even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date: May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Managing Director)
DIN: 00005124

D.G. Rajan
(Audit Committee Chairman)
DIN: 00303060

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Simmi Singh Bisht
(Group Head Secretarial)

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 1 :Background

Balaji Telefilms Limited (the 'Company') was incorporated on November 10, 1994 under the Companies Act, 1956. Balaji Telefilms Limited and its subsidiaries/associates (the 'Group') has established themselves in the business of television content in India particularly for Hindi language content. The Group has also successfully ventured in the regional television content market, event business and production of films. Balaji Telefilms Limited along with its subsidiaries is hereafter referred to as group. The registered office and principal place of business is at Andheri (West), Mumbai.

Note 2: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of the Consolidated Financial Statements.

(a) Basis of preparation

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current and non-current as per the group's normal operating cycle and other criterias set out in the Schedule III to the Companies Act, 2013.

Based on the nature of products/services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained it's operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

(I) certain financial assets and liabilities that are measured at fair value;

(II) defined benefit plans - plan assets measured at fair value.

(III) Share based payments

New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2018:

Ind AS 115, Revenue from Contract with the Customers: Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under the method, the Group has elected to apply the revenue standard only to contracts that are not completed as at the date of initial application. The Group had to change its accounting policies and make certain adjustments following the adoption of Ind AS 115. This is disclosed in note 54.

Amendment to Ind AS 12, Income Taxes: The amendments clarify the accounting for deferred taxes where an asset is measured at fair value and fair value is below the asset's tax base. They also clarify certain other aspects of accounting of deferred tax. The amendment does not have any impact on the Group's financial statements.

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Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(b) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. During the previous year the Company has exited from Event Media LLP & hence the same has not been consolidated in March 31, 2019 and March 31, 2018 consolidated financial statements.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognized at cost.

(iii) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interests in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Segment Reporting

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. The chief operating decision maker of the Group consists of the managing director, chief executive officer and chief financial officer which assesses the financial performance and position of the Group, and makes strategic decisions. Refer note 44 for segment information presented.

(d) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Indian rupee (₹), which is Group's functional and presentation currency.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the Statement of Profit and Loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(e) Revenue Recognition

The Group derives revenue from producing television programs, internet series, sale or licensing movie rights, delivering events to its customers and from licensing and subscription of its content to its customers. Some of the contracts include multiple deliverables, such as promises to provide a library of content at inception as well as content updates over the term. The Group identifies and evaluate each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

Revenue generated from the commissioned television programs and internet series produced for broadcasters is recognized over the period of time over the contract period.

Revenue from sale and licensing of movies - The Group evaluates if a license represents a right to access the content (revenue recognized over time) or represents a right to use the content (revenue recognized at a point in time). The Group has determined that most license revenues are satisfied at a point in time due to their being limited ongoing involvement in the use of the license following its transfer to the customer.

Revenue from licensing of digital content right: The Group has determined that most license revenues in respect of digital content are satisfied at a point in time due to their being limited ongoing involvement in the use of the license following its transfer to the customer.

Revenue from events is recognised over the period of time.

The Group recognises subscription revenue over the subscription period.

The transaction price, being the amount to which the Group expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration where the Group's performance may result in additional revenues based on the achievement of agreed targets.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Revenue excludes any taxes and duties collected on behalf of the government.

(f) Interest and Dividend Income Recognition:

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

discounts estimated future cash receipts through the expected life of the financial asset to that asset's carrying amount on initial recognition.

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(g) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Group generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred Tax assets are recognised for all deductible temporary differences, unused tax losses and carry forward tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax losses and tax credits.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(h) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(i) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of Cash Flow Statement, Cash and cash equivalents are considered net of outstanding overdrafts, if any, as they are considered an integral part of Group's cash management.

(j) Inventories

Inventories comprise of Television / Internet Series, Films, and Events and are stated at the lower of cost and net realizable value. Cost is determined on the following basis:
Television / internet series : At average cost

Films / Events : Actual/Unamortized Cost

Unamortised cost of Films: The cost of film is amortized in the ratio of current revenue to expected total revenue. At the end of each accounting period, balance unamortized cost is compared with net expected revenue. If net expected revenue is less than unamortized cost, the same is written down to net expected revenue.

Inventory of internet series is amortized as per the amortization policy of the company based on expected pattern of realization of economic benefits.

For original internet-series, amortization of content cost begins when the episode is launched (launch date) on the platform of the company. In first year from the launch date 75% of the cost of each episode is amortised and in second year 25% of the cost is amortised. For internet-series which are acquired and film rights, amortization is done on straight line basis over the period of the contract.

For any additional cost incurred to acquire an item of inventory after its launch date, accelerated amortization is provided on an episodic basis from the original launch date of the particular episode in the month of the additional cost being incurred.

Dubbing and Subtitling costs are charged to the Statement of Profit and Loss as and when incurred.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

(k) Trade receivables

Trade receivable are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(l) Financial Instruments

(i) Financial Assets

<u>**Classification**</u>:

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or Other Comprehensive Income.

Measurement:
At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Financial assets at fair value through profit or loss (FVTPL): Investments in instruments other than covered above are classified as FVTPL, unless the Group has irrevocably elected on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in those instruments.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Assets that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Other debt instruments are designated as at fair value through profit or loss on initial recognition.

Impairment of Financial Assets
The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 51 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of Financial Assets
A financial asset is de-recognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group has not retained control of the

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(ii) Financial Liabilities:

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(m) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(n) Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the asset, net of their residual values, if any, over their estimated useful lives which are in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013 except for the following assets which are depreciated as per management estimates of their useful life which are as under:

Studios and sets – 3 years

Leasehold improvements – on a straight line basis over the period of lease

The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

(o) Intangible assets:

(i) Recognition and Measurement

Intangible assets are recognized if they are separately identifiable and the group controls the future economic benefits arising out of them. All other expenses on intangible items are charged to the Statement of Profit and Loss. Intangible assets acquired are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

(ii) Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

- Computer Software: 2-3 years

(p) Impairment of assets

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of profit or loss.

(q) Provisions and Contingent Liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are not recognized for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Where the likelihood of outflow of resources is remote, no provision or disclosure as specified in Ind AS -37 – "Provision, contingent liabilities and contingent assets" is made.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(r) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.

(ii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) defined benefit plans such as gratuity;

(b) defined contribution plans such as provident fund

Defined benefit plans:

The Group has taken a Group Gratuity cum Life Assurance Policy from the Life Insurance Corporation of India (LIC).

The liability recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the 'Projected Unit Credit Method'.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Contributions are made to LIC in respect of gratuity based upon actuarial valuation done at the end of every financial year using 'Projected Unit Credit Method'.

Defined contribution plans:

Contributions to Provident Fund and Pension Fund are charged to the Statement of Profit and Loss as incurred. Provident fund contributions are made to a government administered provident fund towards which the Group has no further obligations beyond its monthly contributions.

(s) Share Based Payment

Shared-based compensation benefits are provided to employees via "Balaji Telefilms ESOP, 2017" ("BTL ESOP 2017'').

The fair value of options granted under the BTL ESOP 2017 scheme is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- excluding any impact of service conditions

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time)

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(t) Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(u) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal digits after lacs as per the requirement of Schedule III of the Act, unless otherwise stated.

Note 3: Critical Estimates and Judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- **Estimated useful life of Tangible/Intangible Assets**
  The Group reviews the useful lives and carrying amount of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortization expense in future periods.

- **Estimation of Current Tax Expense and Income Tax Payable / Receivable**
  The calculation of Group's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material adjustment to taxable profits/losses.

- **Estimation of Defined Benefit Obligation**
  The Group's obligation on account of gratuity is determined based on actuarial valuations. An actuarial

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, this liability is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

- **Estimation of Contingent Liabilities**

  The Group exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision or contingent liability.

- **Recognition of Deferred Tax Assets**

  The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. In assessing the realizability of deferred tax assets, the Group considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Group considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

- **Impairment of Trade Receivables**

  Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

- **Fair valuation**

  Some of the Group's assets and liability are measured at fair value for financial reporting purpose. In estimating the fair value of an asset and liability Group uses market observable data to the extent available. When Level 1 inputs are not available, the company engages third party qualified valuer to establish the appropriate techniques and input to valuation model.

  Information about the valuation techniques used in determining the fair value of various assets are disclosed in note 50.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 4 Property, plant and equipment & Capital Work-in-progress

(₹ in Lacs)

Description of Assets	Buildings - Freehold	Computers	Plant and machinery - Others	Studios and sets	Vehicles	Furniture and fixtures	Office equipments	Electrical fittings	Lease Hold Improvements	Total	Capital work-in-progress
I. Gross Carrying Amount											
Balance as at April 1, 2017	**472.57**	**1,198.78**	**2,560.81**	**5,878.18**	**1,413.41**	**342.07**	**475.75**	**95.49**	**512.07**	**12,949.13**	**1,061.23**
Additions	-	121.06	1.66	37.97	261.85	0.10	19.66	0.90	0.82	444.02	717.31
Transfer	-	-	-	830.80	-	-	-	-	-	830.80	(1,551.75)
Disposals	-	-	-	-	(385.82)	-	-	-	-	(385.82)	-
Balance as at March 31, 2018	**472.57**	**1,319.84**	**2,562.47**	**6,746.95**	**1,289.44**	**342.17**	**495.41**	**96.39**	**512.89**	**13,838.13**	**226.79**
II. Accumulated Depreciation											
Balance as at April 1, 2017	**(96.80)**	**(1,105.45)**	**(1,956.61)**	**(4,304.65)**	**(796.22)**	**(290.41)**	**(393.13)**	**(67.40)**	**(464.90)**	**(9,475.57)**	**-**
Depreciation expense	(7.90)	(51.39)	(99.11)	(1,092.07)	(125.48)	(12.94)	(31.28)	(9.28)	(19.14)	(1,448.59)	-
Disposals	-	-	-	-	319.90	-	-	-	-	319.90	-
Balance as at March 31, 2018	**(104.70)**	**(1,156.84)**	**(2,055.72)**	**(5,396.72)**	**(601.80)**	**(303.35)**	**(424.41)**	**(76.68)**	**(484.04)**	**(10,604.26)**	**-**
III. Net Carrying Amount as at March 31, 2018	**367.87**	**163.00**	**506.75**	**1,350.23**	**687.64**	**38.82**	**71.00**	**19.71**	**28.85**	**3,233.87**	**226.79**
I. Gross Carrying Amount											
Balance as at April 1, 2018	**472.57**	**1,319.84**	**2,562.47**	**6,746.95**	**1,289.44**	**342.17**	**495.41**	**96.39**	**512.89**	**13,838.13**	**226.79**
Additions	-	140.94	67.19	-	12.09	0.32	25.18	0.13	-	245.85	929.50
Written off	-	-	-	-	-	-	-	-	-	-	(10.47)
Transfer from CWIP	-	-	-	1,093.36	-	-	-	-	-	1,093.36	(1,093.36)
Balance as at March 31, 2019	**472.57**	**1,460.78**	**2,629.66**	**7,840.31**	**1,301.53**	**342.49**	**520.59**	**96.52**	**512.89**	**15,177.34**	**52.46**
II. Accumulated Depreciation											
Balance as at April 1, 2018	**(104.70)**	**(1,156.84)**	**(2,055.72)**	**(5,396.72)**	**(601.80)**	**(303.35)**	**(424.41)**	**(76.68)**	**(484.04)**	**(10,604.26)**	**-**
Depreciation expense	(7.90)	(96.37)	(78.61)	(1,049.70)	(110.78)	(10.04)	(31.01)	(7.32)	(19.40)	(1,411.13)	-
Balance as at March 31, 2019	**(112.60)**	**(1,253.21)**	**(2,134.33)**	**(6,446.42)**	**(712.58)**	**(313.39)**	**(455.42)**	**(84.00)**	**(503.44)**	**(12,015.39)**	**-**
III. Net Carrying Amount as at March 31, 2019	**359.97**	**207.57**	**495.33**	**1,393.89**	**588.95**	**29.10**	**65.17**	**12.52**	**9.45**	**3,161.95**	**52.46**

Notes

a. Building includes ₹ 220.86 lacs (Previous year ₹220.86 lacs), being cost of ownership premises in Co-operative Society including cost of shares of face value of ₹ 0.01 lac received under Bye-laws of the Society.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 5 Intangible assets & Goodwill on consolidation

(₹ in Lacs)

Description of Assets	Other Intangible assets (Computer software)	Goodwill on consolidation
I. Gross Carrying Amount		
Balance as at April 1, 2017	**11.89**	**146.91**
Additions	385.82	-
Transfer from capital work in progress	720.95	-
Disposals	-	-
Balance as at March 31, 2018	**1,118.66**	**146.91**
II. Accumulated Depreciation		
Balance as at April 1, 2017	**(1.59)**	**-**
Amortisation expense	(322.03)	-
Disposals	-	-
Balance as at March 31, 2018	**(323.62)**	**-**
III. Net Carrying Amount as at March 31, 2018	**795.04**	**146.91**

I. Gross Carrying Amount		
Balance as at April 1, 2018	**1,118.66**	**146.91**
Additions	55.55	-
Disposals	-	-
Balance as at March 31, 2019	**1,174.21**	**146.91**
II. Accumulated Depreciation		
Balance as at April 1, 2018	**(323.62)**	**-**
Amortisation expense	(395.26)	-
Disposals	-	-
Balance as at March 31, 2019	**(718.88)**	**-**
III. Net Carrying Amount as at March 31, 2019	**455.33**	**146.91**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 6 Non-current investments

Particulars	As at March 31, 2019 ₹ in Lacs		As at March 31, 2018 ₹ in Lacs	
(1) Investment in associate (unquoted) (at cost)				
(i) IPB Capital Advisors LLP	0.45		0.50	
Add: Group's share of net loss for the year	-	0.45	(0.05)	0.45
(ii) Indus Balaji Education Capital Advisors LLP		0.38		0.38
(2) Investment in Indus Balaji Investor Trust (unquoted) (at fair value through profit or loss)				
(i) 2,242,859 (Previous year 2,959,617) Class A units of ₹100 each	1,502.89		3,164.82	
(ii) 3,880 (Previous year 5,000) Class B units of ₹100 each	0.97		1.23	
		1,503.86		3,166.05
Aggregate carrying value of unquoted investments		**1,504.69**		**3,166.88**
Aggregate amount of impairment in the value of investments		**-**		**-**

Note 7 Loans (Non-current)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Security deposit	991.11	940.02
Loans to professional staff	-	24.00
Less: Loss allowance	(50.92)	(50.92)
Total	**940.19**	**913.10**

<u>**Break-up of security details**</u>

Loans considered good - Secured	-	-
Loans considered good - Unsecured	940.19	913.10
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	50.92	50.92
Total	**991.11**	**964.02**
Less: Loss allowance	(50.92)	(50.92)
Total loans	**940.19**	**913.10**

Note: Security Deposits include deposits given to three directors (Previous year : four directors) of the company of ₹ 708.32 lacs (Previous year : ₹ 760.98 lacs) for the properties taken on lease from them.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 8 Other financial assets

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
i) Non-current financial assets		
Unsecured, considered good		
Fixed deposits with banks having more than 12 months maturity (Refer Note below)	326.12	371.66
Total	**326.12**	**371.66**
ii) Current financial assets		
Unsecured, considered good		
(a) Other receivables	1,358.91	587.27
(b) Unbilled revenue	112.12	525.29
(c) Others	-	0.50
Total	**1,471.03**	**1,113.06**

Note: The above fixed deposits with banks are kept in lien against bank guarantees

Note 8(a) Contract assets

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Contract assets relating to Commissioned sales	682.25	-
Less: Loss allowance	-	-
	682.25	**-**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 9 Deferred tax assets/liabilities (net)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Deferred tax assets		
Depreciation on fixed assets	903.43	783.00
Minimum alternate tax credit entitlement	1,282.77	1,188.67
Carried forward tax losses	109.27	816.47
Security deposits	-	27.64
Deferred sales consideration	24.08	-
Loss allowance on financial assets	226.23	113.96
Total deferred tax assets	**2,545.78**	**2,929.74**
Deferred tax liabilities		
Fair valuation of investments	552.86	966.05
Security deposits	11.06	-
Total deferred tax liabilities	**563.92**	**966.05**
Deferred tax asset (net)	**1,981.86**	**1,963.69**

Movement in deferred tax balances

Particulars	For the Year ended March 31, 2019		
	Opening Balance	Movement	Closing Balance
Tax effect of items constituting deferred tax liabilities			
Fair value of investments	966.05	(413.19)	552.86
Security deposits	-	11.06	11.06
	966.05	**(402.13)**	**563.92**
Tax effect of items constituting deferred tax assets			
Depreciation on fixed assets	783.00	(120.43)	903.43
Carried forward tax loss	816.47	707.20	109.27
Minimum alternate tax credit entitlement	1,188.67	(94.10)	1,282.77
Deferred sales consideration	-	(24.08)	24.08
Security deposit	27.64	27.64	-
Loss allowance on financial assets	113.96	(112.27)	226.23
	2,929.74	383.96	2,545.78
Net Deferred tax asset	**1,963.69**	**(18.17)**	**1,981.86**

Movement comprises of credit to statement of profit and loss of ₹ 63.23 lacs and a debit of ₹ 45.06 lacs directly in retained earnings as a result of change in accounting policy (Refer note 54).

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Particulars	For the Year ended March 31, 2018		
	Opening Balance	Movement	Closing Balance
Tax effect of items constituting deferred tax liabilities			
Fair value of investments	712.16	253.89	966.05
Security deposits	9.18	(9.18)	-
	721.34	**244.71**	**966.05**
Tax effect of items constituting deferred tax assets			
Depreciation on fixed assets	602.85	(180.15)	783.00
Carried forward tax loss	-	(816.47)	816.47
Minimum alternate tax credit entitlement	85.49	(1,103.18)	1,188.67
Security deposit	-	(27.64)	27.64
Loss allowance on financial assets	223.83	108.99	113.96
	912.17	(2,018.45)	2,929.74
Net Deferred tax asset	**190.83**	**(1,773.74)**	**1,963.69**

Note 10 Non-current tax assets (net)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Advance payment of income tax	3,017.15	2,280.71
Total	**3,017.15**	**2,280.71**

Note 11 Other non-current assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Advance to vendors	3,238.08	5,773.40
Prepaid expenses	-	0.36
Total	**3,238.08**	**5,773.76**

Note 12 Inventories

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Finished		
Television serials	79.53	1,519.61
Films	-	690.24
Internet series	8,031.33	4,962.03
Events	-	114.77
Work in process		
Films	6,248.61	3,674.90
Internet series	5,224.44	1,818.92
Total	**19,583.91**	**12,780.47**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 13 Current investments (unquoted)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Investment in mutual funds (Non trade) (Unquoted) (carried at fair value through profit and loss)	28,525.52	44,206.15
Total	**28,525.52**	**44,206.15**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Quantity (units)	Amount (₹ in Lacs)	Quantity (units)	Amount (₹ in Lacs)
IN UNITS OF MUTUAL FUNDS				
Reliance Regular Savings Fund - Debt Plan-Growth Plan	-	-	7,204,165.45	1,743.96
HDFC Short Term Plan - Regular Plan - Growth	-	-	1,657,247.97	570.66
Birla Sun Life Short Term Fund - Growth - Regular Plan	-	-	3,176,433.78	2,110.64
AXIS Short Term Fund - Growth	4,278,051.32	865.42	4,278,051.33	806.31
ICICI Prudential Savings Fund - Growth	195,169.05	700.13	223,359.21	581.32
Axis Treasury Advantage Fund - Growth	-	-	27,049.82	523.83
Aditya Birla SL Corporate Bond Fund	862,729.78	618.39	15,898,883.10	2,057.41
Aditya Birla SL Short Term Opportunities Fund-Growth	1,363,052.81	421.18	1,970,963.76	568.73
Aditya Birla SL Treasury Optimizer Plan - Growth	-	-	691,085.32	1,531.21
Axis Liquid Fund - Growth	8,935.04	184.52	91,261.06	1,752.88
HDFC Liquid Fund - Regular Plan - Growth	50,734.17	1,857.02	20,770.96	708.41
HDFC Medium Term Opportunities Fund	-	-	5,289,717.85	1,021.49
HDFC Short Term Opportunities Fund - Growth	-	-	8,028,947.03	1,539.53
ICICI Prudential Corporate Bond Fund	-	-	9,440,367.51	2,551.62
ICICI Prudential Regular Savings Fund	-	-	13,827,599.05	2,568.49
IDFC Credit Risk Fund-Regular Plan-Growth	23,781,937.00	2,695.99	23,781,937.00	2,549.16
Kotak Corporate Bond Fund - Growth	-	-	67,596.10	1,542.87
Kotak Credit Risk Fund - Regular Plan -Growth	8,077,655.15	1,643.24	8,077,655.15	1,544.86
Kotak Low Duration Fund - Growth	-	-	50,717.71	1,076.80
Kotak Medium Term Fund - Growth	10,669,322.14	1,630.68	10,669,322.14	1,539.87
L&T Credit Risk Fund - Regular Plan- Growth	10,300,252.36	2,172.28	10,300,252.36	2,050.51
Reliance Strategic Debt Fund - Growth	16,775,231.19	2,466.56	18,527,324.78	2,596.25
Reliance Fixed Horizon Fund - XXXVI - Series 4 Growth Plan	-	-	10,073,102.63	1,015.31
Reliance Fixed Horizon Fund - XLI - Series 2 Reg	10,878,040.73	1,092.55	-	-

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Particulars	As at March 31, 2019		As at March 31, 2018	
	Quantity (units)	Amount (₹ in Lacs)	Quantity (units)	Amount (₹ in Lacs)
Aditya Birla SL Banking and PSU Debt Fund- Reg- Growth	850,102.74	2,024.17	-	-
ICICI Prudential Liquid Fund- Regular-Growth	418,474.35	1,152.56	206,838.99	530.00
ICICI Prudential Money Market Fund	703,078.98	1,819.79	-	-
Reliance Ultra Short Duration Fund	37,611.15	1,093.92	-	-
Franklin India Ultra Short Bond Fund-Super Institutional Plan-Growth	774,353.47	203.41	-	-
UTI Short Term Income Fund - Institutional Option	2,694,691.46	606.58	2,694,691.46	572.26
Reliance Banking & PSU Debt Fund	13,943,630.55	1,877.33	13,943,630.55	1,748.14
HDFC Credit Risk Debt Fund(Erstwhile HDFC Regular savings Fund)	392,438.18	59.87	4,465,535.00	1,537.66
Aditya Birla SL Savings Fund	33,837.43	124.91	302,615.63	1,034.66
Reliance Short term Fund	2,812,356.45	976.46	-	-
Aditya Birla Sun Life Corporate Bond Fund	1,553,352.56	1,113.42	-	-
Kotak Savings Fund	368,856.78	110.55	-	-
UTI Treasury Advantage Fund	36,678.66	945.66	-	-
Aditya Birla SL Short Term Fund	-	-	1,553,352.56	1,032.15
ICICI Prudential Short Term	-	-	3,550,741.07	1,285.81
Kotak Low Duration Standard-G	-	-	10,689.10	226.93
Kotak Low Duration Fund Standard	-	-	48,778.66	1,035.56
HDFC Floating Rate Income Fund - ST Plan - Wholesale Option	-	-	1,398,604.38	422.99
Reliance Medium Term Fund	-	-	625,314.21	227.87
HDFC Low Duration Fund	176,176.59	68.93	-	-
Total		**28,525.52**		**44,206.15**
Aggregate amount of unquoted Investments		**28,525.52**		**44,206.15**
Aggregate amount of quoted Investments and market value thereof		**-**		**-**
Aggregate amount of impairment in value of Investments		**-**		**-**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 14 Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Trade receivables	10,457.85	9,772.13
Less: Loss allowance	(425.23)	(425.23)
Total Receivables	**10,032.62**	**9,346.90**
14(i) Current portion	9,882.50	9,346.90
14(ii) Non-current portion	150.12	-
Break-up of security details		
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	10,457.85	9,772.13
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	**10,457.85**	**9,772.13**
Less: Loss allowance	(425.23)	(425.23)
Total Trade receivables	**10,032.62**	**9,346.90**

The average credit period on sales is 45 to 75 days. No interest is charged on trade receivables overdue. The group has generally recognised an allowance for doubtful debts at 100% against receivables from whom recoverability is uncertain.

Trade receivables disclosed above include amounts that are past due at the end of the reporting period for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

In determining the recoverability of a trade receivables, the group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period.

The group has provided ₹ 425.23 (Previous Year ₹ 425.23) lacs towards doubtful receivables as at March 31, 2019.

Note 15 Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
(a) Cash on hand	27.05	27.84
(b) Balances with banks-		
(i) In current accounts	1,875.35	2,163.70
(ii) In deposit accounts with original maturity of less than three months	18.44	-
(c) Unpaid dividend accounts	9.33	4.60
Total	**1,930.17**	**2,196.14**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 16 Other balances with banks

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Fixed deposits with original maturity of more than 3 months but less than 12 months (Refer note below)	-	0.58
Total	**-**	**0.58**

Note : Fixed deposits kept in lien against bank guarantee.

Note 17 Loans (current)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Security deposit	47.39	374.72
Loans to professional staff	24.00	24.00
Less : Loss allowance	-	-
Total	**71.39**	**398.72**

Break-up of security details

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Loans considered good - Secured	-	-
Loans considered good - Unsecured	71.39	398.72
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	**71.39**	**398.72**
Less: Loss allowance	-	-
Total loans	**71.39**	**398.72**

Note 18 Other current assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Prepaid expenses	141.23	126.12
Balances with government authorities	6,961.58	4,219.25
Advance to vendors	2,864.12	1,655.00
Others receivables	959.66	-
Total	**10,926.59**	**6,000.37**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 19 Equity share capital

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
(a) Authorised		
150,000,000 (Previous year 150,000,000) Equity shares of ₹ 2/- each	3,000.00	3,000.00
30,000,000 (Previous year 30,000,000) Preference shares of ₹ 2/- each	600.00	600.00
	3,600.00	**3,600.00**
(b) Issued, Subscribed and fully paid-up		
101,130,443 (Previous year 101,130,443) Equity shares of ₹ 2/- each	2,022.61	2,022.61
Total	**2,022.61**	**2,022.61**

Notes :

(i) Details of Equity shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Reliance Industries Ltd.	25,200,000	24.92	25,200,000	24.92
Ekta Kapoor	18,308,208	18.10	16,735,116	16.55
Shobha Kapoor	11,008,850	10.89	10,035,633	9.92

(ii) The reconciliation of the number of shares outstanding is set out below:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Equity shares outstanding at the beginning of the year	101,130,443	2,022.61	75,930,443	1,518.61
Add: Issue of Equity Shares during the year	-	-	25,200,000	504.00
Equity shares outstanding at the end of the year	101,130,443	2,022.61	101,130,443	2,022.61

(iii) Terms and rights attached to equity shares

The group has only one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the company, the shareholders will be eligible to receive remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

(iv) No shares are issued for consideration other than cash during the 5 years immediately preceding March 31, 2019.

(v) Shares reserved for Issue under options

Information relating to Balaji Telefilms ESOP, 2017 including details of option issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note no. 49.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 20 Other equity - Reserves and Surplus

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
(a) General reserve	5,133.10	5,133.10
(b) Securities premium account	68,749.34	68,749.34
(c) Retained earnings	(783.85)	9,381.15
(d) Share options outstanding account	1,057.26	-
Total	**74,155.85**	**83,263.59**

Note 20(a) General reserve

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Balance at beginning of the year	5,133.10	5,133.10
Add: Transferred from retained earnings	-	-
Balance at end of the year	**5,133.10**	**5,133.10**

Note 20(b) Securities premium account

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Balance at beginning of the year	68,749.34	29,579.21
Add: On issue of equity shares	-	40,824.00
Share issue costs	-	(1,653.87)
Balance at end of the year	**68,749.34**	**68,749.34**

Note 20(c) Retained earnings

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Balance at beginning of year (as originally presented)	9,381.15	14,447.07
Change in accounting policy (Ind AS 115) (Refer note 54)	374.33	-
Restated balance	9,755.48	14,447.07
Impact of change in owenership interest	(330.93)	-
Loss for the year	(9,735.33)	(4,515.26)
Items of other comprehensive income recognised directly in retained earnings	29.60	(10.49)
Total comprehensive income for the year	**(9,705.73)**	**(4,525.75)**
Share issue costs	(15.00)	(53.30)
Payment of dividends (Refer note 53)	(404.52)	(404.52)
Dividend distribution tax (Refer note 53)	(83.15)	(82.35)
Balance at end of the year	**(783.85)**	**9,381.15**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 20(d) Share options outstanding account

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Balance at beginning of year	-	-
Add: Additions during the year (Refer Note no 49)	1,057.26	-
Balance at the end of the year	**1,057.26**	**-**

Nature and purpose of reserves :

A. General Reserve : General reserve is created out of transfer from retained earnings and is a free reserve.

B. Securities Premium Account : Security Premium is created to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

C. Share options outstanding account : The share options outstanding account is used to recognise the grant date fair value of option issued to employees under Balaji Telefilms ESOP, 2017.

Note 21 Borrowings (Non-current)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Unsecured :		
Liability component of compound financial instrument		
750,000 (previous year 750,000) Zero dividend reedemable optionally convertible preference Shares of ₹ 10/- each	10.56	8.33
Total	**10.56**	**8.33**

Terms of issue

Particulars	Maturity date	Terms of repayment
250,000 Zero dividend reedemable optionally convertible Preference Shares	September 22, 2025	Single repayment at the end of the term
250,000 Zero dividend reedemable optionally convertible Preference Shares	February 4, 2026	
250,000 Zero dividend reedemable optionally convertible Preference Shares	November 28, 2037	

Zero dividend reedemable optionally convertible Preference Shares to be redeemed at par at any time within the redemption period from the date of allotment with mutual consent of the Group and the preference shareholders.

The equity component relating to above of ₹ 66.45 lacs (Previous year ₹ 66.45 lacs) is disclosed under Equity Component of Compound Financial Instrument in the Balance Sheet.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2019

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Cash and cash equivalents	1,920.84	2,191.54
Non-current borrowings	(10.56)	(8.33)
Total	**1,910.28**	**2,183.21**

Particulars	Other Assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Non-current borrowings	
Net debt as at March 31, 2017	**1,587.77**	**(6.38)**	**1,581.39**
Cash flows	603.77	(0.24)	603.53
Interest expense	-	(1.71)	(1.71)
Net debt as at March 31, 2018	**2,191.54**	**(8.33)**	**2,183.21**
Cash flows	(270.70)	-	(270.70)
Interest expense	-	(2.23)	(2.23)
Net debt as at March 31, 2019	**1,920.84**	**(10.56)**	**1,910.28**

Note 22 Provisions (Non-current)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Provision for gratuity (Refer note 40)	-	17.92
Total	**-**	**17.92**

Note 23 Trade payables

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
(a) Trade payables: micro and small enterprises	34.81	-
(b) Trade payables: others	9,026.92	7,438.67
Total	**9,061.73**	**7,438.67**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Due to micro and small enterprises

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The details pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	30.01	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	4.80	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year, and	4.96	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	4.96	-

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Management regarding the status of suppliers under the MSME Act.

Note 24 Other financial liabilities (current)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Unpaid dividends (Refer Note below)	9.26	4.51
Temporarily overdrawn book balances	117.94	361.34
Payables for purchase of fixed assets	5.54	15.59
Total	**132.74**	**381.44**

Note

Appropriate amount shall be transferred to Investor Education and Protection Fund if and when due.

Note 25 Provisions - current

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Provision for Gratuity (Refer Note - 40)	15.99	-
Total	**15.99**	**-**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 26 Other current liabilities

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Statutory liabilities	746.58	222.64
Advances from customers / Contract Liabilities	892.50	287.29
Employee benefit payables	317.00	943.24
Deferred revenue / Contract Liabilities	658.17	-
Others	0.47	1.21
Total	**2,614.72**	**1,454.38**

Note 27 Current tax liabilities (net)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Provision for tax	69.55	654.22
Total	**69.55**	**654.22**

Note 28 Revenue from operations

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
(a) Revenue from contracts with customers		
- Sale of service		
Commissioned television programs	28,033.73	27,239.75
Subscription income	1,554.64	465.26
Licence rights	104.35	695.66
Licensing of digital content rights	2,610.73	218.48
Franchise / Participation fees	-	215.00
Internet programs	11.59	10.18
Sale and licensing of movies	9,300.55	10,333.68
Sale of television programs / movies concept rights	58.20	100.60
Event management	939.00	1,169.00
Film distrbution service	0.48	762.78
Free commercial time	3.16	26.02
Advertisemnet income	21.74	-
(b) Other operating income		
Facilities / equipment hire Income	132.70	95.38
Total	**42,770.87**	**41,331.79**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

See note 54 for details about restatements for change in accounting policies consequent to adoption of Ind AS 115.

Unsatisfied long-term licensing contracts:
The following table shows unsatisfied performance obligations resulting from long-term licensing contracts.

Particulars	For the year ended March 31, 2019 ₹ in Lacs
Aggregate amount of the transaction price allocated to long-term licensing contracts that are fully unsatisfied as at reporting date	9,900.00

Management expects that 86% of transaction price allocated to the unsatisfied contracts as on March 31, 2019 will be recognised as revenue during the next reporting period (₹ 8,500 lacs). The remaining 14% (₹ 1,400 lacs) will be recognised in the financial year 2020-2021. The amount disclosed above does not include variable consideration which is constrained. All other contracts are for periods of one year or less. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

As permitted under the transitional provisions in Ind AS 115, the transaction price allocated to (partially) unsatisfied performance obligations as of March 31, 2018 is not disclosed.

The Revenue recognised is equivalent to the contract price and there is no element of discount, rebates, incentives, etc. which are adjusted to revenue.

Note 29 Other Income

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Interest income		
On fixed deposits with banks	20.02	16.76
On Income-tax Refund	11.94	41.61
Unwinding of discount on security deposit	86.21	78.68
Net gains on financial assets mandatorily measured at fair value through profit and loss*	2,804.25	1,640.40
Dividend Income on investments mandatorily measured at fair value through profit and loss	10.15	-
Insurance claim received	1.97	55.32
Advance / Creditors written back	203.24	67.29
Foreign Exchange Gain/(Loss) (net)	38.89	-
Others	-	2.59
Total	**3,176.67**	**1,902.65**

* Total net gains on Investments mandatorily measured at fair value through profit and loss included ₹ 2,791.74 lacs (Previous year ₹ 1,380.73 lacs) as net gains on sale of investments

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 30 Cost of production / Acquisition and Telecast fees

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
Amortisation of content	7,417.97	2,964.44
Producer's share of film distribution revenue	-	638.88
Production expenses including purchase of costumes and dresses	1,970.17	583.01
Artists, Directors and other technicians fees	13,804.71	11,382.75
Location hire charges	2,636.89	1,110.72
Shooting and location expenses	3,892.24	4,706.28
Telecasting fees / purchase of rights	168.02	802.25
Food and refreshments charges	406.13	444.29
Sets & studio maintenance charges	765.25	694.53
Uplinking charges	39.36	108.53
Insurance expense	36.29	35.66
Dubbing & Subtitiling	356.03	88.39
Line production cost	5,844.71	4,194.39
Marketing and Distribution Expenses	-	2.95
Set properties and equipment hire charges	1,847.56	1,596.16
Discontinued Shows written off	205.95	29.04
Purchase of tapes	-	2.87
Sound expense	66.72	97.67
Other production expenses	586.69	663.17
Total	**40,044.69**	**30,145.98**

Change in Inventories :

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
Opening balance :		
Television serials, internet series,events and films	12,780.47	9,830.97
Less: Derecognition of inventory on account of adoption of Ind AS 115 (Refer Note no 54)	(2,490.82)	-
Opening balance as on April 1, 2018	10,289.65	9,830.97
Closing balance :		
Television serials, internet series,events and films	19,583.91	12,780.47
	(9,294.26)	**(2,949.50)**
Changes in inventories subject to amortisation	6,846.98	5,177.22
Net changes in inventories	**(2,447.28)**	**2,227.72**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 31 Employee Benefits Expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
Salaries and wages	3,642.95	2,870.01
Contributions to provident and other funds (Refer Note 40(a))	197.89	156.57
Gratuity (Refer Note 40(b))	35.38	46.86
Staff welfare expenses	23.04	41.05
Employee share based payment expenses (Refer Note no 49)	1,057.26	-
Total	**4,956.52**	**3,114.49**

Note 32 Finance Costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
Interest on delayed payment of taxes etc.	-	0.17
Interest on liability component of compound financial instrument	2.22	1.71
Others	-	3.12
Total	**2.22**	**5.00**

Note 33 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
Depreciation of property, plant and equipment (Refer Note 4)	1,411.13	1,448.59
Amortisation of Intangible assets (Refer Note 5)	395.26	322.03
Total	**1,806.39**	**1,770.62**

Note 34 Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
Power and fuel	101.54	118.83
Rent including lease rentals	340.45	322.30
Repairs and maintenance - Others	166.83	92.05
Insurance	61.39	54.68
Rates and taxes	292.64	673.37
Communication expenses	89.69	52.52

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Legal and professional charges (Refer Note 34.1)	1,841.24	2,219.62
Security and housekeeping expenses	61.53	39.30
Business promotion expenses	145.06	86.90
Travelling and conveyance expenses	130.65	170.96
Digital space charges	788.45	180.63
Donations and contributions	22.44	18.36
Expenditure on corporate social responsibility (Refer Note 34.2)	85.26	45.43
Advances written off	598.37	199.52
Provision for doubtful debts and advances	255.57	122.11
Bad debts written off	0.02	78.10
Software expenses	115.87	194.37
Directors sitting fees	71.25	76.25
Unrealised loss on investments at fair value through profit or loss	-	57.50
License and hosting fees	509.18	340.33
Commission	149.66	53.90
Loss of fixed assets written off / disposal	10.47	26.63
Foreign Exchange Loss (net)	5.77	5.35
Miscellaneous expenses	572.36	274.01
Total	**6,415.69**	**5,503.02**

Note 34.1 Details of auditors remuneration (included in legal and professional charges)

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
As auditors :		
Audit fees	60.50	38.50
In other capacity :		
Other services - Certification	5.00	21.00
Reimbursement of expenses	2.03	0.84
Total	**67.53**	**60.34**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Note 34.2 Corporate social responsibility expenditure

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
Amounts required to be spent as per section 135 of the Act	78.96	57.32
Amounts spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	85.26	45.43
Total	**85.26**	**45.43**

Note 35 Tax expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
Income tax expense		
Current tax		
Current tax on profits for the year	695.81	1,309.38
Adjustments for current tax of prior periods	-	(860.69)
	695.81	**448.69**
Deferred tax		
Decrease / (increase) in deferred tax asset	383.96	(2,016.48)
(Decrease) / increase in deferred tax liabilities	(402.13)	244.71
Reversal of deferred tax directly recognised in retained earnings on April 1, 2018 due to change in accounting policy (refer note 54)	(45.06)	-
Total deferred tax expense/(benefit)	**(63.23)**	**(1,771.77)**
Total	**632.58**	**(1,323.08)**

Income Tax Expense for the year can be reconciled to the accounting profit as follows

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
(Loss) before tax and exceptional items	(9,142.85)	(5,051.33)
Tax calculated at 34.944% (Previous year- 34.608%)	**(3,194.88)**	**(1,748.16)**
Tax effect of amounts that are not deductible in determining taxable profit	66.06	95.31
Effect of set off of carried forward long term capital losses	(330.34)	-
Tax impact on losses of Subsidiaries for which no deferred tax recognised	3,913.86	3,452.54
Tax impact on temporary differences for which no deferred tax recognised	193.62	43.03
Deferred Tax impact of subsidiaries losses on merger	-	(2,557.26)

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Tax on deductions under chapter VI-A	(3.92)	(3.62)
Expired tax losses	-	281.08
Excess provision for tax in respect of earlier years	-	(860.69)
Tax rate difference on deferred tax asset recognised	(20.00)	12.76
Others	8.18	(38.07)
Total	**632.58**	**(1,323.08)**
Income Tax expense recognised in profit & loss	**632.58**	**(1,323.08)**

36 Contingent liabilities (to the extent not provided for)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
In respect of VAT matters	179.86	145.50
In respect of Service Tax Matters	2,943.00	2,943.00
In respect of Income Tax Matters	218.08	218.08
In respect of Labour Matters (net of ₹ 14.67 lacs paid under protest)	54.00	79.36

Apart from the above, the Group had received a Show Cause Notice (SCN) for demand of ₹ 6,348 lacs from Service Tax Department, Mumbai for the period April 2006 to March 2008 on exports made to one of the customers of the group. On an appeal to Commissioner of Service Tax, the matter was adjudicated in the Group's favour and Service Tax Department had dropped the demand of ₹ 6,348 lacs. The department had further filed an appeal against the said order with the Customs, Excise & Service Tax Appellate Tribunal (CESTAT) which was dismissed by the Hon'ble CESTAT vide their order dated March 9, 2016. Department has further filed an appeal against the said order with the High Court on October 19,2016 and same is pending for adjudication.

Pursuant to the notices originally issued to Balaji Motion Pictures Limited (BMPL) (now pertaining to Balaji Telefilms Limited persuant to acquisition of the film production business of BMPL) under Section 153A of Income-tax Act, 1961 (in respect of proceedings initiated under section 132) the assessments for all the relevant assessment years were completed by the Department during the quarter ended June 30, 2015. During the year ended March 31, 2017, BMPL had 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. During the year ended March 31, 2018, ITAT deleted the penalty for Assessment year 2010-11 and order is awaited for AY 2013-14.

The Group has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the aforesaid matter is not likely to have an impact and accordingly, no provision has been made in these Financial Statements.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

37 Pursuant to action under Section 132 of the Income-tax Act, 1961 during the financial year 2013-14, the Company filed Return of Income u/s 153A for the respective years from FY 2006-07 to FY 2013-14. Income Tax Department completed the assessment thereof u/s 143(3) read with Section 153A in the financial year 2015-16. However, since there were differences in the original returns filed u/s 139(1) and those filed u/s 153A for the respective years, orders levying penalty were passed. The Company succeeded in cancelling the penalty for one of the years. Penalty proceedings for other years is still pending for disposal before the Income-tax Appellate Tribunal, Mumbai. The Order u/s 132B dated September 27, 2017 is received by the Company. The Company, as a matter of abundant precaution, has adjusted the net penalty amount against the advance tax balance appearing in the books and the resultant charge (net of interest on refund due) amounting to ₹ 905.07 lacs is debited to the Statement of Profit and Loss and disclosed under Exceptional Items for the year ended March 31, 2018.

38 Interest in other entities

(a) Subsidiaries

The Group's subsidiaries as at March 31, 2019 are set out below. Proportion of ownership interest held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ Country of incorporation	Ownership interest held by the group		Ownership interest held by the non-controlling interest		Principle activity
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
Balaji Motion Pictures Limited	India	100%	100%	-	-	Distribution of films
ALT Digital Media Entertainment Limited	India	100%	100%	-	-	Subscription based sale & licencing of digital content
Marinating Films Private Limited**	India	99.90%	51%	0.10%	49%	Event management relating to film and television industry
Chhayabani Balaji Entertainment Private Limited*	India	50%	50%	50%	50%	Production of television content

* The Group controls the composition of the Board of directors of the company and accordingly it has been considered for consolidation as a subsidiary

** During the year the Group has converted the Zero dividend optionally convertible redeemable preference shares (nos 34,50,000) and Zero dividend optionally convertible non-cummulative redeemable preference shares (nos 10,00,000) into Equity shares (nos 44,50,000), which resulted into change in the ownership interest. As a result, the Group recorded a decrease in retained earning of ₹ 330.93 Lacs with a corresponding impact in non-controlling interest.

(b) Interest in associates

Set out below are the interest of the Group in associates which are individually immaterial to the Group. The country of incorporation or registration is also their principal place of business and the proportion of ownership is the same as voting rights held.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Name of the entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying value	
					March 31, 2019	March 31, 2018
IPB Capital Advisors LLP	India	50.00%	Associate	Equity method	0.45	0.45
Indus Balaji Education Capital Advisors LLP	India	27.28%	Associate	Equity method	0.38	0.38

39 Related Party Transactions

(a) Name of related parties and description of relationship

Name of the Related Party	Relationship
Balaji Motion Pictures Limited	Subsidiary Company
Marinating Films Private Limited	Subsidiary Company
ALT Digital Media Entertainment Limited	Subsidiary Company
Chhayabani Balaji Entertainment Private Limited	Subsidiary Company
IPB Capital Advisors LLP	Associate
Indus Balaji Education Capital Advisors LLP	Associate
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Key management person (upto March 27, 2019) and relative of key management person thereafter.
Mr. Anshuman Thakur	Key management person (from September 1, 2017)
Mr. Arun K. Purwar	Key management person
Mr. D G Rajan	Key management person
Mr. Ashutosh Khanna	Key management person
Mr. Devender Kumar Vasal	Key management person
Mr. V B Dalal	Key management person
Mr. Pradeep Sarda	Key management person
Mr. Jyotindra Thacker	Key management person (from September 1, 2017 to March 21, 2018)
Ms. Jyoti Deshpande	Key management person (from March 23, 2018)
Mr. Sunil Lulla	Key management person (from May 25, 2018)
Mr. Sameer Nair	Key management person (upto July 15, 2017)

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(b) Details of transactions during the year

(₹ in Lacs)

Nature of Transactions	Key Management Person & Relative of Key Management person
Directors sitting fees	
Mr. Jeetendra Kapoor	6.00
	(8.25)
Mr. Tusshar Kapoor	4.50
	(4.50)
Mr. Anshuman Thakur	2.00
	(2.00)
Mr. Arun K. Purwar	5.00
	(7.00)
Mr. Ashutosh Khanna	5.50
	(9.00)
Mr. D.G. Rajan	14.00
	(11.25)
Mr. Devender Kumar Vasal	13.75
	(13.50)
Mr. Jyotindra Thacker	-
	(2.00)
Ms. Jyoti Deshpande	4.00
	(-)
Mr. Pradeep Sarda	2.50
	(4.25)
Mr. V.B. Dalal	14.00
	(14.50)
Rent paid	
Mr. Jeetendra Kapoor	55.55
	(52.41)
Mrs. Shobha Kapoor	1,505.33
	(1,416.70)
Mr. Tusshar Kapoor	13.92
	(13.13)
Ms.Ekta Kapoor	234.99
	(217.86)
Remuneration (Refer note (iii) below)	
Mrs. Shobha Kapoor	239.88
	(239.73)
Ms. Ekta Kapoor	239.88
	(239.73)
Mr. Sameer Nair	-
	(263.92)
Mr. Sunil Lulla	222.92
	(-)

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(c) Closing balances at year end

(₹ in Lacs)

Amount receivable as at March 31, 2019	
Mrs. Shobha Kapoor *	308.32
	(310.53)
Mr. Jeetendra Kapoor *	300.00
	(270.27)
Mr. Tusshar Kapoor *	100.00
	(90.09)
Ms. Ekta Kapoor *	100.00
	(90.09)

* - Deposit for leased property

Note:

(i) There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties.

(ii) Figures in bracket relate to the previous year.

(iii) The Group provides long term benefits in the form of gratuity to its key managerial person along with all employees, cost of the same is not identifiable seperately and hence not disclosed.

40 Employee Benefits

a) Defined Contribution Plans

Both the employees and the Group make pre-determined contributions to the provident fund. Amount recognized as expense amounts to ₹ 197.89 lacs (previous year ₹ 156.57 lacs).

b) Defined Benefit Plans

Gratuity

The Group operates a gratuity plan covering qualifying employees. The benefit payable is as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Group makes annual contribution to the Group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	**Valuation as at**	
	March 31, 2019	**March 31, 2018**
Discount rate(s)	6.76% - 7.64%	7.80%
Expected rate(s) of salary increase	5% - 10%	5% - 10%
Rate of Employee Turnover	10% - 25%	10%
Mortality Rate during employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Defined benefit plans – as per actuarial valuation on March 31, 2019

(₹ in Lacs)

Particulars	Funded Plan	
	Gratuity	
	March 31, 2019	March 31, 2018
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Actuarial (Gains)/Losses on Obligation for the year	(27.90)	11.86
Return on Plan Assets, Excluding Interest Income	0.98	0.60
Total	**(26.92)**	**12.46**
Net amount recognised in other comprehensive income	**(27.59)**	**12.46**
Expenses recognised in the Statement of Profit or Loss for Current year		
Current Service Cost	35.11	24.40
Past service cost	-	8.69
Net interest cost	0.45	(2.32)
Plan asset written off	-	16.09
Total	**35.56**	**46.86**
Expense recognised	**35.38**	**46.86**
I. Net Asset/(Liability) recognised in the Balance Sheet		
Present value of defined benefit obligation at the end of the year	(152.54)	(135.14)
Fair value of plan assets at the end of the year	150.66	129.38
Surplus/(Deficit)	(1.88)	(5.76)
Net liability recognized in the Balance sheet		
Current provision (Refer note 25)	15.99	-
Non-current provision (Refer note 22)	-	17.92
II. Change in the obligation during the year ended		
Present value of defined benefit obligation at the beginning of the year	135.14	87.71
Expenses Recognised in Profit and Loss Account		
- Current Service Cost	35.11	24.40
- Past service cost	-	8.69
- Interest Cost	10.55	6.42
(Benefit paid from the Fund)	(0.36)	(3.94)
Actuarial (Gains)/ Losses on Obligations - Due to change in Demographic Assumptions	(16.00)	8.05
Actuarial (Gains)/ Losses on Obligations - Due to change in Financial Assumptions	2.55	(2.47)
Actuarial (Gains)/ Losses on Obligations- Due to experience	(14.45)	6.28
Present value of defined benefit obligation at the end of the year	**152.54**	**135.14**
III. Change in fair value of assets during the year ended 31st March		
Fair value of plan assets at the beginning of the year	129.38	118.83

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Particulars	Funded Plan	
	Gratuity	
	March 31, 2019	March 31, 2018
Interest Income	10.10	8.74
Contributions by the employer	12.52	6.35
Benefit paid from the Fund	(0.36)	(3.94)
Return on Plan Assets, excluding Interest Income	(0.98)	(0.60)
Fair value of plan assets at the end of the year	**150.66**	**129.38**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Projected Benefit Obligation on Current Assumptions	152.54	135.14
Delta Effect of +1% Change in Rate of Discounting	(8.04)	(8.76)
Delta Effect of -1% Change in Rate of Discounting	8.95	9.92
Delta Effect of +1% Change in Rate of Salary Increase	7.96	9.53
Delta Effect of -1% Change in Rate of Salary Increase	(7.34)	(8.62)
Delta Effect of +1% Change in Rate of Employee Turnover	0.03	0.74
Delta Effect of -1% Change in Rate of Employee Turnover	(0.14)	(0.73)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

The group expects to contribute ₹ 38.58 lacs to the gratuity trusts during the next financial year.

Maturity profile of defined benefit obligation:

(₹ in Lacs)

Projected Benefits Payable in future years from Date of Reporting	For the year ended March 31, 2019	For the year ended March 31, 2018
1st Following year	15.28	13.17
2nd Following year	15.70	10.10
3rd Following year	18.30	10.88
4th Following year	17.92	13.50
5th Following year	17.71	13.72
Sum of Years 6 to 10	74.84	68.09
Sum of Years 11 and above	95.63	137.47

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Plan Assets

The fair value of Group's gratuity plan asset as of March 31,2019 and 2018 by category are as follows:

(₹ in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Asset category:		
Deposits with Insurance companies	150.66	129.38
	100%	100%

The Group's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The group evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the group compares actual returns for each asset category with published benchmarks.

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

41 Earning per share

Basic and diluted earnings per share calculation is as below:

(₹ in Lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Profit for the year attributable to equity share holders **(₹ in Lacs)**	(9,735.32)	(4,515.26)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	101,130,443	91,257,566
(c) Earnings per share - Basic and diluted (₹) (a/b)	(9.63)	(4.95)
(d) Nominal value of shares (₹)	2	2

42 In accordance with the Indian Accounting Standard 12 (Ind AS 12) on "Income Taxes", deferred tax assets and liabilities should be recognized for all timing differences. However, considering the present financial position and accumulated tax losses in the Company's subsidiaries and the requirement of the Ind AS 12 regarding reasonable certainty, deferred tax asset has not been recognised to the extent of ₹ 6,334.30 lacs (Previous year ₹ 3,175.63 lacs) in respect of the Company's subsidiaries. The recognition of deferred tax asset will be reassessed at each subsequent reporting date and will be accounted for in the year in which the reasonable certainty is established for the respective subsidiaries.

43 Lease Transactions

Amount of lease rentals charged to the Statement of profit and loss in respect of operating leases is ₹ 2,977.34 Lacs (Previous Year ₹ 1,433.02 lacs)

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Commitments for minimum lease payments in relation to non-cancellable operating leases payable is as follows:

(₹ in Lacs)

Particulars	March 31, 2019	March 31, 2018
Within 1 year	31.64	135.99
Later than 1 year but not later than 5 years	-	30.42

44 Segment Information

The Chief Operating Decision Maker (CODM) of the Group examines the Group's performance from a service offering prespective. The management has identified the following reportable segments :

(a) Commissioned Programmes : Income from sale of television serials to channels
(b) Films : Income from business of production and / or distribution of motion pictures and films
(c) Digital : Income from subscription based sale and licencing of digital content

(₹ in Lacs)

Particulars	Commissioned Programmes		Films		Digital		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue	34,401.83	32,421.03	10,227.19	11,172.47	4,187.11	683.74	48,816.13	44,277.24
Less: Inter Segment sale	5,119.10	2,869.45	926.16	76.00	-	-	6,045.26	2,945.45
Total Revenue	**29,282.73**	**29,551.58**	**9,301.03**	**11,096.47**	**4,187.11**	**683.74**	**42,770.87**	**41,331.79**
Segment results	4,908.62	6,950.90	826.24	1,625.54	(12,080.66)	(10,484.37)	(6,345.80)	(1,907.93)
Unallocable expenses							(5,973.72)	(5,951.07)
Unallocable income							3,176.67	1,902.65
(Loss) before tax							**(9,142.85)**	**(5,956.35)**
Add: Share of profit/(loss) of associates							-	(0.05)
Tax expense							(632.58)	1,323.08
(Loss) for the year							**(9,775.43)**	**(4,633.32)**
Segment assets	14,777.29	13,875.83	11,143.61	12,342.55	27,621.91	21,817.46	53,542.81	48,035.84
Unallocable assets							34,505.41	46,878.96
Total assets							**88,048.22**	**94,914.80**
Segment liabilities	6,774.29	5,530.52	1,512.00	355.07	2,936.11	2,720.44	11,222.40	8,606.03
Unallocated liabilities							682.89	1,348.93
Total Liabilities							**11,905.29**	**9,954.96**
Other Information								
Capital Expenditure (allocable)	996.69	756.94	-	-	105.06	385.82	1,101.75	1,142.76
Capital Expenditure (unallocable)							129.15	404.40
Depreciation / Amortisation (allocable)	1,113.56	1,191.18	16.64	16.30	482.94	376.10	1,613.14	1,583.58
Depreciation / Amortisation (unallocable)							193.25	187.04

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments. Segment assets and liabilities are measured in the same way as in the financial statements. These assets and liabilities are allocated based on the operations of the segment.

Geographic Information

The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

(₹ in Lacs)

Particulars	Within India		Outside India		Total	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Revenue from operations	41,584.52	40,840.59	1,186.35	491.20	42,770.87	41,331.79
Carrying amount of Non-current assets*	10,071.87	12,457.08	-	-	10,071.87	12,457.08

* Other than financials assets, deferred tax assets and post - employement benefits assets.

Information about major customers

During the year 2018-2019, revenue from three customer amounted to more than 10% of the total revenue aggregating to ₹ 31,295.25 Lacs.

During the year 2017-2018, revenue three customer amounted to more than 10% of the total revenue aggregating to ₹ 31,851.79 Lacs.

Disclosure of disaggregated revenue (Refer note 28) and revenue information disclosed for each reportable segment

Sales between segments are carried out at arm's length and are eliminated on consolidation. The segment revenue is measured in the same way as in the statement of profit and loss.

The group derives revenue from transfer of various types of services in the following major product lines

(₹ in Lacs)

Type of services	Commissioned Programmes		Films		Digital		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Commissioned television programs	28,033.73	27,239.74	-	-	-	-	28,033.73	27,239.74
Subscription income	-	-	-	-	1,554.64	465.26	1,554.64	465.26
Licence rights	104.35	695.66	-	-	-	-	104.35	695.66
Licensing of digital content rights	-	-	-	-	2,610.73	218.48	2,610.73	218.48
Franchise / Participation fees	-	215.00	-	-	-	-	-	215.00
Internet programs	11.59	10.18	-	-	-	-	11.59	10.18
Sale and licensing of movies	-	-	9,300.55	10,333.68	-	-	9,300.55	10,333.68
Sale of television programs / movies concept rights	58.20	100.60	-	-	-	-	58.20	100.60
Event management	939.00	1,169.00	-	-	-	-	939.00	1,169.00
Film distribution service	-	-	0.48	762.79	-	-	0.48	762.79
Free commercial time	3.16	26.02	-	-	-	-	3.16	26.02
Advertisement income	-	-	-	-	21.74	-	21.74	-
Facilities / equipment hire Income	132.70	95.38	-	-	-	-	132.70	95.38
Total	**29,282.73**	**29,551.58**	**9,301.03**	**11,096.47**	**4,187.11**	**683.74**	**42,770.87**	**41,331.79**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

45 Details relating to investment in Limited Liability Partnership (LLP)

Name of the LLP	Names of partners in the LLP	As at March 31, 2019		As at March 31, 2018	
		Total capital (₹ in lacs)	Share of each partner in the profits of the LLP	Total capital (₹ in lacs)	Share of each partner in the profits of the LLP
IPB Capital Advisors LLP	Balaji Telefilms Limited	0.500	50.00%	0.500	50.00%
	IP Capital Advisors LLP	0.490	49.00%	0.490	49.00%
	IPM Capital Advisors LLP	0.010	1.00%	0.010	1.00%
		1.000	**100.00%**	**1.000**	**100%**
Indus Balaji Education Capital Advisors LLP	Balaji Telefilms Limited	0.375	18.75%	0.375	18.75%
	IP Capital Advisors LLP	0.375	18.75%	0.375	18.75%
	IPX Capital Advisors LLP	0.250	12.50%	0.250	12.50%
	Mohit Ralhan	0.500	25.00%	0.500	25.00%
	IPM Capital Advisors LLP	0.500	25.00%	0.500	25.00%
		2.000	**100.00%**	**2.000**	**100%**
Event Media LLP	Balaji Telefilms Limited*	-	-	-	-
	Select Media Holding LLP	-	-	0.490	49.00%
		-	**-**	**0.490**	**49.00%**

* During the previous year the company has exited the partnership.

46 The Group has given certain advances to co-producers and directors where the production of films has not commenced. This also includes amounts receivable from co-producers in respect of certain films. These advances and receivables are subject to litigations as at March 31, 2019 aggregating to ₹ 1,619 lacs towards recovery of these dues . On the basis of the evaluation carried out by the management, in consultation with the lawyers, the amounts are considered good and fully recoverable.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

47 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of entity in the group	Net assets (total assets minus total liabilities)		Share of profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lacs)	As % of consolidated profit or loss	Amount (₹ in Lacs)	As % of consolidated other comprehensive income	Amount (₹ in Lacs)	As % of consolidated total comprehensive income	Amount (₹ in Lacs)
Parent								
Balaji Telefilms Limited								
March 31, 2019	132.64%	100,992.72	-20.59%	2,012.46	-12.87%	(3.81)	-20.61%	2,008.65
March 31, 2018	115.74%	98,330.50	-35.18%	1,630.10	35.53%	(3.73)	-35.02%	1,626.37
Subsidiaries (group's share)								
Balaji Motion Pictures Limited								
March 31, 2019	-0.34%	(267.28)	0.47%	(45.56)	-	-	0.47%	(45.56)
March 31, 2018	-0.35%	(297.63)	2.20%	(101.90)	12.66%	(1.33)	2.22%	(103.23)
ALT Digital Media Entertainment Limited								
March 31, 2019	29.60%	22,536.47	117.56%	(11,492.18)	112.87%	33.41	117.58%	(11,458.77)
March 31, 2018	21.60%	18,351.51	205.52%	(9,522.37)	51.81%	(5.43)	205.17%	(9,527.80)
Marinating Films Private Limited								
March 31, 2019	0.29%	217.98	0.14%	(13.49)	-	-	0.14%	(13.49)
March 31, 2018	0.27%	229.58	1.91%	(88.34)	-	-	1.90%	(88.34)
Chhayabani Balaji Entertainment Private Limited								
March 31, 2019	0.04%	30.82	0.41%	(40.09)	-	-	0.41%	(40.09)
March 31, 2018	0.08%	70.91	0.70%	(32.53)	-	-	0.70%	(32.53)
Non-controlling interests in all subsidiaries								
March 31, 2019	-0.13%	(101.98)	0.41%	(40.10)	-	-	0.41%	(40.10)
March 31, 2018	-0.46%	(392.81)	2.55%	(118.06)	-	-	2.54%	(118.06)
Associates								
IPB Capital Advisors LLP								
March 31, 2019	*	0.45	*	-	-	-	*	-
March 31, 2018	*	0.45	*	(0.05)	-	-	*	(0.05)
Indus Balaji Education Capital Advisors LLP								
March 31, 2019	*	0.38	-	-	-	-	-	-
March 31, 2018	*	0.38	-	-	-	-	-	-
Total								
March 31, 2019	162.08%	123,409.56	98.40%	(9,618.96)	100.00%	29.60	98.40%	(9,589.36)
March 31, 2018	136.88%	116,292.89	177.70%	(8,233.15)	100.00%	(10.49)	177.52%	(8,243.64)

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Name of entity in the group	Net assets (total assets minus total liabilities)		Share of profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lacs)	As % of consolidated profit or loss	Amount (₹ in Lacs)	As % of consolidated other comprehensive income	Amount (₹ in Lacs)	As % of consolidated total comprehensive income	Amount (₹ in Lacs)
Adjustment on consolidation								
March 31, 2019	-62.08%	(47,266.63)	1.60%	(156.47)	-	-	1.60%	(156.47)
March 31, 2018	-36.88%	(31,333.05)	-77.70%	3,599.86	-	-	-77.52%	3,599.83
Net Total								
March 31, 2019	100%	76,142.93	100%	(9,775.43)	100%	29.60	100%	(9,745.83)
March 31, 2018	100%	84,959.84	100%	(4,633.32)	100%	(10.49)	100%	(4,643.81)

* Percentage disclosure is below the rounding off norms of the group

48 The composite Scheme of Arrangement and Amalgamation (the 'Scheme') between the Company and two of its subsidiaries viz. Balaji Motion Pictures Limited ('BMPL') and Bolt Media Limited ('Bolt'), for the merger of Bolt and the film production undertaking of BMPL with the Company and the consequent capital reduction in the books of BMPL has been approved by the National Company Law Tribunal (Mumbai bench) ('NCLT') and subsequently filed with the Registrar of Companies, Securities and Exchange Board of India and Stock Exchanges by December 15, 2017 (the 'Effective date'). Pursuant to the Scheme becoming effective, the unabsorbed tax losses of the film production undertaking of BMPL become available to the company and consequential current and deferred tax have been recognised in the year ended March 31, 2018 in the Consolidated Financial statements.

49 Share based payments

The Nomination and Remuneration Committee ("NRC") of the Board of Directors of the Company has formulated the Balaji Telefilms ESOP, 2017 ("the ESOP Scheme") to grant Stock Options in the form of Options to the eligible employees of the Group. The ESOP Scheme has been adopted by the NRC by a Resolution passed at its meeting held on February 13, 2018 pursuant to the enabling authority granted under resolution passed by the members of the Company by way of Postal Ballot or electronic voting held on December 30, 2017. ESOP Scheme has been formulated in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("the SEBI Regulations"), as amended.

The NRC, vide a resolution passed at its meeting held on May 19, 2018, and June 20, 2018 has granted Options ("Options"), 16,63,734 Options on May 19, 2018 and 21,25,239 Options on June 20, 2018 to the eligible employees of the Group (as per terms decided by the NRC).

The Options granted would vest over a period of 3 years – the first 25% to vest at the end of one year from the grant date, 35% to vest at the end of second year from the grant date and balance 40% to vest at the end of third year from the grant date. Once vested, the option remain exerciseable for the period of 3 years from the last vesting date

When exercisable, each option is convertible into one equity share. The exercise price of the options is based on the stock exchange last closing market price after deducting 25% discount as determinced by the Members of Nomination and Remuneration Committee.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

The vesting schedule and exercise period of the Options granted on May 19, 2018 is as follows:

Year	Vesting of options	Vesting dates	Exercise Period up to
1	25%	May 18, 2019	May 18, 2024
2	35%	May 18, 2020	May 18, 2024
3	40%	May 18, 2021	May 18, 2024

The vesting schedule and exercise period of the Options granted on June 20, 2018 is as follows:

Year	Vesting of options	Vesting dates	Exercise Period up to
1	25%	June 19, 2019	June 19, 2024
2	35%	June 19, 2020	June 19, 2024
3	40%	June 19, 2021	June 19, 2024

During the year ended March 31, 2019 the Group recorded an employee compensation expenses of ₹ 1,057.26 lacs (previous year Nil lacs) in the statement of profit and loss account.

Set out below is a summary of options granted under the plan:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Average Exercise price per share option (INR)	Number of options	Exercise price per share option (INR)	Number of options
Opening balance	-	-	N.A	N.A
Granted during the year	91.68	3,788,973		
Exercised during the year	-	-		
Forfeited/(lapsed) during the year	-	635,117		
Closing balance		**3,153,856**		

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price (INR)	Share options March 31, 2019
May 19, 2018	May 18, 2024	90.00	1,402,455
June 20, 2018	June 19, 2024	93.00	1,751,401
Total			**3,153,856**

Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2019 was ₹ 72.01 per option for options granted on May 19, 2018 (Tranche 1) and ₹ 74.33 per option for options granted on June 20, 2018 (Tranche 2) . The fair value at grant date is determined using the Binomial Tree Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

The model inputs for options granted during the year ended March 31, 2019 included:

a) Options are granted for no consideration and vest upon completion of service for a period of one to three years from the date of grant. Vested options are exercisable for a period of three years after last vesting date.
b) Exercise price:₹ 90 (Tranche 1) and₹ 93 (Tranche 2)
c) Grant date: May 19, 2018 (Tranche 1) and June 20, 2018 (Tranche 2)
d) Expiry date: May 18, 2024 (Tranche 1) and June 19, 2024 (Tranche 2)
e) Share price at grant date: ₹ 119.80 (Tranche 1) and ₹ 123.45 (Tranche 2)
f) Expected price volatility of the company's shares: 46.05% (Tranche 1) and 45.87% (Tranche 2)
g) Expected dividend yield: 0.91% (Tranche 1 and 2)
h) Risk-free interest rate: 7.92% (Tranche 1) and 8.05% (Tranche 2)

The expected price volatility is based on the historic volatility (based on the remaining life of the options).

50 Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

(a) Financial instrument by category

(₹ in lacs)

Particulars	March 31, 2019			March 31, 2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Non-current financial assets						
Investments	1,503.86	-	-	3,166.05	-	-
Loans	-	-	940.19	-	-	913.10
Other financial assets	-	-	326.12	-	-	371.66
Trade receivables	-	-	150.12	-	-	-
Current financial assets						
Investments	28,525.52	-	-	44,206.15	-	-
Trade receivables	-	-	9,882.50	-	-	9,346.90
Cash and cash equivalents	-	-	1,930.17	-	-	2,196.14
Other balances with bank	-	-	-	-	-	0.58
Loans	-	-	71.39	-	-	398.72
Other financial assets	-	-	1,471.03	-	-	1,113.06
Total Financial Assets	**30,029.38**	**-**	**14,771.52**	**47,372.20**	**-**	**14,340.16**
Financial Liabilities						

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Particulars	March 31, 2019			March 31, 2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Non-current financial liabilities						
Borrowings	-	-	10.56	-	-	8.33
Current financial liabilities						
Trade payables	-	-	9,061.73	-	-	7,438.67
Other financial liabilities	-	-	132.74	-	-	381.44
Total Financial Liabilities	**-**	**-**	**9,205.03**	**-**	**-**	**7,828.44**

(i) **Fair Value hierarchy**

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in lacs)

Financial assets and liabilities measured at fair value- recurring fair value measurement March 31, 2019	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in trusts	-	-	1,503.86	1,503.86
Mutual Fund	-	28,525.52	-	28,525.52
Total Financial Assets	**-**	**28,525.52**	**1,503.86**	**30,029.38**

(₹ in lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2019	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Loans	-	-	941.35	941.35
Trade receivable	-	-	150.12	150.12
Other financial assets	-	-	326.12	326.12
Total Financial assets	**-**	**-**	**1,417.59**	**1,417.59**
Non-current financial liabilities				
Borrowings	-	-	10.56	10.56
Total Financial liablities	**-**	**-**	**10.56**	**10.56**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(₹ in lacs)

Financial assets and liabilities measured at fair value- recurring fair value measurement March 31, 2018	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in trusts	-	-	3,166.05	3,166.05
Mutual Fund	-	44,206.15	-	44,206.15
Total Financial Assets	**-**	**44,206.15**	**3,166.05**	**47,372.20**

(₹ in lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2018	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Loans	-	-	913.10	913.10
Other financial assets	-	-	371.66	371.66
Total Financial assets	**-**	**-**	**1,284.76**	**1,284.76**
Non-current financial liabilities				
Borrowings	-	-	8.33	8.33
Total Financial liabilities	**-**	**-**	**8.33**	**8.33**

The carrying value of the current trade receivables, cash and cash equivalents, other bank balances, current loans, trade payables and other current financial assets and liabilities are considered to be the same as their fair values due to their short term nature.

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in valuation technique. The hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement). The categories used are as follows:

Level-1 Hierarchy includes financial instruments measured using quoted price.

Level-2 The fair value of financial instruments that are not traded in an active market is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity -specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.

Level -3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:

1) The mutual funds are valued using closing NAV available in the market.
2) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2019

(₹ in lacs)

Particulars	Investment in units of trusts
As at April 1, 2017	**4,035.93**
Acquisitions	-
Sales	(471.18)
Gains/(Losses) recognised in profit or loss	(398.70)
As at March 31, 2018	**3,166.05**
Acquisitions	-
Sales	(2,142.84)
Gains/(Losses) recognised in profit or loss	480.65
As at March 31, 2019	**1,503.86**

(iv) Valuation input and sensitivity assessment

Expected growth rate is the significant unobservable input which has been used in the level 3 fair valuation mesurements. The sensitivity to changes in the expected growth rate to the valuation as at March 31, 2019 is as follows:

- Investment in Indus Balaji Investor Trust (growth rate considered - 5%): Increasing/Decreasing the expected growth rate by 1% would change the fair value by ₹ 124.47 lacs and (₹101.58) lacs respectively.

(v) Valuation process

The valuation of financial assets required for financial reporting purposes is done by an independent valuation expert appointed by the management. Assumptions used for the valuation are provided by the finance department of the group after discussion with the chief financial officer (CFO) and business unit heads.

(vi) Fair value of fiancial assets measured at amortised cost

₹ in Lacs

Particulars	March 31, 2019		March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Trade receivable	150.12	150.12	-	-
Loans	940.19	941.35	913.10	913.10
Other financial assets	326.12	326.12	371.66	371.66
Financial liabilities				
Borrowings	10.56	10.56	8.33	8.33

51 Financial Risk Management

Risk management framework

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the group's activities. The Board of Directors and the management is

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

responsible for overseeing the Group's risk assessment and management policies and processes.

(A) Credit Risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Group. The Group deals with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group uses publicly available financial information and its own trading records to rate its major customers. The Group's exposure and credit ratings of its counterparties are regularly monitored and the aggregate value of transactions concluded is spread amongst counterparties.

(i) Credit Risk Management

Financial instruments and cash deposits

The Group maintains exposure in cash and cash equivalents, term deposits with banks and investments in mutual funds. The Group has diversified portfolio of investment with various number of counter-parties which have good credit ratings and hence the risk is reduced. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good. As a practice, the group only invests with high rated banks/institutions. The Group's maximum exposure to credit risk as at March 31, 2019 and March 31, 2018 is the carrying value of each class of financial assets as disclosed in note 50.

Security deposits given to lessors

The Group has given security deposit to lessors for premises leased by it as at March 31, 2019 and March 31, 2018. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

Trade receivables and Contract assets

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past dues. The Contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rate for the contract assets.

Trade receivables and contract assets are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses.

The Group measures the expected credit loss of trade receivables, contract assets and other financial assets which are subject to credit risk, based on historical trend, industry practices and the business environment in which the entity operates and adjusted for forward looking information. Loss rates are based on actual credit loss experience and past trends.

The Group has used practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix taken into account historical credit loss experience and adjusted to reflect current and forward looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The following table summarizes the Gross carrying amount of the financial assets and provision made:

Particulars	March 31, 2019		March 31, 2018	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivables	10,457.85	(425.23)	9,772.13	(425.23)

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

Loans	1,062.50	(50.92)	1,362.74	(50.92)
Contract assets/ Unbilled Revenue	794.37	-	525.29	-

The following table summarizes the changes in the Provisions made for the receivables:

Paticulars	March 31, 2019	March 31, 2018
Opening balance	(476.15)	(354.04)
Provided during the year (net of write off)	-	(122.11)
Reversals of provisions	-	-
Closing balance	**(476.15)**	**(476.15)**

Of the Trade Receivables balance as at March 31, 2019 of ₹10,032.62 lacs (as at March 31, 2018 of ₹ 9,346.90 lacs), the top 3 customers of the company represent the balance of ₹ 7,964.90 lacs as at March 31, 2019 (as at March 31, 2018 of ₹ 5,896.57 lacs).

No significant changes in estimation techniques or assumptions were made during the reporting period.

(B) Liquidity Risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The responsibility for liquidity risk management rests with the Board of directors, which has an appropriate liquidity risk management framework for the management of the group's short-, medium- and long-term funding and liquidity management requirements. The group manages liquidity risk by maintaining adequate reserves, banking facilities by regularly monitoring forecast and actual cash flows.

(i) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity grouping based on their contractual maturities.

(₹ in lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2019				
Borrowings	-	-	10.56	10.56
Trade payables	9,061.73	-	-	9,061.73
Other Financial Liabilities	132.74	-	-	132.74
Total financial liabilities	**9,194.47**	**-**	**10.56**	**9,205.03**

(₹ in lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2018				
Borrowings	-	-	8.33	8.33
Trade payables	7,438.67	-	-	7,438.67
Other Financial Liabilities	381.44	-	-	381.44
Total financial liabilities	**7,820.11**	**-**	**8.33**	**7,828.44**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(C) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Foreign currency risk exposure:

The Group is subject to the risk that changes in foreign currency values impact the Company's export revenue and import of services.

As at March 31, 2019, the unhedged exposure to the Group on holding financial assets (trade receivables) and liabilities (trade payables net of advances) other than in their functional currency amounted to ₹83.75 lacs and ₹ 138.93 lacs (March 31, 2018 ₹ Nil)

(b) Interest rate risk

The Group does not have any variable interest borrowings and is thus not exposed to interest rate risk as at March 31, 2019 (Previous year Nil).

(c) Price risk

(i) Exposure

The Group's exposure to investments arises from investment held by the group in mutual funds and classified in the balance sheet as fair value through profit or loss.

To manage its price risk arising from investments in mutual funds, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the respective companies in the group.

(ii) Sensitivity

(₹ in lacs)

Particulars	Impact on profit after tax	
	March 31, 2019	March 31, 2018
Net asset value - Increase 5% (March 31, 2018 5%)*	1,040.04	1,612.93
Net asset value - Decrease 2% (March 31, 2018 2%)*	(416.02)	(645.17)

*Profit after tax for the year would increase/ decrease as a result of gains/ losses on investments classified at fair value through profit or loss.

52 Capital Management

The Group's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The group considers the following components of its balance sheet to be managed capital:
Total equity as shown in the balance sheet including reserves, retained earnings and share capital.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares.

53 Dividends

(₹ in lacs)

Particulars	March 31, 2019	March 31, 2018
Equity Shares		
(i) Final Dividend paid during the respective financial year of ₹ 0.40 per fully paid share pertaining to dividends proposed for the immediately preceding financial year.	487.67	486.87
(ii) Dividend not recognised at the end of the reporting period In addition to the above dividends, since the year end, the Company has proposed dividend of ₹ 0.40 per fully paid share for the financial year 2018-19 (₹ 0.40 per fully paid share for the financial year 2017-18)	487.67	487.67

54 Changes in accounting policies

This note explains the impact of the adoption of Ind AS 115 Revenue from Contracts with Customers on the Group's financial statements.

Impact on the financial statements

The Group applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under this method, the Group recognised the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of retained earnings as at April 1, 2018. Comparative prior period has not been adjusted.

Entities applying the modified retrospective method can elect to apply the revenue standard only to contracts that are not completed as at the date of initial application (that is, they would ignore the effects of applying the revenue standard to contracts that were completed prior to the date of initial application). However, the Group elected to apply the standard to all contracts as at April 01, 2018.

The impact on the Group's retained earnings as at April 1, 2018 is as follows:

Retained earnings	As at April 1, 2018
Opening balance	9,381.15
Change in accounting policy (Ind AS 115) (net of tax)	374.33
Closing balance	9,755.48

The following table presents the amounts by which each financial statement line item is affected in the current year ended March 31, 2019 by the application of Ind AS 115 as compared with the previous revenue recognition requirements. Line items that were not affected by the changes have not been included. The adjustments are explained in more detail in footnotes.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(₹ in Lacs)

Balance sheet (extract)	March 31, 2019 without adoption of Ind AS 115	Increase/ (Decrease)	March 31, 2019 as reported
Non-current assets			
Deferred tax assets	2,025.06	(43.20)	1,981.86
Current assets			
Other financial assets	1,633.69	(162.66)	1,471.03
Contract assets	-	682.25	682.25
Inventories	20,943.25	(1,359.34)	19,583.91
Other current assets	9,966.93	959.66	10,926.59
Retained earnings	**(860.56)**	**76.71**	**(783.85)**
Total equity	**76,066.22**	**76.71**	**76,142.93**

(₹ in Lacs)

Statement of profit and loss (extract) year ended March 31, 2019	March 31,2019 without adoption of Ind AS 115	Increase/ (Decrease)	March 31, 2019 as reported
Revenue from Operations	42,945.86	(174.99)	42,770.87
Expenses			
Cost of Production (including changes in Inventories)	37,472.88	124.53	37,597.41
Income tax expense	634.48	(1.90)	632.58
Total comprehensive income for the year	**(9,448.21)**	**(297.62)**	**(9,745.83)**
Earnings per equity share			
Basic & Diluted earnings per share	**(9.34)**	**(0.29)**	**(9.63)**

(i) Accounting of Revenue from Commissioned television programs & Revenue from Licensing of digital rights.

Under the previous revenue recognition standard, Revenue from commissioned television programmes was recognised when relevant episodes of programmes (television serials) are telecast by broadcaster (customer). However, following the adoption of Ind AS 115, it has been assessed that the group is acting as contracted producer of television programs and therefore, proportionate revenue is to be recognised for shows produced but not telecasted/ delivered together with their related cost. Under the previous revenue recognition standard, Revenue from sale of digital content was recognised on a straight line basis over the period of the contract. However, following the adoption of Ind AS 115, in certain contracts for digital content with its customers where the Group does not have any continuing involvement subsequent to delivery of content, the Group has identified separate performance obligations within the contract and revenue is recognised on fulfillment of each such performance obligation.

This change in accounting resulted in an increase in opening reserves of ₹ 374.33 lacs (net of tax), which has been accounted for on April 01, 2018. Further, Revenue for the year ended March 31, 2019 decreased by ₹ 174.99 lacs, cost of production increased by ₹ 124.53 lacs, tax expenses decreased by ₹ 1.90 lacs and profit before tax decreased by ₹ 299.52 lacs.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

As a consequence of the above, Unbilled revenue of ₹ 60.17 lacs is recognised, Contract assets of ₹ 459.42 lacs is recognised and Inventory of ₹ 399.67 lacs has been derecognised and recognised as cost of production as on March 31, 2019.

(ii) Presentation of the assets and liabilities related to contract with customers.

The group has voluntarily changed the presentation of certain amounts in the balance sheet to reflect the terminology of Ind AS 115:

Contract assets recognised in relation to commissioned television programmes were previously presented as part of other financial assets of ₹ 222.83 lacs at March 31, 2019. Contract asset are in nature of unbilled revenue which arises when entity satisfies a performance obligation but does not have an unconditional right to consideration, for e.g., because it first needs to deliver the content which is necessary to achieve the billing milestone.

Other receivables (other current assets) recognised in relation to cost incurred towards production of shows for anticipated contracts were previously presented as part of Inventories of ₹ 959.66 lacs. In certain cases, the group begins activities towards the production of the shows and incurs cost pending finalization of the final contract with the customer. The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future and the costs are expected to be recovered. Considering this as the costs incurred to fulfil a contract, this has been now reclassed to other receivables from inventories.

55 Recent accounting pronouncements - Standards issued but not yet effective:

(a) Ind AS 116, Leases

Ind AS 116 was notified by Ministry of Corporate Affairs on March 30, 2019 and it is applicable for annual reporting periods beginning on or after April 01, 2019. This standard will replace the current guidance in Ind AS-17, Leases.

Under Ind AS 116, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The statement of profit and loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change.

Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities. The accounting by lessors will not significantly change.
Some differences may arise as a result of the new guidance on the definition of a lease.

The group is in process of assessing the impact of the standard on the financial position, results of operation and cash flow.

(b) Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12, 'Income Taxes'

The appendix explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. These amendments will be applicable on or after 1 April 2019. In particular, it discusses:

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

- how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;
- that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
- that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;
- that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

The Group does not expect to have a material impact on its financial statements pursuant to the aforesaid amendment.

(c) Long-term Interests in Associates and Joint Ventures – Amendments to Ind AS 28, 'Investment in Associates and Joint Ventures

The amendments clarify the accounting for long-term interests in an associate or joint venture, which in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under Ind AS 109 'Financial Instruments' before applying the loss allocation and impairment requirements in Ind AS 28. These amendments are not expected to have any material impact on the financial statements of the Group.

(d) Plan Amendment, Curtailment or Settlement – Amendments to Ind AS 19, 'Employee Benefits'

The amendments to Ind AS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. They confirm that entities must :

- calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change;
- any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling; and
- separately recognise any changes in the asset ceiling through other comprehensive income.

These amendments will apply to any future plan amendments, curtailments, or settlements of the group on or after April 1, 2019. The group does not expect to have a material impact on its financial statements pursuant to the aforesaid amendment.

(e) Ind AS 12, 'Income Taxes'

The amendments clarify that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends. Previously, it was unclear whether the income tax consequences of dividends should be recognised in profit or loss, or in equity, and the scope of the existing guidance was ambiguous. These amendments are not expected to have any material impact on the financial statements of the Group.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2019

(f) **Amendments to other existing Ind AS**

Ind AS 109 - Financial Instruments - Prepayment Features with Negative Compensation

Ind AS 103 - Business Combinations

Ind AS 111 - Joint Arrangements

Ind AS 23 - Borrowing Costs

The Group does not expect any impact from above mentioned new standards and amendments.

Signatures to notes 1 to 55

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date: May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Managing Director)
DIN: 00005124

D.G. Rajan
(Audit Committee Chairman)
DIN: 00303060

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Simmi Singh Bisht
(Group Head Secretarial)

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BOARD'S REPORT

The Directors present the 13th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

The salient features of your Company's financial results for the year under review are as follows:

(₹ In Lacs)

PARTICULARS	2018-19	2017-18
Income		
Turnover	320.59	762.78
Other income	-	-
Total	**320.59**	**762.78**
Expenditure	**330.39**	**840.28**
(Loss) before depreciation, interest & tax	**(9.80)**	**(77.50)**
Finance costs	35.76	24.40
Depreciation and amortization	-	-
(Loss) before tax from continuing operations	**(45.56)**	**(101.90)**
Provision for taxation	-	-
(Loss) after tax from continuing operations	**(45.56)**	**(101.90)**
(Loss) before tax from discontinued operations	**-**	**(409.11)**
Provision for taxation	-	-
(Loss) after tax from discontinued operations	**-**	**(409.11)**
(Loss) for the year	**(45.56)**	**(511.01)**
Balance brought forward from previous year	(497.63)	(12,188.30)
Other comprehensive income for the year	-	(1.33)
Total	**(543.19)**	**(12,700.64)**
Balance transferred to transferee Company on account of demerger	-	12,155.93
Profit on account of scheme of arrangement/demerger	-	47.08
Balance carried to the balance sheet	**(543.19)**	**(497.63)**

RESULTS OF OPERATIONS

During the year under review, your Company has achieved a turnover of ₹ of ₹320.59 Lacs as against ₹ 762.78 Lacs during the previous fiscal. In the current financial year, the Company has reported loss of ₹ 45.56 Lacs as against loss of ₹ 101.90 Lacs in the previous fiscal.

DIVIDEND

Considering the loss incurred in the current financial year, Directors have not recommended any dividend for the financial year under review.

TRANSFER TO RESERVES

The Directors of the Company do not propose to transfer any amount to reserves, in view of loss incurred by the Company.

BOARD'S REPORT

BORROWINGS

The Company has borrowed ₹ 292.13 Lacs from Holding Company i.e. Balaji Telefilms Limited during the year under review.

SHARE CAPITAL

The paid-up Share Capital of the Company as on March 31, 2019 was ₹ 2,00,00,000 (Rupees Two Crores Only) comprising of 20,00,000 Equity Shares of Face Value ₹ 10/- each. The Company has neither issued shares with differential voting rights nor granted stock options or sweat equity. As on March 31, 2019 the Company is a wholly-owned subsidiary of Balaji Telefilms Limited.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act and the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

CHANGE IN NATURE OF BUSINESS

There was no change in nature of business during the year under review.

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company does not have any subsidiary, associate and joint venture company. Thus, the Audited Financial Statements, Auditors' Report thereon and Board's Report along with applicable annexures are not annexed herewith.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OCCURRED BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF THE REPORT

No material changes and commitments have occurred between the end of financial year and the date of this report affecting the financial position of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

Resignation of Independent Directors

During the year under review, Mr. Virendra Babubhai Dalal, Mr. Devender Kumar Vasal and Mr. Pradeep Kumar Sarda have resigned as Independent Directors of the Company w.e.f. May 19, 2018 due their pre-occupation.

Resignation of Director

During the year under review, Mr. Tusshar Kapoor, Non-Executive Non- Independent Director, has resigned from the Board of Directors of the Company w.e.f. March 27, 2019 due to personal reason and pre-occupation.

The Board places on record, its appreciation for their inspiring guidance, performance and their contribution to improve the overall functioning of the Company.

Retirement by rotation and subsequent re-appointment

Mrs. Shobha Kapoor, Non-Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting (AGM), pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company and being eligible has offered herself for re-appointment. Appropriate resolution for her re-appointment is being placed for the approval of the Members of the Company at the ensuing AGM. The Board recommends her re-appointment as Non-Executive Director of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from all Independent Directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

BOARD'S REPORT

AUDITORS

STATUTORY AUDIT

M/s. Price Waterhouse Chartered Accountants LLP were appointed as Statutory Auditors of the Company at the AGM held on August 31, 2017, for a term of 5 (five) consecutive years subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 07, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing AGM. M/s. Price Waterhouse Chartered Accountants LLP have confirmed that they are not disqualified from continuing as Auditors of the Company.

COST AUDIT

In accordance with Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable to the Company.

SECRETARIAL AUDIT

In accordance with Section 204 of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit is not applicable to the Company.

However, during the year under review, Secretarial Review of the Company was conducted for better corporate governance and to ensure timely compliances with respect to statutory provisions as applicable to the Company.

AUDIT REPORTS

The Report given by the Auditors on the financial statements of the Company is part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

i) BOARD MEETINGS

During the year under review, 4 (four) Meetings of the Board of Directors were held on May 19, 2018, August 10, 2018, November 13, 2018 & February 12, 2019. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

ii) COMMITTEE MEETINGS

During the year under review, one meeting each of Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee of Directors was held on May 19, 2018.

Pursuant to reduction of Share Capital of the Company due to demerger of its film production undertaking, the provisions of Section 177, 178 & 135 of the Companies Act, 2013 with respect to constitution of various Committees are not applicable to the Company. Hence, the Board of Directors in its meeting held on August 10, 2018 dissolved Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility w.e.f. August 10, 2018.

The composition of the Committees till the date of its dissolution are as follows:

a) AUDIT COMMITTEE

Name of the Members	Designation	Nature of Membership
Mr. Duraiswamy Gunaseela Rajan	Independent Director	Chairman
Mr. Jeetendra Kapoor	Non – Executive Director	Member
Mr. Devender Kumar Vasal	Independent Director	Member
Mr. Virendra Babubhai Dalal	Independent Director	Member
Mr. Pradeep Kumar Sarda	Independent Director	Member

BOARD'S REPORT

The Scope and terms of reference of the Audit Committee is in accordance with the Act. During the year under review, the Board of Directors of the Company had accepted all the recommendations of the said Committee.

b) NOMINATION AND REMUNERATION COMMITTEE

Name of the Members	Designation	Nature of Membership
Mr. Ashutosh Khanna	Independent Director	Chairman
Mr. Jeetendra Kapoor	Non – Executive Director	Member
Mr. Devender Kumar Vasal	Independent Director	Member
Mr. Pradeep Kumar Sarda	Independent Director	Member

The Holding Company i.e. Balaji Telefilms Limited has Nomination and Remuneration Policy which is applicable to all its subsidiaries which can be accessed at **http://www.balajitelefilms.com/nomination-remuneration-policy.php**

c) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The composition of the committee is as under:

Name of the Members	Designation	Nature of Membership
Mr. Jeetendra Kapoor	Non – Executive Director	Chairman
Mrs. Shobha Kapoor	Non – Executive Director	Member
Ms. Ekta Kapoor	Non – Executive Director	Member
Mr. Pradeep Kumar Sarda	Independent Director	Member

iii) BUSINESS RISK MANAGEMENT

The Holding Company i.e. Balaji Telefilms Limited has Risk Management Policy which is applicable to all its subsidiaries. The risk management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage. Major risks identified by the business and functions are systematically addressed through mitigation actions on a periodic basis.

iv) DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Holding Company i.e. Balaji Telefilms Limited has Corporate Social Responsibility Policy which is applicable to all its subsidiaries. However, the provisions of Section 135 of the Companies Act, 2013 are no longer applicable to the Company.

OTHER DISCLOSURES

i) EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return in Form MGT – 9, as required under Section 92 of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, is appended as Annexure I, which forms part of this Report and is also available on website of the Company at **http://www.balajitelefilms.com/investor-relations.php**

ii) REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors have not reported to the Board or Audit Committee, under Section 134 (3)(ca) and 143(12) of the Companies Act, 2013, any instances of frauds committed against the Company by its officers or employees, the details of which would need to be mentioned in this Report

BOARD'S REPORT

iii) SECRETARIAL STANDARDS

The Company complies with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

iv) INTERNAL FINANCIAL CONTROL SYSTEMS AND ADEQUACY

The Board has adopted the policies and procedures for ensuring the orderly and efficient control of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds, errors, reporting mechanisms, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

v) VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a Whistle Blower Policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the Management to the work groups. The confidentiality of those reporting violations is maintained, and they are not subjected to any discriminatory practice. The Whistle Blower Policy of the Company may be accessed at **http://www.balajitelefilms.com/whistle-blower-policy.php**

vi) RELATED PARTY TRANSACTIONS

All transactions/contracts/arrangements entered into by the Company with related party(ies) as defined under the provisions of Section 188 and 2(76) of the Companies Act, 2013, during the financial year under review were in ordinary course of business and at an arm's length basis. Further, none of these transactions/contracts/arrangements with related parties could be considered material in nature as per the thresholds given in Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 and hence no disclosure is required to be given in this regard.

vii) FIXED DEPOSITS

During the year under review the Company has not accepted any fixed deposits and as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

viii) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013, forms part of the notes to the Financial Statements provided in this Annual Report.

ix) PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place Prevention of Sexual Harassment at Workplace Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee and Apex Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. During the financial year 2018-19, no sexual harassment complaint has been registered with the Company.

x) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going status of the Company & its future operations.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

ENERGY CONSERVATION MEASURES TAKEN BY THE COMPANY

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to conservation of energy do not apply to the Company. However, significant measures are taken to reduce energy consumption by using energy-efficient computers and by purchasing energy-efficient computers and by purchasing energy-efficient equipments. We purchase computers, laptops,

BOARD'S REPORT

air conditioners etc. that meet environmental standards, wherever possible and regularly upgrade old equipments with more energy-efficient equipments. Currently, we use Light Emitting Diode (LED) fixtures to reduce the power consumption in the illumination system.

TECHNOLOGY ABSORPTION

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to technology absorption do not apply to the Company. The Company's research and development initiative mainly consists of ideation of new subjects for our content production business, which are used in the creation of new storyline and tracks. The expenses incurred on such initiatives are not practically quantifiable.

The Company is an integrated player in the entertainment industry and our business is such that there is limited scope for new technology absorption, adaptation and innovation. However, the Company uses the latest technology, wherever possible to deliver superior production value, as a regular process.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, there were no foreign exchange earnings or outgo.

MECHANISM FOR EVALUATING BOARD MEMBERS

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance evaluation of Executive/Non-Executive/ Independent Directors. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement.

The following are the criteria on the basis of which the Directors are evaluated:

1) Knowledge to perform the role;
2) Time and Level of Participation;
3) Performance of Duties and Level of Oversight;
4) Professional Conduct and Independence etc.

Feedback on each Director is encouraged to be provided as a part of the survey.

EVALUATION OF BOARD AND INDIVIDUAL DIRECTORS

The Companies Act, 2013 provides that annual performance evaluation of Directors should be carried out by other Directors to the exclusion of Director being evaluated. The evaluation of the Board as a whole, and Individual Directors including Executive, Non-Executive and Independent Directors is conducted based on the criteria and framework adopted by the Board. The Board takes note of the evaluation process results.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a) In the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards had been followed along with proper explanation relating to any material departures;

b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;

c) Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual accounts for the financial year ended March 31, 2019 had been prepared on a 'going concern' basis;

e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

BOARD'S REPORT

ACKNOWLEDGEMENTS

The Directors of the Company wish to acknowledge with gratitude and place on record their appreciation to all stakeholders-shareholders, investors, customers, suppliers, business associates, banks, regulatory and governmental authorities for their cooperation, assistance and support. Further they also wish to thank their employees for their dedicated services.

For and on behalf of the Board of Directors

Sd/-
Jeetendra Kapoor
Chairman
DIN: 00005345

Place: Mumbai
Date: May 22, 2019

Annexure I

FORM MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended 31.03.2019
[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS

1.	**CIN**	U22300MH2007PLC168515
2.	**Registration Date**	09/03/2007
3.	**Name of the Company**	Balaji Motion Pictures Limited.
4.	**Category/Sub-category of the Company**	Company Limited by Shares/ Public Non-Government Company
5.	**Address of the Registered office & Contact details**	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053, Maharashtra. Tel: +91-022-40698000 Fax: +91-022-40698181 / 82 Email: neha.shah@balajitelefilms.com Website: www.balajitelefilms.com
6.	**Whether listed Company**	No
7.	**Name, Address & Contact details of the Registrar & Transfer Agent, if any.**	NSDL Database Management Limited 4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra. Tel: +91-022-49142591 Email: nileshb@nsdl.co.in Website: www.nsdl.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Media & Entertainment	591	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
Balaji Telefilms Limited **Registered Office:** C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053, Maharashtra.	L99999MH1994PLC082802	Holding Company	100	2 (46)

Annexure I

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2018				No. of Shares held at the end of the year i.e. March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual /HUF	0	6*	6	0.0003	0	6*	6	0.0003	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	19,99,994	19,99,994	99.9997	0	19,99,994	19,99,994	99.9997	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	**0**	**20,00,000**	**20,00,000**	**100.00**	**0**	**20,00,000**	**20,00,000**	**100.00**	**0**
(2) Foreign									
a) Individuals (NRIs/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Institutions	0	0	0	0	0	0	0	0	0
e) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
f) Others	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Shareholding of Promoters A= A(1)+A(2)	**0**	**20,00,000**	**20,00,000**	**100.00**	**0**	**20,00,000**	**20,00,000**	**100.00**	**0**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/UTI	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
i) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(2) Non-Institutions									
a) Bodies Corporate	0	0	0	0	0	0	0	0	0
b) Individuals									

Annexure I

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2018				No. of Shares held at the end of the year i.e. March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Public Shareholding (B)= (B)(1) +(B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**0**	**20,00,000**	**20,00,000**	**100.00**	**0**	**20,00,000**	**20,00,000**	**100.00**	**0**

Note: * Shares are held jointly with Balaji Telefilms Limited.

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 01, 2018			Shareholding at the end of the year i.e. March 31, 2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Balaji Telefilms Limited	19,99,994	99.9997	0	19,99,994	99.9997	0	0
2.	Jeetendra Kapoor jointly with Balaji Telefilms Limited	1	0.00005	0	1	0.00005	0	0
3.	Shobha Kapoor jointly with Balaji Telefilms Limited	1	0.00005	0	1	0.00005	0	0
4.	Ekta Kapoor jointly with Balaji Telefilms Limited	1	0.00005	0	1	0.00005	0	0
5.	Tusshar Kapoor jointly with Balaji Telefilms Limited	1	0.00005	0	1	0.00005	0	0
6.	Deepoo Vaswani jointly with Balaji Telefilms Limited	1	0.00005	0	1	0.00005	0	0
7.	Ramesh Sippy jointly with Balaji Telefilms Limited	1	0.00005	0	1	0.00005	0	0
	Total	**20,00,000**	**100.00**	**0**	**20,00,000**	**100.00**	**0**	**0**

Annexure I

iii) Change in Promoters' Shareholding:

There are no changes in Promoters' Shareholding during the financial year 2018-19.

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

The entire share capital of the Company is held by the Holding Company, Promoters and Directors of the Company.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Directors/KMP	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Mr. Jeetendra Kapoor***				
	At the beginning of the year	1	0.00005	1	0.00005
	Bought during the year	-	-	1	0.00005
	Sold during the year	-	-	1	0.00005
	At the end of the year	1	0.00005	1	0.00005
2.	**Mrs. Shobha Kapoor***				
	At the beginning of the year	1	0.00005	1	0.00005
	Bought during the year	-	-	1	0.00005
	Sold during the year	-	-	1	0.00005
	At the end of the year	1	0.00005	1	0.00005
3.	**Ms. Ekta Kapoor***				
	At the beginning of the year	1	0.00005	1	0.00005
	Bought during the year	-	-	1	0.00005
	Sold during the year	-	-	1	0.00005
	At the end of the year	1	0.00005	1	0.00005
4.	**Mr. Tusshar Kapoor***				
	At the beginning of the year	1	0.00005	1	0.00005
	Brought during the year	-	-	1	0.00005
	Sold during the year	-	-	1	0.00005
	At the end of the year	1	0.00005	1	0.00005

Notes:

*Shares are held jointly with Balaji Telefilms Limited.

1. Directors: Mr. Duraiswamy Gunaseela Rajan, Mr. Ashutosh Khanna and KMP: Ms. Neha Shah did not hold any shares during the financial year 2018-19.
2. Mr. Virendra Babubhai Dalal, Mr. Devender Kumar Vasal and Mr. Pradeep Kumar Sarda ceased to be Independent Directors of the Company w.e.f. May 19, 2018 and did not hold any shares in the Company during the financial year 2018-19.
3. Mr. Tusshar Kapoor ceased to be a Director of the Company w.e.f. March 27, 2019. He held only one share jointly with Balaji Telefilms Limited during the financial year 2018-19.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment: (₹ in Lacs)

Annexure I

Particulars	Secured Loans excluding deposits	Unsecured Loans from Holding Company	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	862.11	-	862.11
ii) Interest due but not paid	-	23.76	-	23.76
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**885.87**	**-**	**885.87**
Change in Indebtedness during the financial year				
Addition	-	96.00	-	96.00
Interest for the year	-	35.76	-	35.76
Reduction	-	(725.50)	-	(725.50)
Net Change	**-**	**(593.74)**	**-**	**(593.74)**
Indebtedness at the end of the financial year				
i) Principal Amount	-	232.61	-	232.61
ii) Interest due but not paid	-	59.52	-	59.52
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	**-**	**292.13**	**-**	**292.13**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **(Amount in ₹)**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager Tusshar Kapoor (Whole Time Director)	Total Amount
1.	Gross salary		NIL
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	
	(c) Profits in lieu of salary u/s 17(3) of the Income- tax Act, 1961	-	
	Stock Option	-	
	Sweat Equity	-	
	Commission- as % of profit	-	
	Others - Sitting Fees	50,000	50,000
	Total (A)	**50,000**	**50,000**
	Ceiling as per the Act (per annum)	**₹ 60,00,000/-** per Managerial Personnel (Calculated as per Schedule V of the Companies Act, 2013)	

Note:

1. The Sitting fees paid to Mr. Tusshar Kapoor does not form part of Managerial Remuneration as per Section 197 (2) of the Companies Act, 2013.
2. The designation of Mr. Tusshar Kapoor was changed from Whole-time Director to Non-Executive Director w.e.f. August 01, 2018. Therefore, the sitting fees paid is for the period from April 01, 2018 to July 31, 2018.

Annexure I

B. Remuneration to other Directors: (Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
1.	**Independent Directors**	**Duraiswamy Gunaseela Rajan**	**Ashutosh Khanna**	**Devender Kumar Vasal**	**Virendra Babubhai Dalal**	**Pradeep Kumar Sarda**	
	Fee for attending Board and Committee Meetings	2,00,000	1,50,000	50,000	50,000	-	**4,50,000**
	Commission	-	-	-	-	-	
	Others	-	-	-	-	-	
	Total (1)	**2,00,000**	**1,50,000**	**50,000**	**50,000**	**-**	**4,50,000**
2.	**Other Non-Executive Directors**	**Jeetendra Kapoor**	**Shobha Kapoor**	**Ekta Kapoor**	**Tusshar Kapoor**		
	Fee for attending Board and Committee Meetings	2,00,000	-	-	1,00,000		**3,00,000**
	Commission	-	-	-	-		
	Others	-	-	-	-		
	Total (2)	**2,00,000**	**-**	**-**	**1,00,000**		**3,00,000**
	Total (B)= (1+2)	**4,00,000**	**1,50,000**	**50,000**	**1,50,000**		**7,50,000**
	Total Managerial Remuneration (A+B)						**8,00,000**
	Ceiling as per the Act (per annum)						N.A.

Notes:

1. The Independent Directors of the Company receive sitting fees for attending the Board/Committee Meetings of the Company which is excluded under Section 197 of the Companies Act, 2013.
2. Sittings fees paid to Mr. Devender Kumar Vasal, Mr. Virendra Babubhai Dalal and Mr. Pradeep Kumar Sarda for attending the Board/ Committee Meetings for the period from April 01, 2018 to May 19, 2018 as they ceased to be Independent Directors w.e.f. May 19, 2018.
3. The designation of Mr. Tusshar Kapoor was changed from Whole-time Director to Non-Executive Director w.e.f. August 01, 2018 and he ceased to be a Director w.e.f. March 27, 2019. Therefore, the sitting fees paid is for the period from August 01, 2018 to March 27, 2019.

C. Remuneration to Key Managerial Personnel other than MD/Manager / WTD: (Amount in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Ms. Neha Shah (Company Secretary)	
1.	Gross salary		
	(a) Salary as per the provisions contained in Section 17(1) of the Income Tax Act, 1961	4,35,035	4,35,035

Annexure I

	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary u/s 17(3) of Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission- as % of profit	-	-
5.	Others – Provident Fund and Reimbursements	23,055	23,055
	Total	**4,58,090**	**4,58,090**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for breach of any section of Companies Act, 2013 against the Company or its Directors or other officers in default, during the year.

For and on behalf of the Board of Directors

Sd/-
Jeetendra Kapoor
Chairman
DIN: 00005345

Place: Mumbai
Date: May 22, 2019

Independent auditor's report

To the Members of Balaji Motion Pictures Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Balaji Motion Pictures Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are

Independent auditor's report

free from material misstatement, whether due to fraud or error.

6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central

Independent auditor's report

Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

11. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations as at March 31, 2019 which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2019.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 22, 2019

Annexure A
to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Balaji Motion Pictures Limited on the financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Balaji Motion Pictures Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

Annexure A
to Independent Auditors' Report

that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 22, 2019

Annexure B
to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Balaji Motion Pictures Limited on the financial statements for the year ended March 31, 2019

i. The Company does not have fixed assets and therefore the provisions of Clause 3(i) (a), 3(i), (b) and 3(i)(c) of the Order are not applicable to the Company.

ii. The Company is in business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and in regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.

Also refer note 27 (a) to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service tax or goods and service tax which have not been deposited on account of any dispute.

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has not paid/ provided for any managerial remuneration during the year. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian

Annexure B
to Independent Auditors' Report

Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3 (xiii) of the Order are not applicable to the Company.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 22, 2019

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Balance Sheet
as at March 31, 2019

Particulars	Note No.	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
ASSETS			
Non-current assets			
(a) Non-current tax asset	4	16.01	-
Total Non-current assets		**16.01**	**-**
Current assets			
(a) Financial assets			
(i) Trade receivables	5	-	14.93
(ii) Cash and cash equivalents	6	48.87	341.28
(iii) Other balances with banks	7	-	0.58
(iv) Loans	8	0.20	350.00
(b) Other current assets	9	1.46	9.02
Total current assets		**50.53**	**715.81**
Total Assets		**66.54**	**715.81**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	200.00	200.00
(b) Other equity	11	(467.28)	(497.63)
Total equity		**(267.28)**	**(297.63)**
Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	292.13	885.87
(ii) Trade payables	13		
(I) total outstanding dues of micro and small enterprises		-	-
(II) total outstanding dues other than (ii) (I) above		2.54	9.38
(iii) Other financial liabilities	14	-	110.26
(b) Other current liabilities	15	39.15	7.93
Total current liabilities		**333.82**	**1,013.44**
Total Equity and Liabilities		**66.54**	**715.81**

The above Balance Sheet should be read in conjunction with the accompanying notes
This is the Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Neha Shah
(Company Secretary)

Sunil Lulla
(Group CEO)
Place : Mumbai
Date : May 22, 2019

Statement of Profit and Loss
for the year ended March 31, 2019

	Particulars	Note No.	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
	Continuing operations			
(I)	Revenue from operations	16	320.59	762.78
(II)	**Total income**		**320.59**	**762.78**
(III)	**Expenses**			
	(a) Direct cost	17	-	641.93
	(b) Employee benefit expense	18	279.72	82.13
	(c) Finance costs	19	35.76	24.40
	(d) Other expenses	20	50.67	116.22
(IV)	**Total expenses**		**366.15**	**864.68**
(V)	**(Loss) before tax from continuing operations (II-IV)**		**(45.56)**	**(101.90)**
(VI)	Tax expense			
	(a) Current tax		-	-
	(b) Deferred tax		-	-
	Total tax expense		**-**	**-**
(VII)	**(Loss) for the year from continuing operations (V-VI)**		**(45.56)**	**(101.90)**
	Discontinued operations			
(VIII)	**(Loss) before tax from discontinued operations**		**-**	**(409.11)**
(IX)	Tax expense of discontinued operations		-	-
(X)	**(Loss) after tax from discontinued operations (VIII + IX)**		**-**	**(409.11)**
(XI)	**(Loss) for the year (VII+X)**		**(45.56)**	**(511.01)**
(XII)	Other comprehensive income			
	Items that will not be reclassified to statement of profit or loss			
	Remeasurements of the post employment benefit obligations		-	(1.33)
	Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total other comprehensive income for the year (net of tax)		-	(1.33)
(XIII)	**Total comprehensive income for the year arising from (XI+XII)**			
	Continuing operations		(45.56)	(103.23)
	Discontinued operations		-	(409.11)
	Total		**(45.56)**	**(512.34)**
(XIV)	**Basic and diluted earnings per share (In ₹)** (Face value of ₹ 10 each)	22		
	Continuing operation		(2.28)	(0.47)
	Discontinued operation		-	(1.88)
	Total		**(2.28)**	**(2.35)**

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.
This is the Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Neha Shah
(Company Secretary)

Sunil Lulla
(Group CEO)
Place : Mumbai
Date : May 22, 2019

Statement of Cash Flows
for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019 ₹ in Lacs		For the year ended March 31, 2018 ₹ in Lacs	
A. Cash Flow from Operating Activities				
(Loss) before tax from continuing operations		**(45.56)**		**(101.90)**
(Loss) before tax from discontinued operations		**-**		**(409.11)**
Adjustments for:				
Depreciation and amortisation expense	-		34.55	
Finance costs	35.76		609.95	
Gratuity asset written off	-		9.79	
Employee stock option expenses	75.91	111.67	-	654.29
Operating profit before working capital changes		**66.11**		**143.28**
Decrease/(Increase) in Other Financial Assets - Loans	349.80		(58.77)	
Decrease/(Increase) in Other assets	-		(213.99)	
Decrease/(Increase) in Inventories	-		1,833.30	
Decrease/(Increase) in Trade Receivables	14.93		(37.60)	
Decrease/(Increase) in Other Financial Assets	-		(290.05)	
Decrease/(Increase) in Other Current Assets	7.56		1,853.44	
Increase/(Decrease) in Trade payables	(6.84)		(91.80)	
Increase/(Decrease) in Other Financial Liabilities	(110.26)		118.19	
Increase/(Decrease) Other current liabilities	31.22	286.41	(1,709.88)	1,402.86
Cash flow generated from Operating Activities before taxes		**352.52**		**1,546.14**
Income taxes (Paid)		(16.01)		(126.81)
Net cash flow generated from Operating Activities (A)		**336.51**		**1,419.33**
B. Cash Flow from Investing Activities				
Bank Balance not considered as cash and cash equivalents	0.58		-	
Net cash flow from investing activities (B)		**0.58**		**-**
C. Cash Flow from Financing Activities				
Proceeds from current borrowings	96.00		1,459.50	
Repayment of current borrowings	(725.50)		(2,960.27)	
Net cash (used in) Financing Activities (C)		**(629.50)**		**(1,500.77)**
Net (Decrease) in Cash and cash equivalents (A+B+C)		**(292.41)**		**(81.44)**
Cash and cash equivalents at the beginning of the year (Refer note 6)		341.28		422.72
Cash and cash equivalents at the end of the year (Refer note 6)		**48.87**		**341.28**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.
This is the Statement of Cash Flows referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Neha Shah
(Company Secretary)

Sunil Lulla
(Group CEO)
Place : Mumbai
Date : May 22, 2019

Statement Of Changes In Equity
for the year ended March 31, 2019

A. Equity Share Capital

Particulars	₹ in Lacs
Balance as at April 1, 2017	**3,000.00**
Reduction in equity share capital on account of de-merger (Refer note 28)	(2,800.00)
Balance as at March 31, 2018	**200.00**
Balance as at April 1, 2018	**200.00**
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**200.00**

B. Other Equity

(₹ in Lacs)

Particulars	Reserves and surplus		
	Retained earnings	Share options outstanding account	Total
Balance as at April 1, 2017	**(12,188.30)**	**-**	**(12,188.30)**
Loss for the year	(511.01)	-	(511.01)
Other comprehensive income for the year	(1.33)	-	(1.33)
Total comprehensive income for the year	**(512.34)**	**-**	**(512.34)**
Balance transferred to transferee company (Refer note 28)	12,155.93	-	12,155.93
Profit on account of scheme of arrangement (Refer note 28)	47.08	-	47.08
Balance as at March 31, 2018	**(497.63)**	**-**	**(497.63)**
Balance as at April 1, 2018	**(497.63)**	**-**	**(497.63)**
Loss for the year	(45.56)	-	(45.56)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	**(45.56)**	**-**	**(45.56)**
Employee stock option expenses (Refer note 32)	-	75.91	75.91
Balance as at March 31, 2019	**(543.19)**	**75.91**	**(467.28)**

The above Statement Of Changes In Equity should be read in conjunction with the accompanying notes.
This is the Statement Of Changes In Equity referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Neha Shah
(Company Secretary)

Sunil Lulla
(Group CEO)
Place : Mumbai
Date : May 22, 2019

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Notes forming part of financial statements
for the year ended March 31, 2019

Note 1 :Background

Balaji Motion Pictures Limited ('the Company') was incorporated on March 9, 2007 under the Companies Act, 1956. The Company is a wholly owned subsidiary of Balaji Telefilms Limited. The company is in the business of distribution of films. The registered office and principal place of business of the Company is at Andheri (West), Mumbai.

Note 2: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Financial Statements.

(a) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criteria's set out in the Schedule III to the Companies Act, 2013.

Based on the nature of products/services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained it's operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

<u>Historical cost convention</u>
The financial statements have been prepared on a historical cost basis, except for the following:

I) certain financial assets and liabilities that are measured at fair value;
II) defined benefit plans - plan assets measured at fair value;
III) Share-based payments.

New and Amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2018:

Ind AS 115, Revenue from Contract with the Customers : Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under the method, the Company has elected to apply the revenue standard only to contracts that are not completed as at the date of initial application. The adoption of the standard does not have any impact on the Company's financial statements and no adjustment to the opening balance of retained earnings as at April 1, 2018 is required.

Amendment to Ind AS 12, Income Taxes : The amendments clarify the accounting for deferred taxes where an asset is measured at fair value and fair value is below the asset's tax base. They also clarify certain other aspects of accounting of deferred tax. The amendment does not have any impact on the Compay's financial statements.

(b) Segment Reporting

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. The chief operating decision maker of the Company consists of the directors who assesses the financial performance and position of the Company, and makes strategic decisions. Refer note 25.

Notes forming part of financial statements

for the year ended March 31, 2019

(c) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(d) Revenue

The Company derives revenue from distribution of films. The Company identifies and evaluate each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

Revenue generated from film distribution is recognized at a point in time as the films are screened.

The transaction price, being the amount to which the Company expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration where the Company's performance may result in additional revenues based on the achievement of agreed targets.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

Revenue excludes any taxes and duties collected on behalf of the government.

(e) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Notes forming part of financial statements
for the year ended March 31, 2019

Deferred Tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(g) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of Cash Flow Statement, Cash and cash equivalents are considered net of outstanding overdrafts, if any, as they are considered an integral part of Company's cash management.

(h) Trade receivables

Trade receivable are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(i) Financial Instruments

(i) Financial Assets

Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or Other Comprehensive Income.

Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Notes forming part of financial statements
for the year ended March 31, 2019

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Other financial assets are designated as at fair value through profit or loss on initial recognition.

Impairment of Financial Assets
The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of Financial Assets
A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(ii) Financial Liabilities:
Classification as debt or equity
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

Notes forming part of financial statements

for the year ended March 31, 2019

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(j) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(k) Impairment of assets

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of profit or loss.

(l) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are not recognized for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Where the likelihood of outflow of resources is remote, no provision or disclosure as specified in Ind AS -37 - "Provision, contingent liabilities and contingent assets" is made.

(m) Employee Benefit

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect

Notes forming part of financial statements
for the year ended March 31, 2019

of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity;
(b) defined contribution plans such as provident fund

Defined benefit plans:

The company has taken a Group Gratuity cum Life Assurance Policy from the Life Insurance Corporation of India (LIC).

The liability recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets. Contributions are made to LIC in respect of gratuity based upon actuarial valuation done at the end of every financial year using 'Projected Unit Credit Method'.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans:

Contributions to Provident Fund and Pension Fund are charged to the Statement of Profit and Loss as incurred. Provident fund contributions are made to a government administered provident fund towards which the Company has no further obligations beyond its monthly contributions.

(n) Share Based Payment

Under the Balaji Telefilms ESOP, 2017 ("the ESOP Scheme"), Balaji Telefilms Limited (the Parent company) has granted employee stock options to the Company's employees, where new shares of the parent company will be issued directly to the Company's eligible employees. The fair value of the stock option is calculated using Binomial model. The cost calculated using this method is recognised as an employee benefit expenses over the vesting period of the options; and a corresponding credit is recognised in equity.

(o) Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(p) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal digits after lakhs as per the requirement of Schedule III of the Act, unless otherwise stated.

Note 3: Critical Estimates and Judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

Estimation of Defined Benefit Obligation:

The Company's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, this liability is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

Recognition of Deferred Tax Assets:

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. In assessing the realizability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 4 Non-current tax asset

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Advance payment of income- tax	16.01	-
Total	**16.01**	**-**

Note 5 Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Trade receivables	-	14.93
Less : Loss allowance	-	-
Total	**-**	**14.93**

Break-up of security details

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	-	14.93
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Less : Loss allowance	-	-
Total trade receivable	**-**	**14.93**

Trade receivables disclosed above include amounts that are past due at the end of the reporting period for which the Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period.

Note 6 Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
(a) Cash on hand	-	-
(b) Balances with banks		
In current accounts	48.87	341.28
Total	**48.87**	**341.28**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 7 Other balances with banks

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Fixed deposits with original maturity of more than 3 months but less than 12 months (Refer note below)	-	0.58
Total	**-**	**0.58**

Note : Fixed deposits kept in lien against bank guarantee.

Note 8 Loans

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Current loans		
Security Deposit	0.20	350.00
Less : Loss allowance	-	-
Total	**0.20**	**350.00**

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	0.20	350.00
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Less: Loss allowance	-	-
Total	**0.20**	**350.00**

Note 9 Other current assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Prepaid expenses	1.46	1.46
Balances with government authorities	-	7.56
Total	**1.46**	**9.02**

Notes forming part of financial statements

for the year ended March 31, 2019

Note 10 Equity share capital

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Authorised		
3,50,00,000 (Previous year 3,50,00,000) Equity shares of ₹ 10/- each	3,500.00	3,500.00
Total	**3,500.00**	**3,500.00**
Issued, Subscribed and fully paid-up		
20,00,000 (Previous year 20,00,000) Equity shares of ₹ 10/- each	200.00	200.00
Total	**200.00**	**200.00**

Notes :

(i) Shares held by holding company / ultimate holding company :

Particulars	As at March 31, 2019 No. of shares	As at March 31, 2018 No. of shares
Balaji Telefilms Limited (immediate and ultimate holding company)	20,00,000	20,00,000

(ii) Details of Equity Shares held by each shareholder holding more than 5% Equity Shares:

Name of Equity Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Balaji Telefilms Limited	20,00,000	100%	20,00,000	100%

(iii) The reconciliation of the number of shares outstanding is set out below:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Equity shares outstanding at the beginning of the year	20,00,000	200.00	3,00,00,000	3,000.00
Less: Reduction of Equity Shares on account of scheme of arrangement (Refer note 28)	-	-	2,80,00,000	2,800.00
Equity shares outstanding at the end of the year	20,00,000	200.00	20,00,000	200.00

(iv) The company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the shareholders will be eligible to receive remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

(v) No shares are issued for consideration other than cash during the 5 years immediately preceding March 31, 2019.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 11 Other Equity - Reserves & Surplus

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
(i) Retained earnings	(543.19)	(497.63)
(ii) Share options outstanding account	75.91	-
	(467.28)	**(497.63)**

(i) Retained earnings

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Deficit in Statement of Profit and Loss		
Balance at beginning of year	**(497.63)**	**(12,188.30)**
Loss for the year	(45.56)	(511.01)
Other comprehensive income for the year	-	(1.33)
Total comprehensive income for the year	**(45.56)**	**(512.34)**
Balance transferred to transferee company (Refer note 28)	-	12,155.93
Profit on account of scheme of arrangement (Refer note 28)	-	47.08
Balance at the end of the year	**(543.19)**	**(497.63)**

(ii) Share options outstanding account

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Balance at beginning of year	**-**	**-**
Add : Additions during the year (Refer note 32)	75.91	-
Balance at the end of the year	**75.91**	**-**

Note 12 Current borrowings

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Loans from holding company (Unsecured)	292.13	885.87
Total	**292.13**	**885.87**

Note: Loan is taken from Holding Company, basis the simple interest on reducing balance and is repayable on demand.

Notes forming part of financial statements
for the year ended March 31, 2019

Net debt reconciliation
This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2019

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Cash and cash equivalents	48.87	341.28
Current borrowings	(292.13)	(885.87)
Net debt	**(243.26)**	**(544.59)**

Particulars	Other Assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Borrowings	
Net debt as at March 31, 2017	**422.72**	**(22,737.55)**	**(22,314.83)**
Cash flows	(81.44)	1,500.77	1,419.33
Interest expense	-	(609.95)	(609.95)
Balance transferred on account of demerger (Refer note 28)	-	20,960.86	20,960.86
Net debt as at March 31, 2018	**341.28**	**(885.87)**	**(544.59)**
Cash flows (net)	(292.41)	629.50	337.09
Interest expense	-	(35.76)	(35.76)
Net debt as at March 31, 2019	**48.87**	**(292.13)**	**(243.26)**

Note 13 Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Trade payables : due to micro and small enterprises	-	-
Trade payables : others	2.54	9.38
Total	**2.54**	**9.38**

Notes:

(a) **Micro, Small and Medium Enterprises :**
The balances above includes ₹ Nil (Previous Year Nil) due to Micro and Small Enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act).
No interest is paid / payable during the year to any Micro / Small Enterprise registered under the MSME. There were no delayed payments during the year to any Micro or Small Enterprise registered under the MSME Act. The above information has been determined to the extent such parties could be identified on the basis of the information available with the Management regarding the status of suppliers under the MSME Act.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 14 Other financial liabilities

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Holding company's current account *	-	110.26
Total	**-**	**110.26**

Note :
* The above balance represents collections pertaining to the de-merged business, payable to holding company.

Note 15 Other current liabilities

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Employee benefits payable	11.72	5.39
Statutory liabilities	27.43	2.54
Total	**39.15**	**7.93**

Note 16 Revenue from operations

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Revenue from contracts with customers		
- Sale of Services		
Film distribution service	320.59	762.78
Total	**320.59**	**762.78**

Unsatisfied long term contracts :
As on March 31, 2019, the company does not have any unsatisfied performance obligations resulting from the fixed price long term contracts.
The Revenue recognised is equivalent to the contract price and there is no element of discount, rebates, incentives etc. which are adjusted to revenue.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 17 Direct cost

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Producer's share of film distribution revenue	-	638.88
Marketing and distribution expenses	-	2.95
Other	-	0.10
Total	**-**	**641.93**

Note 18 Employee benefit expense

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Salaries and wages	199.04	78.48
Contributions to provident fund (Refer note 27)	4.77	3.65
Employee stock options expenses (Refer note 32)	75.91	-
Total	**279.72**	**82.13**

Note 19 Finance costs

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Interest on borrowings	35.76	24.40
Total	**35.76**	**24.40**

Note 20 Other expenses

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Rent including lease rentals	6.00	6.00
Legal and professional charges (Refer note 20.1)	18.50	97.17
Directors sitting fees	8.00	12.50
Rates and taxes	13.27	-
Miscellaneous expenses	4.90	0.55
Total	**50.67**	**116.22**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 20.1 Details of auditors remuneration (included in Legal and Professional charges)

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
As Auditors :		
Audit fee	2.50	2.50
In other capacities :		
Other services - Certification	2.50	-
Reimbursement of expenses	0.14	-
Total	**5.14**	**2.50**

21 Related Party Disclosures

(a) Name of related parties and description of relationship

Name of the Related Party	Relationship
Balaji Telefilms Limited	Holding Company
ALT Digital Media Entertainment Limited	Fellow Subsidiary
Marinating Films Private Limited	Fellow Subsidiary
Chhayabani Balaji Entertainment Private Limited	Fellow Subsidiary
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Key management person (upto March 27, 2019)
Mr. D G Rajan	Key management person
Mr. Ashutosh Khanna	Key management person
Mr. Devender Kumar Vasal	Key management person (upto May 19, 2018)
Mr. V B Dalal	Key management person (upto May 19, 2018)
Mr. Pradeep Sarda	Key management person (upto May 19, 2018)

Notes forming part of financial statements
for the year ended March 31, 2019

(b) Details of Transactions with related parties during the year

(₹ in Lacs)

Nature of Transactions	Holding Company	Key Management Person	Fellow Subsidiary
Loan Received			
Balaji Telefilms Limited	96.00	-	-
	(1,459.50)	(-)	(-)
Loan Repaid			
Balaji Telefilms Limited	725.50	-	-
	(2,960.27)	(-)	(-)
Interest Expense			
Balaji Telefilms Limited	35.76	-	-
	(609.95)	(-)	(-)
Sale of Movie Right			
Alt Digital Media Entertainment Limited	-	-	-
	(-)	(-)	(76.00)
Distribution Commission Income			
Balaji Telefilms Limited	320.10	-	-
	(-)	(-)	(-)
Rent Paid			
Balaji Telefilms Limited	6.00	-	-
	(1.50)	(-)	(-)
Mr. Jeetendra Kapoor	-	-	-
	(-)	(13.10)	(-)
Ms. Ekta Kapoor	-	-	-
	(-)	(11.15)	(-)
Directors sitting fees			
Mr. D G Rajan	-	2.00	-
	(-)	(2.00)	(-)
Mr. Ashutosh Khanna	-	1.50	-
	(-)	(2.00)	(-)
Mr. Devender Kumar Vasal	-	0.50	-
	(-)	(2.00)	(-)
Mr. V B Dalal	-	0.50	-
	(-)	(2.00)	(-)
Mr. Pradeep Sarda	-	-	-
	(-)	(1.00)	(-)
Mr. Jeetendra Kapoor	-	2.00	-
	(-)	(2.00)	(-)
Mr. Tusshar Kapoor	-	1.50	-
	(-)	(1.50)	(-)

Notes forming part of financial statements
for the year ended March 31, 2019

(c) Closing balances as at year end

(₹ in Lacs)

Nature of Transactions	Holding Company	Key Management Person	Fellow Subsidiary
Current borrowings payable			
Balaji Telefilms Limited	292.13	-	-
	(885.87)	(-)	(-)
Amount payable on current account			
Balaji Telefilms Limited	-	-	-
	(110.26)	(-)	(-)

Note :

i) Figures in bracket relate to the previous financial year

22 Earning per share

Basic and diluted earnings per share

Earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as under :

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Basic and diluted earnings per share for continuing operation		
(Loss) for the year attributable to equity shareholders (A) (₹ in Lacs)	(45.56)	(101.90)
Weighted average number of equity shares outstanding during the year (Nos.) (B)	20,00,000	2,17,91,781
Earnings per share - Basic and diluted (₹) (A/B)	(2.28)	(0.47)
Nominal value of shares (₹)	10	10
Basic and diluted earnings per share for discontinued operation		
(Loss) for the year attributable to equity shareholders (A) (₹ in Lacs)	-	(409.11)
Weighted average number of equity shares outstanding during the year (Nos.) (B)	20,00,000	2,17,91,781
Earnings per share - Basic and diluted (₹) (A/B)	-	(1.88)
Nominal value of shares (₹)	10	10
Basic and diluted earnings per share for continuing and discontinued operation		
(Loss) for the year attributable to equity shareholders (A) (₹ in Lacs)	(45.56)	(511.01)
Weighted average number of equity shares outstanding during the year (Nos.) (B)	20,00,000	2,17,91,781
Earnings per share - Basic and diluted (₹) (A/B)	(2.28)	(2.35)
Nominal value of shares (₹)	10	10

Notes forming part of financial statements
for the year ended March 31, 2019

23 In accordance with the Indian Accounting Standard 12 (Ind AS 12) on "Income Taxes", deferred tax assets and liabilities should be recognized for all timing differences. However, considering the present financial position and accumulated tax losses carried forward and the requirement of the Ind AS 12 regarding reasonable certainty, the deferred tax asset is not accounted for, to the extent of ` 87 lacs (previous year ` 77 lacs). However, the same will be reassessed at subsequent reporting date and will be accounted for in the year in which the reasonable certainty is established.

24 Lease Transactions
Amount of lease rentals charged to the statement profit and loss in respect of operating leases is ₹ 6 lacs (previous year ₹ 6 lacs). The company does not have any non-cancellable leases as on March 31, 2019.

25 Segment Information
The Company is primarily engaged in the business of distribution of films, which in the context of Ind AS 108 on "Operating Segments", constitutes a single reportable segment

Revenue of ₹ 320.10 lacs is derived from single external customer of the company in the year ended March 31, 2019.
Revenue of ₹ 478.41 lacs is derived from three major customers in the year ended March 31, 2018.

26 As at March 31, 2019 the Company has accumulated losses of ` 543.19 lacs. The company has necessary financial support from its parent company Balaji Telefilms Limited and given the long term corporate strategies and future profit projections, the Company has followed the fundamental accounting assumption of 'Going Concern' for preparation of financials for the year ended March 31, 2019 as the Company neither has the intention nor the necessity of liquidation or curtailing materially the scale of the operations. In the opinion of the Board of Directors, the Company will meet all it's financial obligations as they fall due for payment for at least 12 months from the date of signatures of these financial statements.

27 Employee Benefits
a) Defined Contribution Plans
Both the employees and the Company make pre-determined contributions to the provident fund. Amount recognized as expense amounts to ₹ 4.77 lacs (previous year ₹ 3.65 lacs)

The Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the aforesaid matter is not likely to have a impact and accordingly, no provision has been made in these Financial Statements.

b) Defined Benefit Plans
Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable are calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Notes forming part of financial statements

for the year ended March 31, 2019

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	March 31, 2019	March 31, 2018
Discount rate(s)	7.64%	7.80%
Expected rate(s) of salary increase	5.00%	5.00%
Rate of Employee Turnover	10.00%	10.00%
Mortality Rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Defined benefit plans – as per actuarial valuation on March 31, 2019

(₹ in Lacs)

Particulars	Funded Plan	
	Gratuity	
	March 31, 2019	March 31, 2018
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Actuarial (Gains)/Losses on Obligation for the year	0.68	1.30
Return on Plan Assets, Excluding Interest Income	(0.01)	0.03
Total	**0.67**	**1.33**
Net amount recognised in Other Comprehensive Income (OCI)	**-**	**1.33**
Expenses recognised in the Statement of Profit or Loss for current year		
Current Service Cost	0.99	0.66
Net interest cost	(0.81)	(0.85)
Past service cost	-	0.09
Total	**0.18**	**(0.09)**
Expenses Recognized	**-**	**-**
I. Net Asset/(Liability) recognised in the Balance Sheet		
Present value of defined benefit obligation at the end of the year	(7.83)	(5.71)
Fair value of plan assets at the end of the year	17.41	16.14
Surplus/(Deficit)	9.58	10.43
Net Asset recognized in the Balance sheet	**-**	**-**
II. Change in the obligation during the year ended		
Present value of defined benefit obligation at the beginning of the year	5.71	3.90
Expenses Recognised in Profit and Loss Account		
- Current Service Cost	0.99	0.66
- Past Service Cost	-	0.09
- Interest Cost	0.45	0.30

Notes forming part of financial statements
for the year ended March 31, 2019

Particulars	Funded Plan	
	Gratuity	
	March 31, 2019	March 31, 2018
Liability transferred Out	-	(0.54)
Actuarial (Gains)/ Losses on Obligations - Due to change in Demographic Assumptions	-	1.05
Actuarial (Gains)/ Losses on Obligations - Due to change in Financial Assumptions	0.08	(0.05)
Actuarial (Gains)/ Losses on Obligations- Due to experience	0.60	0.30
Present value of defined benefit obligation at the end of the year	**7.83**	**5.71**
III. Change in fair value of assets during the year ended 31st March		
Fair value of plan assets at the beginning of the year	16.14	15.02
Interest Income	1.26	1.15
Return on Plan Assets, excluding Interest Income	0.01	(0.03)
Fair value of plan assets at the end of the year	**17.41**	**16.14**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lacs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Projected Benefit Obligation on Current Assumptions	7.83	5.71
Delta Effect of +1% Change in Rate of Discounting	(0.49)	(0.35)
Delta Effect of -1% Change in Rate of Discounting	0.56	0.40
Delta Effect of +1% Change in Rate of Salary Increase	0.55	0.41
Delta Effect of -1% Change in Rate of Salary Increase	(0.51)	(0.36)
Delta Effect of +1% Change in Rate of Employee Turnover	0.06	0.06
Delta Effect of -1% Change in Rate of Employee Turnover	(0.08)	(0.08)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous year.

The company does not expect any contribution to the gratuity fund during the next financial year.

Notes forming part of financial statements
for the year ended March 31, 2019

Maturity profile of defined benefit obligation:

(₹ in Lacs)

Projected Benefits Payable in future years from Date of Reporting	For the year ended March 31, 2019	For the year ended March 31, 2018
1st Following year	0.77	0.54
2nd Following year	0.82	0.62
3rd Following year	0.78	0.65
4th Following year	0.75	0.62
5th Following year	0.82	0.59
Sum of Years 6 to 10	3.46	2.49
Sum of Years11 and above	7.65	5.68

Plan Assets

The fair value of Company's gratuity plan asset as of March 31, 2019 and 2018 by category are as follows:

(₹ in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
Asset category:		
Deposits with Insurance companies	17.41	16.14
	100%	**100%**

The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published benchmarks.

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes forming part of financial statements

for the year ended March 31, 2019

28 Discontinued operation

(a) Scheme of arrangement :

During the financial year ended March 31, 2018, the composite Scheme of Arrangement and Amalgamation (the 'Scheme') between Balaji Telefilms Ltd (Transferee Company or BTL) and two of its subsidiaries viz. Balaji Motion Pictures Limited ('BMPL') and Bolt Media Limited ('Bolt'), for the merger of Bolt and the film production undertaking of BMPL with the BTL and the consequent capital reduction in the books of BMPL has been approved by the National Company Law Tribunal (Mumbai bench) ('NCLT') and subsequently filed with the Registrar of Companies, Securities and Exchange Board of India and Stock Exchanges by December 15, 2017 (the 'Effective date'). Pursuant to the Scheme becoming effective, Assets, Liabilities, Income and Expenses relating to production undertaking of the company have been transferred to BTL.

(b) Details of assets and liabilities transferred are as under :

(₹ in Lacs)

Particulars	As at December 15, 2017	
Assets Transferred:		
Property, plant and equipment		
Gross block	527.48	
Less: Accumulated depreciation	(273.75)	253.73
Non Current Financial assets		222.10
Current tax assets (net)		514.87
Other Non current assets		4,013.72
Inventories		4,668.70
Current Financial Assets :		
(i) Trade receivables		1,020.78
(ii) Cash and cash equivalents		-
(iii) Other financial assets		24.52
		1,045.30
Other Current Assets		1,484.48
Total (A)		**12,202.90**
Liabilities Transferred:		
Financial liabilities :		
(i) Borrowings		20,960.86
(ii) Trade payables		288.13
Other Current Liabilities		356.92
Total (B)		**21,605.91**
Losses Transferred (C)		**12,155.93**
Reduction in equity share capital (D)		**2,800.00**
Gain on Transfer of Business (B+D-A-C)		47.08

Notes forming part of financial statements
for the year ended March 31, 2019

(c) Financial performance and cash flow information :

(₹ in Lacs)

Particulars	From April 1, 2017 to December 15, 2017	For the year ended March 31, 2017
Revenue	8,168.54	12,801.02
Expenses	8,577.65	17,075.33
(Loss) before income tax	**(409.11)**	**(4,274.31)**
Income tax expense	-	(39.09)
(Loss) after income tax	**(409.11)**	**(4,235.22)**
Net cash inflow from operating activities	1,988.66	1,783.18
Net cash inflow from Investing activities	-	32.43
Net cash outflow from financing activities	(2,411.36)	(1,419.07)
Net (decrease)/increase in cash generated from discontinued operations	**(422.70)**	**396.54**

29 Capital management

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The company considers the following components of its balance sheet to be managed capital: Total equity as shown in the balance sheet including reserves, retained earnings and share capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares.

30 Fair Value Measurement

`Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

Notes forming part of financial statements
for the year ended March 31, 2019

Financial instrument by category.

(₹ in Lacs)

Financial Assets	March 31, 2019			March 31, 2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Current financial assets						
Trade receivables	-	-	-	-	-	14.93
Cash and cash equivalents	-	-	48.87	-	-	341.28
Other balances with Banks	-	-	-	-	-	0.58
Loans	-	-	0.20	-	-	350.00
Total Financial Assets	**-**	**-**	**49.07**	**-**	**-**	**706.79**
Financial Liabilities						
Borrowings	-	-	292.13	-	-	885.87
Trade payables	-	-	2.54	-	-	9.38
Other financial liabilities	-	-	-	-	-	110.26
Total Financial Liabilities	**-**	**-**	**294.67**	**-**	**-**	**1,005.51**

Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard.

The carrying value of trade receivables, cash and cash equivalents, other balances with Banks, trade payables, borrowings and other current financial assets and liabilities are considered to be the same as their fair values due to their short term nature.

31 Financial Risk Management

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the management is responsible for overseeing the Company's risk assessment and management policies and processes.

(A) Credit Risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company deals with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and credit ratings of its counterparties are regularly monitored and the aggregate value of transactions concluded is spread amongst counterparties.

Notes forming part of financial statements
for the year ended March 31, 2019

(i) Credit Risk Management

Financial instruments and cash deposits

The Company maintains exposure in cash and cash equivalents. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good. As a practice, the company only invests with high rated banks.

The Company's maximum exposure to credit risk as at March 31, 2019 and March 31, 2018 is the carrying value of each class of financial assets as disclosed in note 30

Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

(B) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The responsibility for liquidity risk management rests with the Board of directors, which has an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by regularly monitoring forecast and actual cash flows.

(i) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity grouping based on their contractual maturities.

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2019				
Borrowings	292.13	-	-	292.13
Trade payables	2.54	-	-	2.54
Total financial liabilities	**294.67**	**-**	**-**	**294.67**

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2018				
Borrowings	885.87	-	-	885.87
Trade payables	9.38	-	-	9.38
Other financial liabilities	110.26	-	-	110.26
Total financial liabilities	**1,005.51**	**-**	**-**	**1,005.51**

Notes forming part of financial statements
for the year ended March 31, 2019

(C) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Foreign currency risk exposure:

The Company does not have any exposure to foreign currency risk as at March 31, 2019 (Previous year Nil).

(b) Interest rate risk

The Company does not have any variable interest rate borrowing and is thus not exposed to interest rate risk as at March 31, 2019 (Previous year Nil).

(c) Price risk

The Company does not have any investments and is thus not exposed to price risk as at March 31, 2019 (Previous year Nil).

32 Share Based Payments

Certain employees of the Company are alloted employee stock options of the Holding Company. These plans are subject to eligibility criteria based on employee's period of service (Service Conditions) with the Group. The holding Company does not charge any cost for this benefit, expenses for grant date fair value of the award is recognised over the vesting period of the options; and a corresponding credit is recognised in equity. The credit to equity is treated as a capital contribution. The fair value of the option has been arrived at using Binomial Model.

(i) Summary of Stock options granted under the plan :

Particular	Number of Options
Opening Balance - April 01, 2018	-
Granted during the year	2,30,510
Exercised during the year	-
Forfeited during the year	-
Closing Balance - March 31, 2019	**2,30,510**

(ii) Expense arising from share based payment transaction

(₹ in Lacs)

Particular	For the year ended March 31, 2019	For the year ended March 31, 2018
Employee Stock Option Expenses	75.91	-

Notes forming part of financial statements
for the year ended March 31, 2019

33 Recent accounting pronouncements - Standards issued but not yet effective:

(a) Ind AS 116, Leases

Ind AS 116 was notified by Ministry of Corporate Affairs on March 30, 2019 and it is applicable for annual reporting periods beginning on or after April 1, 2019. This standard will replace the current guidance in Ind AS-17, Leases.

Under Ind AS 116, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The statement of profit and loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change.

Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities. The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease.

The company is in process of assessing the impact of the standard on the financial position, results of operation and cash flow.

(b) Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12, 'Income Taxes'

The appendix explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. These amendments will be applicable on or after 1 April 2019. In particular, it discusses:

- how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;
- that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
- that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;
- that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

The Company does not expect to have a material impact on its financial statements pursuant to the aforesaid amendment.

Notes forming part of financial statements
for the year ended March 31, 2019

(c) Plan Amendment, Curtailment or Settlement – Amendments to Ind AS 19, 'Employee Benefits'

The amendments to Ind AS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. They confirm that entities must :

- calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change;
- any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling; and
- separately recognise any changes in the asset ceiling through other comprehensive income.

These amendments will apply to any future plan amendments, curtailments, or settlements of the group on or after April 1, 2019. The Company does not expect to have a material impact on its financial statements pursuant to the aforesaid amendment.

(d) Ind AS 12, 'Income Taxes'

The amendments clarify that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends. Previously, it was unclear whether the income tax consequences of dividends should be recognised in profit or loss, or in equity, and the scope of the existing guidance was ambiguous. These amendments are not expected to have any material impact on the financial statements of the Company.

(e) Amendments to other existing Ind AS

Ind AS 109 - Financial Instruments - Prepayment Features with Negative Compensation
Ind AS 103 - Business Combinations
Ind AS 111 - Joint Arrangements
Ind AS 23 - Borrowing Costs
Ind AS 28 - Investment in Associates and joint ventures
The Company does not expect any impact from above mentioned new standards and amendments.

34 The figures of the previous year have been regrouped wherever necessary to correspond with those of the current year.

Signatures to notes 1 to 34

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Neha Shah
(Company Secretary)

Sunil Lulla
(Group CEO)
Place : Mumbai
Date : May 22, 2019

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BOARD'S REPORT

The Directors present the 8th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

The salient features of the Company's financial results for the year under review are as follows:

(₹ in Lacs)

PARTICULARS	2018-19	2017-18
Income from operations	114.03	980.15
Total expenditure	147.00	1,105.81
Operating (Loss)	**(32.97)**	**(125.66)**
Finance Costs	-	1.42
Depreciation	-	0.12
Operating (Loss) after finance cost and depreciation	**(32.97)**	**(127.20)**
Add: Other Income	19.47	0.04
(Loss) for the Period before tax	**(13.50)**	**(127.16)**
Provision for tax	-	46.05
(Loss) for the Year after tax	**(13.50)**	**(173.21)**
(Loss) brought forward from previous year	(676.13)	(502.92)
Conversion of preference shares into equity	136.73	-
(Loss) carried to the Balance Sheet	**(552.90)**	**(676.13)**

RESULTS OF OPERATIONS

During the year under review, the Company has reported loss of ₹ 13.50 Lacs as against loss of ₹ 173.21 Lacs in the previous fiscal.

DIVIDEND

Considering the loss incurred in the current financial year, Directors have not recommended any dividend for the financial year under review.

TRANSFER TO RESERVES

The Directors of the Company do not propose to transfer any amount to reserves, in view of loss incurred by the Company.

BORROWINGS

The Company does not have any borrowings during the year under review.

SHARE CAPITAL

- During the year under review, the Authorized Share Capital of the Company has been increased from ₹ 4,50,00,000/- (Rupees Four Crores Fifty Lacs Only) divided into 50,000 Equity Shares of ₹ 10/- each and 44,50,000 Redeemable Preference Shares of ₹ 10/- each to ₹ 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 1,05,50,000 Equity Shares of ₹ 10/- each and 44,50,000 Redeemable Preference Shares of ₹ 10/- each.

- During the year under review, the Company has converted 34,50,000 Zero Dividend Optionally Convertible Redeemable Preference Shares of ₹ 10/- each and 10,00,000 Zero Dividend Optionally Convertible Redeemable Non- Cumulative Preference Shares of ₹ 10/- each in to 44,50,000 fully paid up Equity Shares of Face Value of ₹ 10/- each.

- Pursuant to conversion, the paid-up Share Capital of the Company as on March 31, 2019 was ₹ 4,46,00,000 /- (Rupees Four Crores Forty

BOARD'S REPORT

Six Lacs Only) comprising of 44,60,000 Equity Shares of Face Value ₹ 10/- each. The Company has neither issued shares with differential voting rights nor granted stock options or sweat equity. As on March 31, 2019 the Company is a subsidiary of Balaji Telefilms Limited.

DEBENTURES

During the year under review, the Company has issued and allotted 32,50,000 Zero Percent Compulsorily Convertible Debentures of the face value of ₹ 10/- each at par to Balaji Telefilms Limited (Holding Company) on private placement basis.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act and the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

CHANGE IN NATURE OF BUSINESS

There was no change in nature of business during the year under review.

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company does not have any subsidiary, associate and joint venture Company. Thus the Audited Financial Statements, Auditors' Report thereon and Board's Report along with applicable annexures are not annexed herewith.

MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OCCURED BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF THE REPORT

No material changes & commitments have occurred between the end of financial year and the date of this report, affecting the financial position of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

Resignation of Independent Director

During the year under review, Mr. Virendra Babubhai Dalal has resigned as an Independent Director of the Company w.e.f. May 19, 2018 due to pre-occupation. The Board places on record, its appreciation for his inspiring guidance, performance and his contribution to improve the overall functioning of the Company.

Vacation of office of Director

During the year under review, Mr. Anand Prakash Mishra, Non-Executive Director, has vacated the office of Director from the Company w.e.f. October 23, 2018 as a result of disqualification incurred under Section 164(2) of the Companies Act, 2013.

Retire by rotation and subsequent re-appointment

Ms. Ekta Kapoor, Non-Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting (AGM), pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company and being eligible has offered herself for re-appointment. Appropriate resolution for her re-appointment is being placed for the approval of the Members of the Company at the ensuing AGM. The Board recommends her re-appointment as Non-Executive Director of the Company.

Further the provisions of Section 203 of the Companies Act, 2013 for the appointment of KMPs are not applicable to the Company.

DECLARATION BY INDEPENDENT DIRECTOR

The Company has received necessary declaration from all Independent Directors & under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

BOARD'S REPORT

AUDITORS

STATUTORY AUDIT

M/s. Price Waterhouse Chartered Accountants LLP were appointed as Statutory Auditors of the Company at the AGM held on August 31, 2017, for a term of 5 (five) consecutive years subject to ratification of their appointment by Members at every AGM, if so, required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 07, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing AGM. M/s. Price Waterhouse Chartered Accountants LLP have confirmed that they are not disqualified from continuing as Auditors of the Company.

COST AUDIT

In accordance with the Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable to the Company.

SECRETARIAL AUDIT

In accordance with Section 204 of the Companies Act, 2013 read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit is not applicable to the Company.

However, during the year under review, Secretarial Review of the Company was conducted for better corporate governance and to ensure timely compliances with respect to statutory provisions as applicable to the Company.

AUDIT REPORTS

The Report given by the Auditors on the financial statements of the Company is part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

DISCLOSURES RELATED TO BOARD AND POLICIES

i) BOARD MEETINGS

During the year under review, 5 (five) Meetings of the Board of Directors were held on April 26, 2018, May 19, 2018, August 10, 2018, November 13, 2018 & February 12, 2019. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

ii) BUSINESS RISK MANAGEMENT

The Holding Company i.e. Balaji Telefilms Limited has Risk Management Policy which is applicable to all its subsidiaries. The risk management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage. Major risks identified by the business and functions are systematically addressed through mitigation actions on a periodic basis.

iii) DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Holding Company i.e. Balaji Telefilms Limited has Corporate Social Responsibility Policy which is applicable to all its subsidiaries. However, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

The provisions of Section 177, 178 & 135 of the Companies Act, 2013 with respect to constitution of various Committees are not applicable to the Company.

OTHER DISCLOSURES

i) EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return in Form MGT – 9, as required under Section 92 of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, is appended as Annexure I, which forms part of this Report and can be accessed at **http://www.balajitelefilms.com/annual_return.php**

BOARD'S REPORT

ii) REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors have not reported to the Board, under Section 134(3)(ca) and 143(12) of the Companies Act, 2013, any instances of frauds committed against the Company by its officers or employees, the details of which would need to be mentioned in this report.

iii) SECRETARIAL STANDARDS

The Company complies with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

iv) INTERNAL FINANCIAL CONTROL SYSTEMS AND ADEQUACY

The Board has adopted the policies and procedures for ensuring the orderly and efficient control of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds, errors, reporting mechanisms, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

v) VIGIL MECHANISM / WHISTLE BLOWER POLICY

The provisions of Companies Act, 2013 relating to Vigil Mechanism / Whistle Blower Policy are not applicable to the Company.

vi) RELATED PARTY TRANSACTIONS

All transactions/contracts/arrangements entered into by the Company with related party(ies) as defined under the provisions of Section 188 and 2(76) of the Companies Act, 2013, during the financial year under review were in ordinary course of business and at arm's length basis except usage of premises let out to the Company by Balaji Telefilms Limited (Holding Company) without payment of any rent on on-going basis and is appended as Form AOC-2 in Annexure II, which forms part of this Report. Further, none of these transactions/ contracts/arrangements with related parties could be considered material in nature as per the thresholds given in Rule 15 (3) of the Companies (Meeting of Board and its Powers) Rules, 2014.

vii) FIXED DEPOSITS

During the year under review, the Company has not accepted any fixed deposits and as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

viii) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company does not have any Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013. Hence no disclosure is required to be given in this regard.

ix) PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place Prevention of Sexual Harassment at Workplace Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee and Apex Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. During the financial year 2018-19, no sexual harassment complaint has been registered with the Company.

x) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going status of the Company & its future operations.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

ENERGY CONSERVATION MEASURES TAKEN BY THE COMPANY

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to conservation of energy do not apply to the Company. However, significant measures are taken to reduce energy consumption by using energy-efficient computers and by purchasing energy-efficient equipments. We purchase computers, laptops, air conditioners etc. that meet environmental standards, wherever possible and regularly upgrade old equipments with more energy-efficient equipments. Currently, we use Light Emitting Diode (LED) fixtures to reduce the power consumption in the illumination system.

TECHNOLOGY ABSORPTION

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to technology absorption do not apply to

BOARD'S REPORT

the Company. The Company's research and development initiative mainly consists of ideation of new subjects for our content production business, which are used in the creation of new storyline and tracks. The expenses incurred on such initiatives are not practically quantifiable. The Company is an integrated player in the entertainment industry and our business is such that there is limited scope for new technology absorption, adaptation and innovation. However, the Company uses the latest technology, wherever possible to deliver superior production value, as a regular process.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, there were no foreign exchange earnings or outgo.

MECHANISM FOR EVALUATING BOARD MEMBERS

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board lays down the evaluation criteria for the performance evaluation of Executive/Non-Executive/Independent Directors. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement.

The following are the criteria on the basis of which the Directors are evaluated:

1) Knowledge to perform the role;
2) Time and Level of Participation;
3) Performance of Duties and Level of Oversight;
4) Professional Conduct and Independence etc.

Feedback on each Director is encouraged to be provided as a part of the survey.

EVALUATION OF BOARD AND INDIVIDUAL DIRECTORS

The Companies Act, 2013 provides that annual performance evaluation of Directors should be carried out by other Directors to the exclusion of Director being evaluated. The evaluation of the Board as a whole and Individual Directors including Executive, Non-Executive and Independent Directors is conducted based on the criteria and framework adopted by the Board. The Board takes note of the evaluation process results.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a) In the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards had been followed along with proper explanation relating to any material departures;

b) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;

c) Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual accounts for the financial year ended March 31, 2019 had been prepared on a 'going concern' basis;

e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENTS

The Directors of the Company wish to acknowledge with gratitude and place on record their appreciation to all stakeholders – shareholders, investors, customers, suppliers, business associates, banks, regulatory and governmental authorities for their cooperation, assistance and support.

For and on behalf of the Board of Directors

Sd/-
Shobha Kapoor
Chairperson
DIN: 00005124

Place: Mumbai
Date: May 22, 2019

Annexure I

FORM MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended 31.03.2019
[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014.]

I. REGISTRATION & OTHER DETAILS

1.	**CIN**	U74120MH2011PTC220971
2.	**Registration Date**	16/08/2011
3.	**Name of the Company**	Marinating Films Private Limited
4.	**Category/Sub-category of the Company**	Company Limited by Shares/Private Non-Government Company
5.	**Address of the Registered Office & contact details**	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400 053, Maharashtra. Tel: +91-022-40698000, Fax: +91-022-40698181/82 Email: simmi.bisht@balajitelefilms.com
6.	**Whether listed Company**	No
7.	**Name, Address & contact details of the Registrar & Transfer Agent, if any.**	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of Main Products / Services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Media & Entertainment	591	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
Balaji Telefilms Limited **Registered Office:** C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400 053, Maharashtra.	L99999MH1994PLC082802	Holding Company	99.90	2 (46)

Annexure I

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2018				No. of Shares held at the end of the year i.e. March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	4,900	4,900	49.00	0	4,900	4,900	0.11	-48.89
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	5,100	5,100	51.00	0	44,55,100	44,55,100	99.90	48.89
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	**0**	**10,000**	**10,000**	**100.00**	**0**	**44,60,000**	**44,60,000**	**100.00**	**0.00**
(2) Foreign									
a) Individuals (NRIs/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Institutions	0	0	0	0	0	0	0	0	0
e) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
f) Others	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Shareholding of Promoters A= A(1) + A(2)	**0**	**10,000**	**10,000**	**100.00**	**0**	**44,60,000**	**44,60,000**	**100.00**	**0**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/UTI	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
j) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Annexure I

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2018				No. of Shares held at the end of the year i.e. March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**0**	**10,000**	**10,000**	**100.00**	**0**	**44,60,000**	**44,60,000**	**100.00**	**0**

Note: Change in shareholding of Body Corporate (Balaji Telefilms Limited) is pursuant to the Conversion of Preference Shares into Equity Shares.

ii) Shareholding of Promoter:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e April 01, 2018			Shareholding at the end of the year i.e. March 31, 2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Balaji Telefilms Limited	5,100	51.00	0	44,55,100	99.90	0	48.89
2.	Mr. Anand Mishra	2,450	24.50	0	2,450	0.05	0	-24.445
3.	Mr. Sunny Arora	2,450	24.50	0	2,450	0.05	0	-24.445
	Total	**10,000**	**100.00**	**0**	**44,60,000**	**100.00**	**0**	**0**

Note: Change in shareholding of Promoters is pursuant to Conversion of Preference Shares into Equity Shares.

Annexure I

iii) Change in Promoters' Shareholding:

Sr. No.	Name of Shareholders	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**Balaji Telefilms Limited**				
	At the beginning of the year	5,100	51.00	5,100	51.00
	Allotment of Equity Shares on May 02, 2018 due to conversion of 34,50,000 Zero Dividend Optionally Convertible Redeemable Preference Shares and 10,00,000 Zero Dividend Optionally Convertible Redeemable Non-Cumulative Preference Shares	44,50,000	99.77	44,55,100	99.90
	Sold during the year	-	-	44,55,100	99.90
	At the end of the year	44,55,100	99.90	44,55,100	99.90
2.	**Anand Mishra**				
	At the beginning of the year	2,450	24.50	2,450	24.50
	Bought during the year	-	-	2,450	24.50
	Sold during the year	-	-	2,450	24.50
	At the end of the year	2,450	24.50	2,450	0.05
3.	**Sunny Arora**				
	At the beginning of the year	2,450	24.50	2,450	24.50
	Bought during the year	-	-	2,450	24.50
	Sold during the year	-	-	2,450	24.50
	At the end of the year	2,450	24.50	2,450	0.05

Notes: Percentage change in Promoter's shareholding is pursuant to the conversion of Preference Shares into Equity Shares.

iv) Shareholding Pattern of top Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):
The entire share capital of the Company is held by the Holding Company and Promoters of the Company.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Directors/KMP	Shareholding		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Mr. Anand Prakash Mishra**				
	At the beginning of the year	2,450	24.50	2,450	24.50
	Bought during the year	-	-	2,450	24.50
	Sold during the year	-	-	2,450	24.50
	At the end of the year	2,450	24.50	2,450	0.05

Notes:

1. Mr. Anand Prakash Mishra has vacated the office of Director from the Company w.e.f. October 23, 2018. Percentage change in shareholding is pursuant to the Conversion of Preference Shares into Equity Shares.
2. Mr. Virendra Babubhai Dalal ceased to be Independent Director of the Company w.e.f. May 19, 2018 and did not hold any shares in the Company during the financial year 2018-19.
3. Mrs. Shobha Kapoor, Ms. Ekta Kapoor and Mr. Devender Kumar Vasal did not hold any shares during the financial year 2018-19. Further, the provisions of Section 203 of the Companies Act, 2013 for the appointment of Key Managerial Personnel (KMP) are not applicable to the Company.

Annexure I

V. INDEBTEDNESS

The Company had no indebtedness with respect to Secured or Unsecured Loans or Deposits during the financial year 2018-19.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:
The Company does not have any Managing Director, Whole time Director or Manager during the year under review.

B. Remuneration to other Directors: **(₹ in Lacs)**

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	**Independent Directors**	**Devendra Kumar Vasal**	**Virendra Babubhai Dalal**		
	Fee for attending Board and Committee Meetings	1.00	0.25		1.25
	Commission	-	-		-
	Others	-	-		-
	Total (1)	**1.00**	**0.25**		**1.25**
2.	**Other Non- Executive Directors**	**Anand Prakash Mishra**	**Shobha Kapoor**	**Ekta Kapoor**	
	Fee for attending Board and Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	Others	3.92	-	-	3.92
	Total (2)	**3.92**	**-**	**-**	**3.92**
	Total B= (1+2)	**4.92**	**0.25**	**-**	**5.17**
	Total Managerial Remuneration (A+B)				**5.17**
	Ceiling as per Act (per annum)	**N.A.**			

Notes:

1. Remuneration paid to Mr. Anand Prakash Mishra is from the period April 01, 2018 to October 23,2018.
2. Remuneration paid to Mr. Virendra Babubhai Dalal is from the period April 01, 2018 to May 19, 2018.
3. The Independent Directors of the Company have been paid only sitting fees for attending the Board Meetings of the Company which is excluded under Section 197(2) of the Companies Act, 2013.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD :
Provisions of Section 203 of the Companies Act, 2013 for the appointment of Key Managerial Personnel are not applicable to the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for breach of any section of Companies Act, 2013 against the Company or its Directors or other officers in default during the year.

For and on behalf of the Board of Directors

Sd/-
Shobha Kapoor
Chairperson
DIN: 00005124

Place: Mumbai
Date: May 22, 2019

Annexure II

FORM AOC - 2
PARTICULARS OF CONTRACTS / ARRANGEMENTS / TRANSACTIONS MADE WITH RELATED PARTIES

For the financial year ended March 31, 2019

[Pursuant to Clause h of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts), Rules, 2014.]

1) DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

The following contract or arrangement or transaction entered into during the year ended March 31, 2019 was not at arm's length basis.

Name(s) of the Related Party and nature of relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Salient terms of the Contracts or Arrangements or Transactions including the value, if any	Justification for entering into such Contracts or Arrangements or Transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188
Balaji Telefilms Limited (Holding Company)	Arrangement with the Holding Company for usage of the premises viz. C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi lndl Estate, New Link Road, Andheri - (West), Mumbai – 400 053 by the Company as its Registered Office without any rent payment.	On-going	-	In order to curtail the expenses and to maximize profits, the Company has entered into this arrangement with its Holding Company.	Since 2 out of 3 Directors are interested in this transaction, the requirement of quorum cannot be fulfilled and hence Members approval is sought at the ensuing AGM.	N.A.	Members approval is sought at the ensuing AGM.

2) DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARMS LENGTH BASIS

There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2019, which were at arm's length basis.

For and on behalf of the Board of Directors

Sd/-
Shobha Kapoor
Chairperson
DIN: 00005124

Place: Mumbai
Date: May 22, 2019

Independent Auditor's Report

To the Members of Marinating Films Private Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Marinating Films Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial

Independent Auditor's Report

statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of

Independent Auditor's Report

Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

11. As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company does not have any pending litigations which would impact its financial position.

        ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2019.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

        iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 22, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Marinating Films Private Limited on the financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Marinating Films Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations

Annexure A to Independent Auditors' Report

of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 22, 2019

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Marinating Films Private Limited on the financial statements for the year ended March 31, 2019

i. The Company does not have fixed assets and therefore the provisions of Clause 3(i) (a), 3(i) (b) and 3(i)(c) of the Order are not applicable to the Company.

ii. The Company does not have Inventory and therefore the provisions of Clause 3(ii) of the Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including income tax, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service tax or goods and service tax which have not been deposited on account of any dispute.

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

Annexure B to Independent Auditors' Report

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 22, 2019

Balance Sheet
as at March 31, 2019

Particulars	Note No.	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
ASSETS			
Non-current assets			
(a) Current tax asset (net)	5	94.33	70.02
Total Non-current Assets		**94.33**	**70.02**
Current assets			
(a) Inventories	6	-	114.77
(b) Financial assets			
(i) Investments	7	68.93	-
(ii) Trade receivables	8	76.62	921.61
(iii) Cash and cash equivalents	9	59.36	18.92
(iv) Other financial assets	10	51.95	-
(c) Other current assets	11	125.63	128.57
Total Current Assets		**382.49**	**1,183.87**
Total Assets		**476.82**	**1,253.89**
EQUITY AND LIABILITIES			
Equity			
(a) Share capital	12A	446.00	1.00
(b) Instrument entirely equity in nature	12B	325.00	-
(c) Other equity			
- Equity component of compound financial instrument		-	573.90
- Reserves & Surplus	13	(552.90)	(676.13)
Total Equity		**218.10**	**(101.23)**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	-	7.83
Total Non-current liabilities		**-**	**7.83**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(a) total outstanding dues of micro and small enterprises	15	-	-
(b) total outstanding dues other than (i) (a) above	15	21.21	1,154.65
(b) Other current liabilities	16	237.51	192.64
Total Current Liabilities		**258.72**	**1,347.29**
Total Equity and Liabilities		**476.82**	**1,253.89**

The above Balance Sheet should be read in conjunction with the accompanying notes.
This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
(DIN : 00005124)

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Statement of Profit and Loss
for the year ended March 31, 2019

	Particulars	Note No.	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
1	Revenue from operations	17	114.03	980.15
2	Other income	18	19.47	0.04
3	**Total Income (1+2)**		**133.50**	**980.19**
4	**Expenses**			
	Cost of production / acquisition and telecast fees	19	-	1,175.48
	Changes in inventories	19	114.77	(114.77)
	Marketing expense		-	10.00
	Employee benefits expense	20	3.92	9.64
	Finance cost	21	-	1.42
	Depreciation and amortisation expense	22	-	0.12
	Other expenses	23	28.31	25.46
	Total Expenses		**147.00**	**1,107.35**
5	**Loss before tax (3-4)**		**(13.50)**	**(127.16)**
6	**Tax expense:**			
	Current tax		-	-
	Deferred tax		-	46.05
	Total tax expense		**-**	**46.05**
7	**Loss for the year (5-6)**		**(13.50)**	**(173.21)**
8	**Other comprehensive income**		**-**	**-**
9	**Total comprehensive income for the year (7+8)**		**(13.50)**	**(173.21)**
10	**Basic & Diluted earnings/(loss) per share (in ₹)** (Face value of ₹ 10 each)	25	**(0.23)**	**(1,732.10)**

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.
This is the Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
(DIN : 00005124)

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Statement of Cash Flows

for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019 ₹ in Lacs		For the year ended March 31, 2018 ₹ in Lacs	
A. Cash Flow from Operating Activities				
Loss before tax		(13.50)		(127.16)
Adjustments for				
Depreciation and amortisation expenses	-		0.12	
Interest on liability component of compound financial instrument	-		1.42	
Interest on income tax refund	(4.37)		-	
Provision for bad and doubtful debts	-		8.98	
Profit on fair valuation of current investments	(3.93)		-	
Sundry payables / provision written back	(11.17)	(19.47)	-	10.52
Operating Loss before working capital changes		**(32.97)**		**(116.64)**
Decrease / (Increase) in trade receivables	844.99		(891.28)	
Decrease / (Increase) in other financial assets	(51.95)		-	
Decrease / (Increase) in inventories	114.77		(114.77)	
Decrease / (Increase) in non-current assets	-		1.60	
Decrease / (Increase) in other current assets	2.94		(35.07)	
(Decrease) / Increase in trade payables	(1,122.27)		1,029.67	
(Decrease) / Increase in other current liabilities	44.87	(166.65)	13.50	3.65
		(199.62)		(112.99)
Income taxes paid		(19.94)		(11.34)
Net cash used in operating activities (A)		**(219.56)**		**(124.33)**
B. Cash Flow from Investing Activities				
Investment in mutual fund	(65.00)		-	
Net cash flow from / (used in) investing activities (B)		**(65.00)**		**-**
C. Cash Flow from Financing Activities				
Issue of compulsory convertible debentures	325.00		-	
Net cash flow from financing activities (C)		**325.00**		**-**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**40.44**		**(124.33)**
Cash and cash equivalents at the beginning of the financial year (Refer note 9)		18.92		143.25
Cash and cash equivalents at the end of the financial year (Refer note 9)		**59.36**		**18.92**

The above Statement of Cash flows should be read in conjunction with the accompanying notes.

This is the Statement of Cash flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
(DIN : 00005124)

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Statement Of Changes In Equity
for the year ended March 31, 2019

A. Equity share capital

Particulars	₹ in Lacs
As at April 01, 2017	**1.00**
Changes in equity share capital during the year	-
As at March 31, 2018	**1.00**
As at April 1, 2018	**1.00**
Shares issued on conversion of Zero dividend optionally convertible redeemable preference shares into Equity shares (Refer note 14)	**345.00**
Shares issued on conversion of Zero dividend optionally convertible non-cummulative redeemable preference shares into Equity shares(Refer note 14)	100.00
As at March 31, 2019	**446.00**

B. Instrument entirely equity in nature - Compulsory Convertible Debentures

Particulars	₹ in Lacs
As at April 01, 2017	**-**
Changes in equity instrument during the year	-
As at March 31, 2018	**-**
As at April 1, 2018	**-**
Issue of Zero Percent Compulsorily Convertible Debentures of ₹ 10 each (Refer note 12B)	325.00
As at March 31, 2019	**325.00**

C. Other Equity ₹ in Lacs

Particulars	Equity component of compound financial instruments	Reserves and surplus	Total other equity
		Retained earnings	
As at April 01, 2017	**475.01**	**(502.92)**	**(27.91)**
Issue of Zero dividend optionally convertible redeemable preference shares	98.89	-	98.89
Loss for the year	-	(173.21)	(173.21)
As at March 31, 2018	**573.90**	**(676.13)**	**(102.23)**
As at April 1, 2018	**573.90**	**(676.13)**	**(102.23)**
Conversion of Zero dividend optionally convertible redeemable preference shares in equity shares (Refer note 14)	(445.00)	-	(445.00)
Conversion of preference shares into equity (Refer note 14)	(128.90)	136.73	7.83
Loss for the year	-	(13.50)	(13.50)
As at March 31, 2019	**-**	**(552.90)**	**(552.90)**

The above Statement Of Changes In Equity should be read in conjunction with the accompanying notes.

This is the Statement Of Changes In Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
(DIN : 00005124)

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Notes forming part of financial statements
for the year ended March 31, 2019

Note 1 : Background

Marinating Films Private Limited (MFPL) was incorporated on August 16, 2011 under the Companies Act, 1956 and is in the business of event management relating to films & television industry. The Company is a subsidiary of Balaji Telefilms Ltd. The registered office and principal place of business of the Company is at Andheri (West), Mumbai.

Note 2 : Significant accounting policies

The note provides a list of significant accounting policies adopted in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria's set out in the Schedule III to the Companies Act, 2013.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained it's operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

Historical cost convention

The financial statements have been prepared on historical cost basis, except certain financial assets that are measured at fair value.

New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2018:

Ind AS 115, Revenue from Contract with the Customers : Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company applied Ind As 115 for the first time by using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under the method, the Company as elected to apply the revenue standard only to contracts that are not completed as at the date of initial application. The adoption of the standard does not have any impact on the Company's financial statements and no adjustment to the opening balance of retained earnings as at April 1, 2018 is required.

Amendment to Ind AS 12, Income Taxes : The amendment does not have any impact of the Company's financial statements.

(b) Segment Reporting

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. The chief operating decision maker of the Company consists of the directors and group chief financial officer which assesses the financial performance and position of the Company, and makes strategic decisions. Refer note 28 for segment information presented.

Notes forming part of financial statements
for the year ended March 31, 2019

(c) Revenue Recognition

The Company derives revenue from licensing rights, free commercial time, franchise fees and internet sale to its customers. Some of the contracts include multiple deliverables. The Company identifies and evaluate each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

(i) Revenue from licensing of events / internet sale - The Company has determined that license revenues are satisfied at a point in time due to their being limited ongoing involvement in the use of the license following its transfer to the customer.

(ii) Revenue generated from the free commercial time is recognized as and when the relevant episodes of the programme (Event) are telecast on broadcasting channels (revenue recognized at a point in time).

(iii) Revenue from franchise fees is recognized on sale of franchise rights (revenue recognized at a point in time).

The transaction price, being the amount to which the Company expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration where the Company's performance may result in additional revenues based on the achievement of agreed targets.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

Revenue excludes any taxes and duties collected on behalf of the government.

(d) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred Tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Notes forming part of financial statements

for the year ended March 31, 2019

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(e) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(f) Cash and Cash Equivalents

Cash and cash equivalents include balance held with financial institution. For the purpose of Cash Flow Statement, Cash and cash equivalents are considered net of outstanding overdrafts, if any, as they are considered an integral part of Company's cash management.

(g) Inventories

Inventories comprise of Events and are stated at the lower of cost and net realisable value. Cost is determined as actual cost and is charged to the statement of profit and loss when the relevant episode is telecasted on the broadcasting channel.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

(h) Trade receivable

Trade receivable are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(i) Financial Asset

Classification**:**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or Other Comprehensive Income.

Initial recognition and Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Subsequent Measurement:

Financial assets are classified as FVTPL, unless the Company has irrevocably elected on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in those instruments.

Notes forming part of financial statements
for the year ended March 31, 2019

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Other debt instruments are designated as at fair value through profit or loss on initial recognition.

Impairment of Financial Assets:
The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 30(A) details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition:
A financial asset is de-recognised only when
- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(j) Financial Liabilities

Classification as debt or equity:
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement:
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

Subsequent measurement:
Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

De-recognition:
A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Notes forming part of financial statements
for the year ended March 31, 2019

(k) Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the asset, net of their residual values, if any, over their estimated useful lives which are in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

(l) Impairment of assets

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit or Loss.

(m) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are not recognized for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Where the likelihood of outflow of resources is remote, no provision or disclosure as specified in Ind AS -37 - Provision, contingent liabilities and contingent assets is made.

Notes forming part of financial statements
for the year ended March 31, 2019

(n) Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.

(o) Earning per Shares

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(p) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal digits after lakhs as per the requirement of Schedule III of the Act, unless otherwise stated.

Note 3: Critical Estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- **Recognition of Deferred Tax assets:**

  The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. To determine the future taxable profits, the management considers the nature of the deferred tax assets, recent operating results, future market growth, forecasted earnings and future taxable income in the jurisdictions in which the company operates.

- **Impairment of Trade Receivable:**

  Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the group uses expected credit loss model to assess the impairment loss or gain. The group uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

  Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 4 - Property, plant and equipment

(₹ in Lacs)

Description of Assets	Computers	Total
I. Gross Carrying Amount		
Balance as at April 1, 2017	0.53	0.53
Balance as at March 31, 2018	**0.53**	**0.53**
II. Accumulated Depreciation		
Balance as at April 1, 2017	(0.41)	(0.41)
Depreciation expense	(0.12)	(0.12)
Balance as at March 31, 2018	**(0.53)**	**(0.53)**
III. Net Carrying Amount as at March 31, 2018	**-**	**-**

Description of Assets	Computers	Total
I. Gross Carrying Amount		
Balance as at April 1, 2018	0.53	0.53
Disposals	0.53	0.53
Balance as at March 31, 2019	**-**	**-**
II. Accumulated Depreciation		
Balance as at April 1, 2018	(0.53)	(0.53)
Disposals	(0.53)	(0.53)
Balance as at March 31, 2019	**-**	**-**
III. Net Carrying Amount as at March 31, 2019	**-**	**-**

Note 5 Current tax assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Tax deducted at source	94.33	70.02
Total	**94.33**	**70.02**

Note 6 Inventories

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Finished		
Event	-	114.77
Total	**-**	**114.77**

Note 7 Current Investments (Unquoted)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Investment in Mutual Fund (Non Trade) (Carried at fair value through profit and loss)	68.93	-
Total	**68.93**	**-**

Notes forming part of financial statements
for the year ended March 31, 2019

Particulars	As at March 31, 2019		As at March 31, 2018	
	Quantity (Units)	₹ in Lacs	Quantity (Units)	₹ in Lacs
IN UNITS OF MUTUAL FUNDS				
HDFC Low Duration Fund	1,76,176.59	68.93	-	-
Total	**1,76,176.59**	**68.93**	**-**	**-**

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Total current investments		
Aggregate amount of quoted investments at market value thereof	-	-
Aggregate amount of unquoted investments	68.93	-
Aggregate amount of impairment in the value of investments	-	-

Note 8 Trade receivables

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Trade Receivable	156.15	1,001.14
Less: Loss allowance	(79.53)	(79.53)
Total	**76.62**	**921.61**

Break up of security details

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	156.15	1,001.14
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Loss allowance	(79.53)	(79.53)
Total trade receivable	**76.62**	**921.61**

The Company has recognised an allowance for doubtful debts against receivables from whom recoverability is uncertain.

Trade receivables disclosed above include amounts that are past due at the end of the reporting period for which the Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period.

The Company has provided ₹ 79.53 lacs (March 31, 2018 ₹ 79.53 lacs) towards doubtful receivables.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 9 Cash and cash equivalents

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Balances with banks		
in current accounts	59.36	18.92
Total	**59.36**	**18.92**

Note 10 Other financials assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Unbilled revenue	51.95	-
Total	**51.95**	**-**

Note 11 Other current assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Balances with government authorities	120.62	128.57
Advance to vendors	5.01	-
Total	**125.63**	**128.57**

Notes forming part of financial statements

for the year ended March 31, 2019

Note 12 Share capital

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
(a) Authorised		
10,550,000 (Previous year 50,000) Equity Shares of ₹ 10/- each	1,055.00	5.00
4,450,000 (Previous year 4,450,000) Redeemable Preference Shares of ₹ 10 each	445.00	445.00
	1,500.00	**450.00**
(b) Issued, Subscribed and fully paid up		
4,460,000 (Previous year 10,000) Equity Shares of ₹ 10/- each	446.00	1.00
	446.00	**1.00**

Note 12A Equity share capital

(i) Movement in Equity Share Capital:

Authorised Share Capital

Particulars	Number of share	₹ in Lacs
As at April 1, 2017	**50,000**	**5**
Increase during the year	-	-
As at March 31, 2018	**50,000**	**5**
Increase during the year	10,500,000	1,050
As at March 31, 2019	**10,550,000**	**1,055**

Issued, Subscribed and fully paid up

Particulars	Number of share	₹ in Lacs
As at April 1, 2017	**10,000**	**1**
Increase during the year	-	-
As at March 31, 2018	**10,000**	**1**
Shares issued on conversion of Zero dividend optionally convertible redeemable preference shares into Equity shares (Refer note 14)	3,450,000	345
Shares issued on conversion of Zero dividend optionally convertible non-cummulative redeemable preference shares into Equity shares (Refer note 14)	1,000,000	100
As at March 31, 2019	**4,460,000**	**446**

Notes forming part of financial statements
for the year ended March 31, 2019

(ii) **Shares held by holding company / ultimate holding company :**

Particulars	As at March 31, 2019	As at March 31, 2018
	No of shares	No of shares
Balaji Telefilms Limited (immediate and ultimate holding company)	4,455,100	5,100

(iii) **Details of Equity Shares held by each shareholder holding more than 5% Equity Shares:**

Name of Equity Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Balaji Telefilms Limited	4,455,100	99.90%	5,100	51.00%
Anand Prakash Mishra	2,450	0.05%	2,450	24.50%
Sunny Satish Arora	2,450	0.05%	2,450	24.50%

(iv) The company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the shareholders will be eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

(v) No shares are issued for consideration other than cash during the 5 years immediately preceding March 31, 2019.

Note 12B Instruments entirely equity in nature - Compulsory Convertible Debentures

Particulars	Numbers	₹ in Lacs
As at April 1, 2017	-	-
Increase during the year	-	-
As at March 31, 2018	**-**	**-**
Issue of Zero Percent Compulsorily Convertible Debentures of ₹ 10 each (Refer note below)	3,250,000	325
As at March 31, 2019	**3,250,000**	**325**

3,250,000 Zero Percent Compulsorily Convertible Debentures (CCD) of ₹ 10 each were alloted on June 21, 2018 for cash consideration to Balaji Telefilms Limited (immediate and ultimate holding company). The CCD shall be converted into equity shares within 3 months from the date of allotment at the option of the board or at any time, at the option of the debenture holders. However in any case the CCD shall be converted into equity share not later than 10 years from the date of allotment.

Note 13 Reserves & Surplus

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Retained earnings	(552.90)	(676.13)
Total	**(552.90)**	**(676.13)**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 13.1 Retained earnings

Particulars	Year ended March 31, 2019 ₹ in Lacs	Year ended March 31, 2018 ₹ in Lacs
Retained Earnings		
Balance at beginning of year	(676.13)	(502.92)
Conversion of preference shares into equity	136.73	-
Loss for the year	(13.50)	(173.21)
Balance at end of the year	**(552.90)**	**(676.13)**

Note 14 Borrowings - Non current

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Unsecured liability component of Compound financial instrument		
Nil (Previous year 3,450,000) Zero dividend optionally convertible redeemable preference shares of ₹ 10/- each	-	5.30
Nil (Previous year 1,000,000) Zero dividend optionally convertible non-cummulative redeemable preference shares of ₹ 10/- each	-	2.53
Total	**-**	**7.83**

Terms of issue

Particulars	Maturity date	Terms of repayment
3,450,000 Zero dividend optionally convertible redeemable preference shares	December 07, 2034	Single repayment at the end of the term
1,000,000 Zero dividend optionally convertible redeemable non-cummulative preference shares	April 03, 2037	

3,450,000 Zero dividend optionally convertible redeemable preference shares of ₹ 10/- each and 1,000,000 Zero dividend optionally convertible non-cumulative redeemable preference shares of ₹ 10/- each were converted into 4,450,000 equity share of ₹ 10 each on June 27, 2018.

Upon conversion of above preference share, the carrying amount of the Equity component of compound financial instruments and borrowing component of ₹ 573.9 lacs and ₹ 7.83 lacs respectively was derecognize and ₹ 445 lacs was transferred to equity share capital and balance ₹ 136.73 lacs transferred to Retained earnings.

Notes forming part of financial statements
for the year ended March 31, 2019

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2019

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Cash and cash equivalents	59.36	18.92
Non-current borrowings	-	(7.83)
Total	**59.36**	**11.09**

Particulars	Other Assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Non-current borrowings	
Net debt as at March 31, 2017	**143.25**	**(5.30)**	**137.95**
Cash flows	(124.33)	(1.11)	(125.44)
Interest expense	-	(1.42)	(1.42)
Net debt as at March 31, 2018	**18.92**	**(7.83)**	**11.09**
Cash flows	40.44	-	40.44
Conversion of debt component of compound financial instrument into Equity shares	-	7.83	7.83
Net debt as at March 31, 2019	**59.36**	**-**	**59.36**

Note 15 Trade payables

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Current		
Trade payables: micro and small enterprises	-	-
Trade payables : others	11.23	1,154.65
Trade payables to related parties (Refer note 24)	9.98	-
Total	**21.21**	**1154.65**

Notes:

(a) **Micro, Small and Medium Enterprises :**

Trade payable includes ₹ Nil (March 31, 2018 ₹ Nil) due to Micro and Small Enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSME Act').

No interest is paid / payable during the year to any Micro / Small Enterprise registered under the MSME. There were no delayed payments during the year to any Micro or Small Enterprise registered under the MSME Act.

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Management regarding the status of suppliers under the MSME Act.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 16 Other current liabilities

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Statutory liabilities	-	7.01
Contract liablities / Advanced from customers	237.51	185.63
Total	**237.51**	**192.64**

Note 17 Revenue from operations

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Sale of services		
Licence Rights	104.35	695.65
Franchise / Participation fees	-	215.00
Internet income	6.52	43.48
Free commercial time	3.16	26.02
Total	**114.03**	**980.15**

The Revenue recognised is equivalent to the contract price and there is no element of discount, rebates, incentives, etc. which are adjusted to revenue.

There are no unsatisfied performance obligations in respect of revenue contract.

Note 18 Other income

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Interest income on Income-tax refund	4.37	-
Unrealised gains on Investments at fair value through profit or loss	3.93	-
Unwinding of discount on security deposit	-	0.04
Sundry payables / provision written back	11.17	-
Total	**19.47**	**0.04**

Notes forming part of financial statements

for the year ended March 31, 2019

Note 19 Cost of Production / Acquisition and Telecast Fees

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Purchase of costumes and dresses	-	1.01
Artists, Directors and other technicians fees	-	175.85
Shooting and location expenses	-	61.96
Telecasting Fees	-	800.00
Food and refreshments	-	28.25
Set properties and equipment hire charges	-	70.43
Other production expenses	-	37.98
Total	**-**	**1,175.48**

Changes in Inventories :

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Opening balance - Events	114.77	-
Closing balance - Events	-	114.77
Total changes in inventories	114.77	(114.77)

Note 20 Employee benefits expense

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Salaries and wages	3.92	9.64
Total	**3.92**	**9.64**

Note 21 Finance cost

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Interest on Liability component of compound financial instrument	-	1.42
Total	**-**	**1.42**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 22 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
Depreciation of property, plant and equipment	-	0.12
Total	**-**	**0.12**

Note 23 Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
Power and fuel	-	0.13
Rent	-	1.84
Rates and taxes	16.62	1.40
Legal and professional charges (Refer note 23.1)	9.81	9.34
Travelling and conveyance expenses	-	1.58
Director sitting fees	1.75	2.00
Provision for doubtful debts	-	8.98
Miscellaneous expenses	0.13	0.19
Total	**28.31**	**25.46**

Note 23.1 Payment to auditors (included in Legal & professional charges)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
As auditors :		
Audit fees	3.50	3.50
Reimbursement of out of pocket expenses	0.05	-
Total	**3.55**	**3.50**

Notes forming part of financial statements
for the year ended March 31, 2019

24 Related Party Transactions

(a) Name of related parties and description of relationship

Name of the Related Party	Relationship
Balaji Telefilms Limited	Holding Company
ALT Digital Media Entertainment Limited	Fellow Subsidiary
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Sunny Arora	Key management person (upto February 7, 2018)
Mr. Anand Prakash Mishra	Key management person (upto October 23, 2018)
Mr. Devendra Kumar Vasal	Key management person
Mr. Virendra Babubhai Dalal	Key management person (upto May 19, 2018)
Marinating Films Partnership	Entity in which key management person has significant influence (upto October 23, 2018)

(b) Details of Transactions with related parties during the year

(₹ in Lacs)

Nature of Transactions	Holding Company	Director	Fellow subsidiary
Issue of preference share capital			
Balaji Telefilms Limited	-	-	-
	(100.00)	(-)	(-)
Conversion of preference shares into equity shares			
Balaji Telefilms Limited	445.00	-	-
	(-)	(-)	(-)
Issue of compulsory convertible debentures			
Balaji Telefilms Limited	325.00	-	-
	(-)	(-)	(-)
Expenses incurred on behalf of MFPL			
Balaji Telefilms Limited	9.98	-	-
	(-)	(-)	(-)
Sale of Digital Rights			
Alt Digital Media Entertainment Limited	-	-	6.52
	(-)	(-)	(43.48)
Advance received against Sale of Digital Rights			
Alt Digital Media Entertainment Limited	-	-	-
	(-)	(-)	(6.52)
Remuneration			
Anand Prakash Mishra	-	3.92	-
	(-)	(4.82)	(-)
Sunny Arora	-	-	-
	(-)	(4.82)	(-)
Director Sitting Fees			
Devendra Kumar Vasal	-	1.25	-
	(-)	(1.00)	(-)
Virendra Babubhai Dalal	-	0.50	-
	(-)	(1.00)	(-)

Notes forming part of financial statements
for the year ended March 31, 2019

(c) Closing balances as at March 31, 2019

(₹ in Lacs)

Nature of Transactions	Holding Company	Director	Fellow subsidiary
Advance received for Sale of Digital Rights			
Alt Digital Media Entertainment Limited	-	-	-
	(-)	(-)	(6.52)
Amount payable as on March 31, 2019			
Balaji Telefilms Limited	9.98	-	-
	(-)	(-)	(-)

Note:

(i) There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties.

(ii) Figures in bracket relate to the previous year.

25 Earnings per share

Basic and diluted earnings/(loss) per share

Basic earnings per share is calculated by dividing the profit / (losses) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as under :

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) (Loss) for the year attributable to equity share holders (₹ in lacs)	(13.50)	(173.21)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	5,915,890	10,000
(c) Loss per share - Basic and diluted (₹) (a / b)	(0.23)	(1,732.10)
(d) Nominal value of shares (₹)	10	10

Note : Impact of optionally convertible preference shares on EPS is anti-dilutive, hence not considered.

26 In accordance with the Indian Accounting Standard 12 (Ind AS 12) on "Income Taxes", deferred tax assets and liabilities should be recognized for all timing differences. However, considering the present financial position and accumulated tax losses and the requirement of the Ind AS 12 the deferred tax asset is recognised only to the extent of deferred tax liability. The deferred tax asset is not accounted for, to the extent of ₹ 158.85 lacs (previous year ₹ 136.12 lacs). However, the same will be reassessed at subsequent Balance Sheet date and will be accounted for in the year of reasonable certainty in accordance with the aforesaid Ind AS 12.

27 Lease Transactions

Amount of lease rentals charged to the statement of profit and loss account in respect of operating leases is Nil (previous year ₹ 1.84 lacs).

28 Segment Information

The Company is primarily engaged in the business of event management relating to film and television industry which, in the context of Ind AS 108 on "Operating Segments", constitutes a single reportable segment. Revenue of approximately ₹ 104.35 lacs (March 31, 2018 ₹ 695.65 lacs) is derived from a single external customer.

Notes forming part of financial statements
for the year ended March 31, 2019

29 Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

(a) Classification of financial assets and liabilities

(₹ in Lacs)

Particular	March 31, 2019			March 31, 2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Current financial assets						
Investments	68.93	-	-	-	-	-
Trade receivables	-	-	76.62	-	-	921.61
Cash and cash equivalents	-	-	59.36	-	-	18.92
Other current financials assets	-	-	51.95	-	-	-
Total Financial Assets	**68.93**	**-**	**187.93**	**-**	**-**	**940.53**
Financial Liabilities						
Borrowings	-	-	-	-	-	7.83
Trade payables	-	-	21.21	-	-	1,154.65
Total Financial Liabilities	**-**	**-**	**21.21**	**-**	**-**	**1,162.48**

(i) Fair Value hierarchy of financial assets and liabilities

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Lacs)

Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2019	Level 1	Level 2	Level 3	Total
Current financial assets				
Investments in mutual fund	-	68.93	-	68.93
Total Financial Assets	**-**	**68.93**	**-**	**68.93**

Notes forming part of financial statements

for the year ended March 31, 2019

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2018	Level 1	Level 2	Level 3	Total
Non-current financial liabilities				
Borrowings	-	-	7.83	7.83
Total Financial Liabilities	**-**	**-**	**7.83**	**7.83**

The carrying value of trade receivables, cash and cash equivalents, trade payables and other current financials assets are considered to be the same as their fair values due to their short term nature.

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in valuation technique. The hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement). The categories used are as follows:

Level-1 Hierarchy includes financial instruments measured using quoted price.

Level-2 The fair value of financial instruments that are not traded in an active market is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.

Level-3 If one or more of the significant inputs is not based on observable market data, the instrument is include in level 3.

(ii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:

-The mutual funds are valued using closing NAV available in the market.

30 Financial Risk Management

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the management is responsible for overseeing the Company's risk assessment and management policies and processes.

(A) Credit Risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company deals with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and credit ratings of its counterparties are regularly monitored and the aggregate value of transactions concluded is spread amongst counterparties.

Notes forming part of financial statements

for the year ended March 31, 2019

(i) Credit Risk Management

Financial instruments and cash deposits

The Company maintains exposure in cash and cash equivalents. The credit worthiness of such banks is evaluated by the management on an ongoing basis and is considered to be good. As a practice, the company only invests with high rated banks.

The Company's maximum exposure to credit risk as at March 31, 2019 and March 31, 2018 is the carrying value of each class of financial assets as disclosed in note 29.

Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

(B) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The responsibility for liquidity risk management rests with the Board of directors, which has an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by regularly monitoring forecast and actual cash flows.

(i) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity grouping based on their contractual maturities.

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2019				
Trade payables	21.21	-	-	21.21
Total financial liabilities	**21.21**	**-**	**-**	**21.21**

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2018				
Borrowings	-	-	7.83	7.83
Trade payables	1,154.65	-	-	1,154.65
Total financial liabilities	**1,154.65**	**-**	**7.83**	**1,162.48**

(C) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Notes forming part of financial statements
for the year ended March 31, 2019

(i) **Foreign currency risk exposure:**
The Company does not have any exposure to foreign currency risk as at March 31, 2019 (Previous year Nil).

(ii) **Interest rate risk**
The Company have borrowing bearing zero interest rate and is thus not exposed to interest rate risk as at March 31, 2019 (Previous year ₹ Nil).

(iii) **Price risk**
(a) **Exposure**
The company's exposure to investments arises from investment held by the company in mutual funds and classified in the balance sheet as fair value through profit or loss.
To manage its price risk arising from investments in mutual funds, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company.

(b) **Sensitivity**

(₹ in Lacs)

Particulars	Impact on profit after tax	
	March 31, 2019	March 31, 2018
Net asset value - Increase 5% (March 31, 2019 5%)*	3.45	-
Net asset value - Decrease 2% (March 31, 2019 2%)*	(1.38)	-

Profit after tax for the year would increase/ decrease as a result of gains/ losses on investments classified at fair value through profit or loss.

31 Capital management
The company considers the following components of its Balance Sheet to be managed capital: Total equity as shown in the balance sheet.

The company aim is to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders.

The company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

32 Deferred Tax asset (net)

Particulars	March 31, 2019	March 31, 2018
	₹ in Lacs	₹ in Lacs
Deferred tax liabilities		
Fair value of investments	1.02	-
Deferred Tax Assets		
On brought forward losses	1.02	-
Total	**-**	**-**

Notes forming part of financial statements
for the year ended March 31, 2019

Deferred Tax movement

(₹ in Lacs)

Partticulars	For the period ended March 31, 2019		
	Opening Balance	Charged/ (Credited) to Profit or Loss	Closing Balance
Tax effect of items constituting deferred tax assets			
Fair value of investments	-	1.02	1.02
Tax effect of items constituting deferred tax assets			
Brought forward losses	-	(1.02)	(1.02)
Net tax assets	-	-	-

(₹ in Lacs)

Partticulars	For the period ended March 31, 2018		
	Opening Balance	Charged/ (Credited) to Profit or Loss	Closing Balance
Tax effect of items constituting deferred tax assets			
Fair value of investments	46.05	46.05	-
Net tax assets	46.05	46.05	-

33 As at March 31, 2019 the Company has accumulated losses of ₹ 552.9 lacs. The Company has necessary financial support from its parent company Balaji Telefilms Limited and given the long term corporate strategies and future profit projections, the Company has followed the fundamental accounting assumption of 'Going Concern' for preparation of financials for the year ended March 31, 2019 as the Company neither has the intention nor the necessity of liquidation or of curtailing materially the scale of the operations. In the opinion of the Board of Directors, the Company will meet all it's financial obligations as they fall due for payment for at least 12 months from the date of signatures of these financial statements.

34 Standard issued but not effective

(a) Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12, 'Income Taxes'

The appendix explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. These amendments will be applicable on or after 1 April 2019. In particular, it discusses:

- how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;
- that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
- that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;
- that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

The Company does not expect to have a material impact on its financial statements pursuant to the aforesaid amendment.

(b) Other standards, changes in standards and interpretation

There are no other standards, changes in standards and interpretations that are not in force that the Company expects to have a material impact arising from its application in its financial statements.

Signatures to note 1 to 34

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
(DIN : 00005124)

Sunil Lulla
(Group CEO)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

BOARD'S REPORT

The Directors present the 4th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

The salient features of your Company's financial results for the year under review are as follows:

(₹ in Lacs)

PARTICULARS	2018-19	2017-18
Total Income	*4,922.94	1,407.86
Total expenditure	(15,907.15)	(10,836.80)
Operating (Loss)	**(10,984.21)**	**(9,428.94)**
Finance costs	25.03	-
Depreciation	482.94	376.10
(Loss) for the year before tax	**(11,492.18)**	**(9,805.04)**
Provision for tax	-	(282.67)
(Loss) for the year after tax	**(11,492.18)**	**(9,522.37)**
Balance carried to the Balance Sheet	**(11,458.77)**	**(9,527.80)**

Note: *Total Income includes Other Income to the extent of ₹ 735.83 Lacs and ₹ 724.12 Lacs for FY 18-19 and FY 17-18 respectively.

RESULTS OF OPERATIONS

During the year under review, the Company has reported loss of ₹ 11,458.77 Lacs as against loss of ₹ 9,527.80 Lacs in the previous fiscal.

DIVIDEND

Considering the loss incurred in the current financial year, Directors have not recommended any dividend for the financial year under review.

TRANSFER TO RESERVES

The Directors of the Company do not propose to transfer any amount to reserves in view of loss incurred by the Company.

BORROWINGS

The Company does not have any borrowings during the year under review.

SHARE CAPITAL

- During the year under review, the Company has issued and allotted 15,00,00,000 Equity Shares of ₹ 10/- each at par on right basis to its existing shareholders. Therefore, paid-up Equity Share Capital of the Company as on March 31, 2019 is ₹ 45,005,00,000 (Rupees Four Hundred Fifty Crores and Five Lacs only).

- The Company has neither issued shares with differential voting rights nor granted stock options or sweat equity. As on March 31, 2019, the Company is a wholly owned material subsidiary of Balaji Telefilms Limited.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

BOARD'S REPORT

CHANGE IN NATURE OF BUSINESS

There was no change in nature of the business during the year under review.

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company does not have any subsidiary, associate and joint venture company. Thus, the Audited Financial Statements, Auditors' Report thereon and Board's Report along with applicable annexures are not annexed herewith.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OCCURRED BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF THE REPORT

No material changes and commitments have occurred between the end of financial year and the date of this report affecting the financial position of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

Resignation of Director

During the year under review, Mr. Tusshar Kapoor (DIN: 00005088) has resigned from the designation of Non-Executive Non-Independent Director of the Company w.e.f. March 27, 2019. The Board places on record, its appreciation for his inspiring guidance, performance and his contribution to improve the overall functioning of the Company.

Appointment and Resignation of Company Secretary

During the year under review, Ms. Poornima Gupta, has resigned from the position of Company Secretary, KMP of the Company w.e.f. January 31, 2019. Ms. Karuna Naik was appointed as the Company Secretary, KMP of the Company w.e.f. February 12, 2019 pursuant to the provisions of Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Retirement by rotation and subsequent re-appoinment

Mrs. Shobha Kapoor, Non-Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting (AGM), pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company and being eligible has offered herself for re-appointment. Appropriate resolution for her re-appointment is being placed for the approval of the Members of the Company at the ensuing AGM. The Board recommends her re-appointment as Non-Executive Director of the Company.

Re-appointment of Managing Director

The tenure of Ms. Ekta Kapoor as Managing Director of the Company will cease on February 12, 2020. The Board on the recommendation of Nomination and Remuneration Committee has recommended the re-appointment of Ms. Ekta Kapoor as a Managing Director of the Company for a period of 3 years w.e.f. February 13, 2020. Appropriate resolution for her re-appointment is being placed for the approval of the Members of the Company at the ensuing AGM. The brief resume of the Director and other related information has been detailed in the Notice convening the 4th AGM of the Company.

Re-appointment of Independent Director

The first term of office of Mr. Virendra Babhubhai Dalal as Independent Directors will cease on June 30, 2020. The Board on the recommendation of Nomination and Remuneration Committee has recommended his re-appointment as Independent Director of the Company for a second term of 5 (five) consecutive years w.e.f. July 01, 2020. Appropriate resolution for his re-appointment is being placed for the approval of the Members of the Company at the ensuing AGM. The brief resume of the Director and other related information has been detailed in the Notice convening the 4th AGM of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from all Independent Directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

BOARD'S REPORT

AUDITORS

STATUTORY AUDIT

M/s. Price Waterhouse Chartered Accountants LLP were appointed as Statutory Auditors of the Company at the AGM held on August 31, 2017, for a term of 5 (five) consecutive years subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 07, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing AGM. M/s. Price Waterhouse Chartered Accounts LLP have confirmed that they are not disqualified from continuing as Auditors of the Company.

COST AUDIT

In accordance with Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable to the Company.

SECRETARIAL AUDIT

In accordance with Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. AVS & Associates, Practicing Company Secretaries as Secretarial Auditors of the Company for the financial year 2019-20.

AUDIT REPORTS

- The Report given by the Auditors on the financial statements of the Company is part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.
- Secretarial Audit Report issued by M/s. AVS & Associates., Practicing Company Secretaries in Form No. MR-3 for the financial year 2018-19 is appended as Annexure I to this Report. The said Report does not contain any qualification, reservation, disclaimer or adverse remark requiring explanation or comments from the Board under Section 134 (3) of the Companies Act, 2013.

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

i) BOARD MEETINGS

During the year under review, 4 (four) Meetings of the Board of Directors were held on May 19, 2018, August 10, 2018, November 13, 2018 & February 12, 2019. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

ii) AUDIT COMMITTEE

In accordance with the provisions of Section 177 of the Companies Act, 2013, Audit Committee of the Company comprises of:

Name of the Members	Designation	Nature of Membership
Mr. Duraiswamy Gunaseela Rajan	Independent Director	Chairman
Mr. Devender Kumar Vasal	Independent Director	Member
Mr. Virendra Babubhai Dalal	Independent Director	Member
Mr. Tusshar Kapoor	Non – Executive Director	Member

Note: Mr. Tusshar Kapoor ceased to be the Member of the Committee w.e.f. March 27, 2019.

The Scope and terms of reference of the Audit Committee is in accordance with the Act. During the year under review, the Board of Directors of the Company had accepted all the recommendations of the said Committee.

iii) NOMINATION AND REMUNERATION COMMITTEE

In accordance with the provisions of Section 178 of the Companies Act, 2013, Nomination and Remuneration Committee of the Company comprises of:

BOARD'S REPORT

Name of the Members	Designation	Nature of Membership
Mr. Virendra Babubhai Dalal	Independent Director	Chairman
Mr. Duraiswamy Gunaseela Rajan	Independent Director	Member
Mr. Devender Kumar Vasal	Independent Director	Member
Mrs. Shobha Kapoor	Non – Executive Director	Member
Mr. Tusshar Kapoor	Non – Executive Director	Member

Note: Mr. Tusshar Kapoor ceased to be the Member of the Committee w.e.f. March 27, 2019.

The Holding Company i.e. Balaji Telefilms Limited has Nomination and Remuneration Policy which is applicable to all its subsidiaries which can be accessed at **http://www.balajitelefilms.com/nomination-remuneration-policy.php**

iv) **BUSINESS RISK MANAGEMENT**

The Holding Company i.e. Balaji Telefilms Limited has Risk Management Policy which is applicable to all its subsidiaries. The Risk Management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage. Major risks identified by the business and functions are systematically addressed through mitigation actions on a periodic basis.

v) **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Holding Company i.e. Balaji Telefilms Limited has Corporate Social Responsibility Policy which is applicable to all its subsidiaries. However, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

OTHER DISCLOSURES

i) **EXTRACT OF ANNUAL RETURN**

The details forming part of extract of Annual Return in Form MGT – 9, as required under Section 92 of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, is appended as Annexure II, which forms part of this Report and is also available on website of the Company at **https://www.altbalaji.com/investor-relations#annual-return**

ii) **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Board or Audit Committee, under Section 134(3)(ca) and 143 (12) of the Companies Act, 2013, any instances of frauds committed against the Company by its officers or employees, the details of which would need to be mentioned in this report.

iii) **SECRETARIAL STANDARDS**

The Company complies with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

iv) **INTERNAL FINANCIAL CONTROL SYSTEMS AND ADEQUACY**

The Board has adopted the policies and procedures for ensuring the orderly and efficient control of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds, errors, reporting mechanisms, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

v) **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a Whistle Blower Policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the Management to the work groups. The confidentiality of those reporting violations

BOARD'S REPORT

is maintained and they are not subjected to any discriminatory practice. The Whistle Blower Policy of the Company may be accessed at http://www.balajitelefilms.com/whistle-blower-policy.php

vi) RELATED PARTY TRANSACTIONS

All transactions/contracts/arrangements entered into by the Company with related party(ies) as defined under the provisions of Section 188 and 2(76) of the Companies Act, 2013, during the financial year under review were in ordinary course of business and at arm's length basis except usage of premises let out to the Company by Balaji Teleflims Limited (Holding Company) without payment of any rent on ongoing basis and is appended as Form AOC-2 in Annexure III, which forms part of this Report. Further, none of these transactions/contracts/arrangements with related parties could be considered material in nature as per the thresholds given in Rule 15 (3) of the Companies (Meeting of Board and its Powers) Rules, 2014.

vii) FIXED DEPOSITS

During the year under review the Company has not accepted any fixed deposits and as such, no amount of principal or interest was outstanding as on the balance sheet date.

viii) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013, forms part of the notes to the Financial Statements provided in this Annual Report.

ix) PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place Prevention of Sexual Harassment at Workplace Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee and Apex Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. During the financial year 2018-19, no sexual harassment complaint has been registered with the Company.

x) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going status of the Company & its future operations.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

ENERGY CONSERVATION MEASURES TAKEN BY THE COMPANY

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to conservation of energy do not apply to the Company. However, significant measures are taken to reduce energy consumption by using energy-efficient computers and by purchasing energy efficient equipments. We purchase computers, laptops, air conditioners etc. that meet environmental standards, wherever possible and regularly upgrade old equipments with more energy-efficient equipments. Currently, we use Light Emitting Diode (LED) fixtures to reduce the power consumption in the illumination system.

TECHNOLOGY ABSORPTION

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to technology absorption do not apply to the Company. The Company's research and development initiative mainly consists of ideation of new subjects for our content production business, which are used in the creation of new storyline and tracks. The expenses incurred on such initiatives are not practically quantifiable.

The Company is an integrated player in the entertainment industry and our business is such that there is limited scope for new technology absorption, adaptation and innovation. However, the Company uses the latest technology, wherever possible to deliver superior production value, as a regular process.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earnings are ₹ 70.15 lacs (Previous Year: Nil) and the foreign exchange outgo is ₹ 421.66 lacs (Previous Year ₹ 818.43 lacs).

BOARD'S REPORT

MECHANISM FOR EVALUATING BOARD MEMBERS

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance evaluation of Executive/Non-Executive/Independent Directors. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement.

The following are the criteria on the basis of which the Directors are evaluated:

1) Knowledge to perform the role;
2) Time and Level of Participation;
3) Performance of Duties and Level of Oversight;
4) Professional Conduct and Independence etc.

Feedback on each Director is encouraged to be provided as a part of the survey.

EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

The Companies Act, 2013 provides that annual performance evaluation of Directors should be carried out by other Directors to the exclusion of Director being evaluated. The Nomination and Remuneration Committee carries out review of the performance of the Board of Directors, based on feedback received from the Directors. The evaluation of the Board as a whole, its Committees and Individual Directors including Executive, Non-Executive and Independent Directors is conducted based on the criteria and framework adopted by the Board. The Board takes note of the evaluation process results as collated by the Nomination & Remuneration Committee of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a) In the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards had been followed along with proper explanation relating to any material departures;

b) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the loss of the Company for the year ended on that date;

c) Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual accounts for the financial year ended March 31, 2019 had been prepared on a 'going concern' basis;

e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENTS

The Directors of the Company wish to acknowledge with gratitude and place on record their appreciation to all stakeholders – shareholders, investors, customers, suppliers, business associates, banks, regulatory and governmental authorities for their cooperation, assistance and support. Further, they also wish to thank their employees for their dedicated services.

For and on behalf of the Board of Directors

Sd/-
Shobha Kapoor
Chairperson
DIN: 00005124

Place: Mumbai
Date: May 22, 2019

ANNEXURE I

FORM NO. MR.3
SECRETARIAL AUDIT REPORT
For the Financial Year Ended 31st March, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Board of Directors
ALT Digital Media Entertainment Limited
Add: C-13, Balaji House, Dalia Industrial Estate,
Opp. Laxmi Indl Estate, New Link Road,
Andheri - (West), Mumbai - 400053

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ALT Digital Media Entertainment Limited** (**hereinafter called the "Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 **('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 **(the Act)** and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(Not Applicable to the Company during the audit period);**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(Not applicable to the Company pursuant to notification dated 22nd January, 2019 issued by Ministry of Corporate Affairs);**

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment **(Not Applicable to the Company during the audit period);**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 **('SEBI Act')**:-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company during the audit period);**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(Not Applicable to the Company during the audit period);**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable to the Company during the audit period);**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the Company during the audit period);**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the audit period);**

ANNEXURE I

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable to the Company pursuant to notification dated 22nd January, 2019 issued by Ministry of Corporate Affairs);**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the audit period)** and;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the audit period);**

(vi) We further report that as Indentified and Confirmed by the Company, considering the current business activities No law is specifically applicable to it during the audit period.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Not Applicable to the Company during the audit period)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and agenda items were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out either unanimously or majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company had made allotment of 15,00,00,000 (Fifteen Crores) equity shares at face value of ₹10/- each aggregating to ₹ 150,00,00,000/- (Rupees One Hundred and Fifty Crores Only) on right basis dated August 10, 2018.

For AVS & Associates
Company Secretaries

Sd/-
Vijay Yadav
Partner
ACS No. 39251
CP No. 16806

Place: Navi Mumbai
Date: 22/05/2019

This report is to be read with our letter of even date which is annexed as **'Annexure A'** and forms an integral part of this report.

ANNEXURE I

'Annexure – A'

To,
The Board of Directors
ALT Digital Media Entertainment Limited
Add: C-13, Balaji House, Dalia Industrial Estate,
Opp. Laxmi Indl Estate, New Link Road,
Andheri - (West), Mumbai – 400053

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial and other records under applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test check basis for the purpose of issue of the Secretarial Audit Report.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For AVS & Associates
Company Secretaries

Sd/-
Vijay Yadav
Partner
ACS No. 39251
CP No. 16806

Place: Navi Mumbai
Date: 22/05/2019

ANNEXURE II

FORM MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended 31. 03. 2019.

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014.]

I. REGISTRATION & OTHER DETAILS

1.	**CIN**	U74999MH2015PLC266206
2.	**Registration Date**	01/07/2015
3.	**Name of the Company**	ALT Digital Media Entertainment Limited
4.	**Category/Sub-category of the Company**	Company Limited by Shares/Public Non-Government Company
5.	**Address of the Registered office & contact details**	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai-400 053, Maharashtra. Tel: + 91-022-40698000, Fax: + 91-022-40698181/82 Email: karuna.naik@altdigital.in Website: www.altbalaji.com
6.	**Whether listed company**	No
7.	**Name, Address & contact details of the Registrar & Transfer Agent, if any.**	NSDL Database Management Limited 4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, Maharashtra Tel: + 91-022-49142591 Email: nileshb@nsdl.co.in Website: www.nsdl.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main Products / Services	NIC Code of the Product/ Service	% to total turnover of the Company
1.	Media & Entertainment	591	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
Balaji Telefilms Limited **Registered Office:** C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri West, Mumbai-400 053, Maharashtra.	L99999MH1994PLC082802	Holding Company	100	2 (46)

ANNEXURE II

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2018				No. of Shares held at the end of the year i.e. March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	18,006*	18,006	0.006	0	18,006*	18,006	0.004	-0.002
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	30,00,31,994	30,00,31,994	99.994	0	45,00,31,994	45,00,31,994	99.996	0.002
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	**0**	**30,00,50,000**	**30,00,50,000**	**100.00**	**0**	**45,00,50,000**	**45,00,50,000**	**100.00**	**0**
(2) Foreign									
a) Individuals (NRIs/Foreign Individuals]	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Institutions	0	0	0	0	0	0	0	0	0
e) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
f) Others	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Shareholding of Promoters A= A(1) + A(2)	**0**	**30,00,50,000**	**30,00,50,000**	**100.00**	**0**	**45,00,50,000**	**45,00,50,000**	**100.00**	**0**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/ UTI	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0

ANNEXURE II

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2018				No. of Shares held at the end of the year i.e. March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
j) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(2) Non-Institutions									
a) Bodies Corporate	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Public Shareholding (B)=(B)(1) + (B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**0**	**30,00,50,000**	**30,00,50,000**	**100.00**	**0**	**45,00,50,000**	**45,00,50,000**	**100.00**	**0**

Note: * Shares are held in the capacity of nominee shareholder on behalf of Balaji Telefilms Limited.

ANNEXURE II

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 01, 2018			Shareholding at the end of the year i.e. March 31, 2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Balaji Telefilms Limited	30,00,31,994	99.994	0	45,00,31,994	99.9964	0	0.0024
2.	Jeetendra Kapoor as a nominee of Balaji Telefilms Limited	3,001	0.001	0	3,001	0.0006	0	-0.0004
3.	Shobha Kapoor as a nominee of Balaji Telefilms Limited	3,001	0.001	0	3,001	0.0006	0	-0.0004
4.	Ekta Kapoor as a nominee of Balaji Telefilms Limited	3,001	0.001	0	3,001	0.0006	0	-0.0004
5.	Tusshar Kapoor as a nominee of Balaji Telefilms Limited	3,001	0.001	0	3,001	0.0006	0	-0.0004
6.	Deepoo Vaswani as a nominee of Balaji Telefilms Limited	3,001	0.001	0	3,001	0.0006	0	-0.0004
7.	Ramesh Sippy as a nominee of Balaji Telefilms Limited	3,001	0.001	0	3,001	0.0006	0	-0.0004
	Total	**30,00,50,000**	**100.00**	**0**	**45,00,50,000**	**100.00**	**0**	**0**

Notes:
1. The percentage change in the promoter's shareholding is due to increase in the paid up share capital of the Company.
2. Percentage calculated on the paid-up share capital (30,00,50,000 shares) at the beginning of the year.
3. Percentage calculated on the paid-up share capital (45,00,50,00 shares) at the end of the year.

iii) Change in Promoters' Shareholding:

Sr. No.	Name of Shareholder	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**Balaji Telefilms Limited**				
	At the beginning of the year	30,00,31,994	99.994	30,00,31,994	99.994
	Right issue on August 10, 2018	15,00,00,000	33.3296	45,00,31,994	99.9964
	Sold during the year	0	0	45,00,31,994	99.9964
	At the end of the year	45,00,31,994	99.9964	45,00,31,994	99.9964

ANNEXURE II

Sr. No.	Name of Shareholder	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2.	**Jeetendra Kapoor as a nominee of Balaji Telefilms Limited**				
	At the beginning of the year	3,001	0.001	3,001	0.001
	Bought during the year	-	-	3,001	0.001
	Sold during the year	-	-	3,001	0.001
	At the end of the year	3,001	0.0006	3,001	0.0006
3.	**Shobha Kapoor as a nominee of Balaji Telefilms Limited**				
	At the beginning of the year	3,001	0.001	3,001	0.001
	Bought during the year	-	-	3,001	0.001
	Sold during the year	-	-	3,001	0.001
	At the end of the year	3,001	0.0006	3,001	0.0006
4.	**Ekta Kapoor as a nominee of Balaji Telefilms Limited**				
	At the beginning of the year	3,001	0.001	3,001	0.001
	Bought during the year	-	-	3,001	0.001
	Sold during the year	-	-	3,001	0.001
	At the end of the year	3,001	0.0006	3,001	0.0006
5.	**Tusshar Kapoor as a nominee of Balaji Telefilms Limited**				
	At the beginning of the year	3,001	0.001	3,001	0.001
	Bought during the year	-	-	3,001	0.001
	Sold during the year	-	-	3,001	0.001
	At the end of the year	3,001	0.0006	3,001	0.0006
6.	**Deepoo Vaswani as a nominee of Balaji Telefilms Limited**				
	At the beginning of the year	3,001	0.001	3,001	0.001
	Bought during the year	-	-	3,001	0.001
	Sold during the year	-	-	3,001	0.001
	At the end of the year	3,001	0.0006	3,001	0.0006

ANNEXURE II

Sr. No.	Name of Shareholder	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7.	**Ramesh Sippy as a nominee of Balaji Telefilms Limited**				
	At the beginning of the year	3,001	0.001	3,001	0.001
	Bought during the year	-	-	3,001	0.001
	Sold during the year	-	-	3,001	0.001
	At the end of the year	3,001	0.0006	3,001	0.0006

Note:

1. The percentage change in the Promoter's shareholding is due to increase in the paid-up share capital of the Company.

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) :

The entire share capital of the Company is held by the Holding Company and Promoters of the Company.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Directors/KMP	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**Shobha Kapoor***				
	At the beginning of the year	3,001	0.001	3,001	0.001
	Bought during the year	-	-	3,001	0.001
	Sold during the year	-	-	3,001	0.001
	At the end of the year	3,001	0.0006	3,001	0.0006
2.	**Ekta Kapoor ***				
	At the beginning of the year	3,001	0.001	3,001	0.001
	Bought during the year	-	-	3,001	0.001
	Sold during the year	-	-	3,001	0.001
	At the end of the year	3,001	0.0006	3,001	0.0006
3.	**Tusshar Kapoor***				
	At the beginning of the year	3,001	0.001	3,001	0.001
	Bought during the year	-	-	3,001	0.001
	Sold during the year	-	-	3,001	0.001
	At the end of the year	3,001	0.0006	3,001	0.0006

Notes:

* Shares are held in the capacity of nominee shareholder on behalf of Balaji Telefilms Limited.

1. The percentage change in the shareholding is due to increase in the paid up share capital of the Company.
2. Mr. Tusshar Kapoor has ceased to be a Director w.e.f. March 27, 2019. He held 3,001 shares in the capacity of nominee shareholder on the behalf of Balaji Telefilms Limited during the financial year 2018-19.
3. Directors: Mr. Duraiswamy Gunaseela Rajan, Mr. Devender Kumar Vasal, Mr. Virendra Babubhai Dalal and KMPs: Mr. Sanjay Dwivedi, Mr. Nachiket Pantvaidya, Ms. Poornima Gupta and Ms. Karuna Naik did not hold any shares during the financial year 2018-19.

ANNEXURE II

V. INDEBTEDNESS

The Company had no indebtedness with respect to Secured or Unsecured Loans or Deposits during the financial year 2018-19.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Ms. Ekta Kapoor (KMP) designated as Managing Director has not received any remuneration during the financial year 2018-19.

B. Remuneration to other Directors: (₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	**Independent Directors**	**Duraiswamy Gunaseela Rajan**	**Devender Kumar Vasal**	**Virendra Babubhai Dalal**	
	Fee for attending Board and Committee Meetings	6.00	6.00	6.00	18.00
	Commission	-	-	-	-
	Others	-	-	-	-
	Total (1)	**6.00**	**6.00**	**6.00**	**18.00**
2.	**Other Non- Executive Directors**	**Shobha Kapoor**	**Tusshar Kapoor**		
	Fee for attending Board and Committee Meetings	-	-		
	Commission	-	-		
	Others	-	-		
	Total (2)	**-**	**-**		
	Total (B)= (1+2)	**6.00**	**6.00**	**6.00**	**18.00**
	Total Managerial Remuneration (A+B)				**18.00**
	Ceiling as per Act (per annum)	**N.A.**			

Notes:

1. The Independent Directors have been paid only sitting fees for attending the Board/Committee meetings of the Company which is excluded under Section 197 of the Companies Act, 2013.
2. Mr. Tusshar Kapoor has ceased to be Director w.e.f. March 27, 2019.

ANNEXURE II

C. Remuneration to Key Managerial Personnel other than MD / Manager/ WTD:

Sr. No.	Particulars of Remuneration	Mr. Nachiket Pantvaidya (Chief Executive Officer)	Key Managerial Personnel			Total Amount
			Ms.Poornima Gupta (Company Secretary)	Ms. Karuna Naik (Company Secretary)	Mr. Sanjay Dwivedi (Group Chief Financial Officer)	
1.	Gross salary					
	(a) Salary as per the provisions contained in Section 17(1) of the Income Tax Act, 1961	-	3,57,802	74,663	-	4,32,465
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit	-	-	-	-	-
5.	Others Provident Fund and other allowances	-	18,690	4,045	-	22,735
	Total	**-**	**3,76,492**	**78,708**	**-**	**4,55,200**

Notes:
1. Salary paid to Ms. Poornima Gupta is for the period from April 01, 2018 to January 31, 2019
2. Salary paid to Ms. Karuna Naik is for the period from February 12, 2019 to March 31, 2019
3. The above figures does not include remuneration paid to CEO & Group CFO as the same is not directly paid by the Company and is paid to Parent Company by way of Cross Charge.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default during the year.

For and on behalf of the Board of Directors

Sd/-
Shobha Kapoor
Chairperson
DIN:00005124

Place: Mumbai
Date: May 22, 2019

ANNEXURE III

FORM AOC - 2
PARTICULARS OF CONTRACTS / ARRANGEMENTS / TRANSACTIONS MADE WITH RELATED PARTIES

For the financial year ended March 31, 2019

[Pursuant to Clause h of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts), Rules, 2014.]

1) DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

The following contract or arrangement or transactions entered into during the year ended March 31, 2019 was not at arm's length basis.

Name(s) of the Related Party and nature of relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Salient terms of the Contracts or Arrangements or Transactions including the value, if any	Justification for entering into such Contracts or Arrangements or Transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188
Balaji Telefilms Limited(Holding Company)	Arrangement with the Holding Company for usage of the premises viz. C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Indl Estate, New Link Road, Andheri - (West), Mumbai – 400 053 by the Company as its Registered Office without any rent payment.	On-going	-	In order to curtail the expenses and to maximize profits, the Company has entered into this arrangement with its Holding Company.	February 12, 2019	N.A.	N.A.

2) DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARMS LENGTH BASIS

There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2019, which were at arm's length basis.

For and on behalf of the Board of Directors

Sd/-
Shobha Kapoor
Chairperson
DIN:00005124

Place: Mumbai
Date: May 22, 2019

Independent auditor's report

To the Members of Alt Digital Media Entertainment Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Alt Digital Media Entertainment Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, but does not include the financial statements and our auditor's report thereon.
   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Independent auditor's report

6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent auditor's report

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company does not have any pending litigations as at March 31, 2019 which would impact its financial position.

        ii. The Company has long-term contracts as at March 31, 2019 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2019.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

        iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 22, 2019

Annexure A
to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Alt Digital Media Entertainment Limited on the financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Alt Digital Media Entertainment Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

Annexure A to Independent Auditors' Report

that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 22, 2019

Annexure B
to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Alt Digital Media Entertainment Limited on the financial statements for the year ended March 31, 2019

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Company does not own any immovable properties as disclosed in Note 4.1 on Property, plant and equipment to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year (Digital programs and films rights verified with reference to the documents/agreements). No differences were noticed on physical verification of inventory as compared to book records.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including goods and service tax, provident fund and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 30(a) to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service tax or goods and service tax which have not been deposited on account of any dispute.

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

Annexure B
to Independent Auditors' Report

xi. The Company has not paid/provided for any managerial remuneration during the year. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 22, 2019

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Balance Sheet
as at March 31, 2019

Particulars	Note No.	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4.1	134.41	172.58
(b) Intangible assets	4.2	455.33	795.04
(c) Financial assets			
(i) Loans	5	-	18.80
(d) Non-Current tax assets (net)	6	261.47	47.43
(e) Other non-current Assets	7	-	0.36
Total Non-Current Assets		**851.21**	**1,034.21**
Current assets			
(a) Inventories	8	12,415.95	5,883.97
(b) Financial assets			
(i) Investments	9	6,350.51	10,015.79
(ii) Trade receivables	10	532.60	79.27
(iii) Cash and cash equivalents	11	233.10	794.06
(iv) Loans	5	47.19	24.72
(v) Other financial assets	12	60.17	6.78
(c) Other current assets	13	6,447.81	3,292.64
Total Current Assets		**26,087.33**	**20,097.23**
Total Assets		**26,938.54**	**21,131.44**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	45,005.00	30,005.00
(b) Other equity	15	(22,468.53)	(11,653.49)
Total Equity		**22,536.47**	**18,351.51**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(I) Total outstanding dues of micro and small enterprises	18	-	-
(II) Total outstanding dues other than (i) (I) above	18	280.89	-
(b) Provisions	16	-	17.92
Total Non-Current Liabilities		**280.89**	**17.92**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(I) Total outstanding dues of micro and small enterprises	18	34.81	-
(II) Total outstanding dues other than (i) (I) above	18	2,908.67	1,960.55
(ii) Other financial liabilities	19	5.54	15.59
(b) Other current liabilities	20	1,172.16	785.87
Total Current Liabilities		**4,121.18**	**2,762.01**
Total Equity and Liabilities		**26,938.54**	**21,131.44**

The above Balance Sheet should be read in conjunction with the accompanying notes.
This is the Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Nachiket Pantvaidya
(CEO)

Karuna Naik
(Company Secretary)

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : May 22, 2019

Statement of Profit and Loss

for the year ended March 31, 2019

	Particulars	Note No.	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
(I)	Revenue from operations	21	4,187.11	683.74
(II)	Other income	22	735.83	724.12
(III)	**Total income (I+II)**		**4,922.94**	**1,407.86**
(IV)	**Expenses**			
	(a) Direct cost	23	8,102.27	3,126.64
	(b) Employee benefits expense	24	1,552.85	1,426.79
	(c) Depreciation and amortization expense	25	482.94	376.10
	(d) Finance cost	26	25.03	-
	(e) Marketing expenses	27	2,596.33	4,196.89
	(f) Other expenses	28	3,655.70	2,086.48
(V)	**Total expenses**		**16,415.12**	**11,212.90**
(VI)	**(Loss) before tax (III-V)**		**(11,492.18)**	**(9,805.04)**
(VII)	Income Tax expense			
	(a) Current tax		-	-
	(b) Deferred tax	17	-	(282.67)
	Total tax expenses/(credit)		**-**	**(282.67)**
(VIII)	**(Loss) for the year (VI-VII)**		**(11,492.18)**	**(9,522.37)**
(IX)	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of post-employment benefit obligations		33.41	(5.43)
	Income tax relating to above item		-	-
	Total other comprehensive income for the year		**33.41**	**(5.43)**
(X)	**Total comprehensive income for the year (VIII+IX)**		**(11,458.77)**	**(9,527.80)**
(XI)	**Basic and diluted earnings/(loss) per share (in ₹)** (Face Value of ₹ 10 each)	**31**	**(2.90)**	**(4.14)**

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.
This is the Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Nachiket Pantvaidya
(CEO)

Karuna Naik
(Company Secretary)

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : May 22, 2019

Statement of Cash Flows

for the year ended March 31, 2019

Particulars	For the year ended March 31, 2019 ₹ in Lacs		For the year ended March 31, 2018 ₹ in Lacs	
A. Cash Flow from Operating Activities				
Loss before tax		(11,492.18)		(9,805.04)
Adjustment for:				
Amortisation of prepaid rent element of rental security deposit	3.79		4.16	
Employee share based payment expense	369.34		-	
Impact of adoption of Ind AS 115 directly recognised in retained earnings	289.39		-	
Loss/(Profit) on fair valuation of current investments	(34.50)		57.50	
Provision for gratuity expenses	23.49		16.24	
Foreign exchange loss (Net)	5.77		5.35	
Amortisation of inventory	7,540.29		3,009.21	
Unwinding of discount on security deposit	(3.87)		(4.22)	
Profit on sale of current investments (non-trade) (net)	(697.46)		(719.90)	
Depreciation and amortisation	482.94		376.10	
Discontinued shows written off	205.95		29.04	
Interest on deferred payment	25.03		-	
Operating loss before working capital changes		**(3,282.02)**		**(7,031.56)**
(Increase)/Decrease in trade receivables	(454.84)		(79.56)	
(Increase)/Decrease in inventory	(14,278.22)		(8,296.70)	
(Increase)/Decrease in other current financial assets	(53.39)		(6.78)	
(Increase)/Decrease in other non-current assets	0.36		(0.36)	
(Increase)/Decrease in other current assets	(3,158.96)		(2,223.72)	
(Increase)/Decrease in loans	0.20		5.74	
Increase/(Decrease) in trade payables	1,259.56		1,732.95	
Increase/(Decrease) in provisions	(8.00)		(3.75)	
Increase/(Decrease) in other current liabilities	386.29		733.84	
Cash from operations	**(16,307.00)**		**(8,138.34)**	
Income taxes paid	(214.04)		(47.43)	
Net cash used in operating activities		**(19,803.06)**		**(15,217.33)**
B. Cash Flow from Investing Activities				
Proceeds from sale of investments	18,397.24		15,476.23	
Payment for purchase of investments	(14,000.00)		(14,250.00)	
Payment for Intangible assets	(55.55)		(370.22)	
Payment for Property, plant and equipment	(59.56)		(106.19)	
Net cash flow from investing activities		**4,282.13**		**749.82**
C. Cash Flow from Financing Activities				
Proceeds from issue of Equity Share Capital	15,000.00		15,000.00	
Share issue costs	(15.00)		(84.75)	
Finance cost	(25.03)		-	
Net cash flow from financing activities		**14,959.97**		**14,915.25**
Net increase/(decrease) in cash and cash equivalents		**(560.96)**		**447.74**
Cash and cash equivalents at the beginning of the financial year (Refer Note 11)		794.06		346.32
Cash and cash equivalents at the end of the financial year (Refer Note 11)		**233.10**		**794.06**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.
This is the Statement of Cash Flows referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Nachiket Pantvaidya
(CEO)

Karuna Naik
(Company Secretary)

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : May 22, 2019

Statement Of Changes In Equity
for the year ended March 31, 2019

A. Equity share capital

Particulars	₹ in Lacs
As at April 1, 2017	**15,005.00**
Changes in equity share capital during the year	15,000.00
As at March 31, 2018	**30,005.00**
As at April 1, 2018	**30,005.00**
Changes in equity share capital during the year	15,000.00
As at March 31, 2019	**45,005.00**

B. Other Equity

(₹ in Lacs)

Particulars	Reserves and surplus	Share options outstanding account	Total
	Retained earnings		
As at April 1, 2017	**(2,040.94)**	**-**	**(2,040.94)**
Share Issue costs	(84.75)	-	(84.75)
Loss for the year	(9,522.37)	-	(9,522.37)
Other comprehensive income for the year	(5.43)	-	(5.43)
As at March 31, 2018	**(11,653.49)**	**-**	**(11,653.49)**
As at April 1, 2018 (as originally presented)	**(11,653.49)**	**-**	**(11,653.49)**
Change in accounting policy (Refer note 40)	289.39	-	289.39
Restated balance as at April 1, 2018	**(11,364.10)**	**-**	**(11,364.10)**
Share Issue costs	(15.00)	-	(15.00)
Loss for the year	(11,492.18)	-	(11,492.18)
Other comprehensive income for the year	33.41	-	33.41
Employee stock option expense (Refer note 36)	-	369.34	369.34
As at March 31, 2019	**(22,837.87)**	**369.34**	**(22,468.53)**

The above Statement Of Changes In Equity should be read in conjunction with the accompanying notes.
This is the Statement Of Changes In Equity referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Nachiket Pantvaidya
(CEO)

Karuna Naik
(Company Secretary)
Place : Mumbai
Date : May 22, 2019

Sanjay Dwivedi
(Group CFO)

Notes forming part of financial statements
for the year ended March 31, 2019

Note 1: Background

ALT Digital Media Entertainment Limited was incorporated on July 1, 2015 under the Companies Act, 2013. The Company is in the B2C and B2B digital content business and operates a subscription based video on demand (SVOD) over the top (OTT) platform.

Note 2: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements.

(a) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criterias set out in the Schedule III to the Companies Act, 2013.

Based on the nature of products/services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained it's operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

i. certain financial assets and liabilities that are measured at fair value;
ii. defined benefit plans - plan assets measured at fair value.
iii. Share based payments

(b) New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2018:

Ind AS 115, Revenue from Contract with the Customers : Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.The Company applied Ind As 115 for the first time by using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under the method, the Company has elected to apply the revenue standard only to contracts that are not completed as at the date of initial application. The Company had to change its accounting policies and make certain adjustments following the adoption of Ind AS 115. This is disclosed in note 40.

Amendment to Ind AS 12, Income Taxes : The amendments clarify the accounting for deferred taxes where an asset is measured at fair value and fair value is below the asset's tax base. They also clarify certain other aspects of accounting of deferred tax. The amendment does not have any impact of the Compay's financial statements.

(c) Segment Reporting

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. The Chief operating decision maker of the Company consists of the managing director, Chief Executive Officer and Chief Financial Officer which assesses the financial performance and position of the Company, and makes strategic decisions. Refer note 34.

Notes forming part of financial statements
for the year ended March 31, 2019

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(e) Revenue Recognition

The Company derives revenue from licensing and subscription of its content to its customers.Some of the contracts include multiple deliverables, such as promises to provide a library of content at inception as well as content updates over the term. The Company identifies and evaluate each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognised either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

The Company has determined that most license revenues are satisfied at a point in time due to their being limited ongoing involvement in the use of the license following its transfer to the customer.

The Company recognises subscription revenue over the subscription period.

The transaction price, being the amount to which the Company expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration where the Company's performance may result in additional revenues based on the achievement of agreed targets.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

Revenue excludes any taxes and duties collected on behalf of the government.

(f) Interest and Dividend Income Recognition

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's carrying amount on initial recognition.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Notes forming part of financial statements
for the year ended March 31, 2019

(g) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred Tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(h) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(i) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of Cash Flow Statement, Cash and cash equivalents are considered net of outstanding overdrafts, if any, as they are considered an integral part of Company's cash management.

(j) Inventories

Inventory comprises of web series and film rights which are carried at the lower of cost and net realizable value. Cost is determined at actual cost and includes all costs incurred to acquire the web series/film rights. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Inventory is amortized as per the amortization policy of the company based on expected pattern of realization of economic benefits.

Notes forming part of financial statements
for the year ended March 31, 2019

For original web-series, amortization of content cost begins when the episode is launched (launch date) on the platform of the company. In first year from the launch date 75% of the cost of each episode is amortised and in second year 25% of the cost is amortised. For web-series which are acquired and film rights, amortization is done on straight line basis over the period of the contract.

For any additional cost incurred to acquire an item of inventory after its launch date, accelerated amortization is provided on an episodic basis from the original launch date of the particular episode in the month of the additional cost being incurred.

Dubbing and Subtitling costs are charged to the Statement of Profit and Loss as and when incurred.

(k) Trade receivables

Trade receivable are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(l) Financial Instruments

(i) Financial Assets

Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or Other Comprehensive Income.

Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Financial assets at fair value through profit or loss (FVTPL):Investments in instruments are classified as FVTPL, unless the Company has irrevocably elected on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in those instruments.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Other debt instruments are designated as at fair value through profit or loss on initial recognition.

Notes forming part of financial statements
for the year ended March 31, 2019

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 38 A details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of Financial Assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(ii) Financial Liabilities:

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(m) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Notes forming part of financial statements

for the year ended March 31, 2019

(n) Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the asset, net of their residual values, if any, over their estimated useful lives which are in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013 except for the following assets which are depreciated as per management estimates of their useful life which are as under:

Leasehold improvements – on a straight line basis over the period of lease

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Losses arising from the retirement of, and gains or losses arising from the disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

(o) Intangible assets:

(i) Recognition and Measurement

Intangible assets are recognized if they are separately identifiable and the company controls the future economic benefits arising out of them. All other expenses on intangible items are charged to the Statement of Profit and Loss. Intangible assets acquired are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

(ii) Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

- Computer Software: 2-3 years

(p) Impairment of assets

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit or Loss.

Notes forming part of financial statements
for the year ended March 31, 2019

(q) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are not recognized for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Where the likelihood of outflow of resources is remote, no provision or disclosure as specified in Ind AS -37 - “Provision, contingent liabilities and contingent assets” is made.

(r) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee’s services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity;

(b) defined contribution plans such as provident fund

Defined benefit plans:

The Company has taken a Gratuity cum Life Assurance Policy from the Life Insurance Corporation of India (LIC).

The liability recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets. Contributions are made to LIC in respect of gratuity based upon actuarial valuation done at the end of every financial year using ‘Projected Unit Credit Method’.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Notes forming part of financial statements

for the year ended March 31, 2019

Defined contribution plans:

Contributions to Provident Fund and Pension Fund are charged to the Statement of Profit and Loss as incurred. Provident fund contributions are made to a government administered provident fund towards which the Company has no further obligations beyond its monthly contributions.

(iii) Share-based payments:

Under the Balaji Telefilms ESOP, 2017 ("the ESOP Scheme"), Balaji Telefilms Limited (the Parent Company) has granted employee stock options to the Company's employees where new shares will be issued directly to the Company's eligible employees. The fair value of the stock option is calculated using Binomial model. The cost calculated using this method is recognised as an employee benefit expense over the vesting period of the options; and a corresponding credit is recognised in equity.

(s) Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal digits after lakhs as per the requirement of Schedule III of the Act, unless otherwise stated.

Note 3: Critical Estimates and Judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results.This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- **Estimated useful life of Tangible and Intangible Assets:**
  The Company reviews the useful lives and carrying amount of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

- **Estimation of Revenue recognition:**
  The Company calculates the revenue to be recognized in respect of Licensing of Digital Content rights (where

Notes forming part of financial statements

for the year ended March 31, 2019

the Company has no continuing involvement subsequent to delivery of content), by applying the proportion of total cost incurred to the total cost expected to be incurred for producing digital programming content over the term of the respective revenue contract. The use of this method requires the Company to estimate the total costs expected to the incurred on digital programming content over the term of the respective revenue contract. The total costs expected to be incurred on digital programming content is based on the overall future business plans drawn by the management.

- **Estimation of Defined Benefit Obligation:**

  The Company's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, this liability is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

  The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

  The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 30.

- **Recognition of Deferred Tax Assets:**

  The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. In assessing the realizability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

  Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes forming part of financial statements

for the year ended March 31, 2019

Note 4.1 - Property, plant and equipment

(₹ in Lacs)

Description of Assets	Computers	Furniture and fixtures	Office equipments	Electrical fittings	Lease Hold Improvements	Total
I. Gross Carrying Amount						
Balance as at April 1, 2017	**48.34**	**5.60**	**35.53**	**0.21**	**57.37**	**147.05**
Additions	101.26	-	4.11	-	0.82	106.19
Disposals	-	-	-	-	-	-
Balance as at March 31, 2018	**149.60**	**5.60**	**39.64**	**0.21**	**58.19**	**253.24**
II. Accumulated Depreciation						
Balance as at April 1, 2017	**(12.39)**	**(0.46)**	**(3.49)**	**(0.05)**	**(10.20)**	**(26.59)**
Depreciation expense	(26.77)	(0.55)	(7.59)	(0.02)	(19.14)	(54.07)
Disposals	-	-	-	-	-	-
Balance as at March 31, 2018	**(39.16)**	**(1.01)**	**(11.08)**	**(0.07)**	**(29.34)**	**(80.66)**
III. Net Carrying Amount as at March 31, 2018	**110.44**	**4.59**	**28.56**	**0.14**	**28.85**	**172.58**

(₹ in Lacs)

Description of Assets	Computers	Furniture and fixtures	Office equipments	Electrical fittings	Lease Hold Improvements	Total
I. Gross Carrying Amount						
Balance as at April 1, 2018	**149.60**	**5.60**	**39.64**	**0.21**	**58.19**	**253.24**
Additions	39.61	0.32	9.58	-	-	49.51
Disposals	-	-	-	-	-	-
Balance as at March 31, 2019	**189.21**	**5.92**	**49.22**	**0.21**	**58.19**	**302.75**
II. Accumulated Depreciation						
Balance as at April 1, 2018	**(39.16)**	**(1.01)**	**(11.08)**	**(0.07)**	**(29.34)**	**(80.66)**
Depreciation expense	(58.40)	(0.58)	(9.28)	(0.02)	(19.40)	(87.68)
Disposals	-	-	-	-	-	-
Balance as at March 31, 2019	**(97.56)**	**(1.59)**	**(20.36)**	**(0.09)**	**(48.74)**	**(168.34)**
III. Net Carrying Amount as at March 31, 2019	**91.65**	**4.33**	**28.86**	**0.12**	**9.45**	**134.41**

Notes forming part of financial statements

for the year ended March 31, 2019

Note 4.2 Intangible Assets and Capital WIP

(₹ in Lacs)

Description of Assets	Computer Software	Computer Software (CWIP)	Total
I. Gross Carrying Amount			
Balance as at April 1, 2017	**11.89**	**720.95**	**732.84**
Additions	385.82	-	385.82
Disposals	-	-	-
Transfers	720.95	(720.95)	-
Balance as at March 31, 2017	**1,118.66**	**-**	**1,118.66**
II. Accumulated Amortisation			
Balance as at April 1, 2017	**(1.59)**	**-**	**(1.59)**
Amortisation expense	(322.03)	-	(322.03)
Disposals	-	-	-
Balance as at March 31, 2018	**(323.62)**	**-**	**(323.62)**
III. Net Carrying Amount as at March 31, 2018	**795.04**	**-**	**795.04**

(₹ in Lacs)

Description of Assets	Computer Software	Computer Software (CWIP)	Total
I. Gross Carrying Amount			
Balance as at April 1, 2018	**1,118.66**	**-**	**1,118.66**
Additions	55.55	-	55.55
Disposals	-	-	-
Transfers	-	-	-
Balance as at March 31, 2019	**1,174.21**	**-**	**1,174.21**
II. Accumulated Amortisation			
Balance as at April 1, 2018	**(323.62)**	**-**	**(323.62)**
Amortisation expense	(395.26)	-	(395.26)
Disposals	-	-	-
Balance as at March 31, 2019	**(718.88)**	**-**	**(718.88)**
III. Net Carrying Amount as at March 31, 2019	**455.33**	**-**	**455.33**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 5 Loans

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Non-Current financial assets		
Security Deposits	-	18.80
Total	**-**	**18.80**
Current financial assets		
Security Deposits	47.19	24.72
Total	**47.19**	**24.72**

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	47.19	43.52
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Less: Loss allowance	-	-
Total	**47.19**	**43.52**

Note 6 Non-Current tax assets (net)

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Tax deducted at source	261.47	47.43
Total	**261.47**	**47.43**

Note 7 Other non-current assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Prepaid expenses	-	0.36
Total	**-**	**0.36**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 8 Inventories

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Unamortised digital programs / film rights	7,191.51	5,043.26
Digital programs pending completion	5,224.44	840.71
Total	**12,415.95**	**5,883.97**

Note 9 Current investments

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Investment in mutual funds (Non Trade) (Unquoted)		
(Carried at fair value through Profit & Loss)	6,350.51	10,015.79
Total	**6,350.51**	**10,015.79**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Quantity (Units)	Amount ₹ in Lacs	Quantity (Units)	Amount ₹ in Lacs
IN UNITS OF MUTUAL FUNDS				
Reliance Banking & PSU Debt Fund	13,943,630.55	1,877.31	13,943,630.55	1,748.14
AXIS Short Term Mutual Fund	1,274,110.15	257.68	1,274,110.16	240.14
ICICI Prudential Savings Fund	195,169.05	700.13	223,359.21	581.31
HDFC Credit Risk Debt Fund(Erstwhile HDFC Regular savings Fund)	392,438.18	59.87	4,465,535.00	1,537.66
Aditya Birla SL Savings Fund	33,837.43	124.91	302,615.63	1,034.66
Axis Liquid Fund	8,935.04	184.52	5,860.83	112.57
Reliance Short term Fund	2,812,356.45	976.46	-	-
Aditya Birla Sun Life Corporate Bond Fund	1,553,352.56	1,113.42	-	-
Kotak Savings Fund	368,856.78	110.55	-	-
UTI Treasury Advantage Fund	36,678.66	945.66	-	-
Aditya Birla SL Short Term Fund	-	-	1,553,352.56	1,032.15
ICICI Prudential Short Term	-	-	3,550,741.07	1,285.81
Kotak Low Duration Standard-G	-	-	10,689.10	226.93
ICICI Pru Liquid Plan Reg-G	-	-	206,838.99	530.00
Kotak Low Duration Fund Standard	-	-	48,778.66	1,035.56
HDFC Floating Rate Income Fund - ST Plan - Wholesale Option	-	-	1,398,604.38	422.99
Reliance Medium Term Fund	-	-	625,314.21	227.87
Total		**6,350.51**		**10,015.79**

Notes forming part of financial statements
for the year ended March 31, 2019

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Total current investments		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	6,350.51	10,015.79
Aggregate amount of impairment in the value of investments	-	-
Total	**6,350.51**	**10,015.79**

Note 10 Trade receivables

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Trade receivables	532.60	79.27
Less: Loss Allowance	-	-
Total	**532.60**	**79.27**

Break-up of security details

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	532.60	79.27
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	-	-
Total	**532.60**	**79.27**
Loss allowance	-	-
Total	**532.60**	**79.27**

Note 11 Cash and cash equivalents

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Cash and cash equivalents:		
(a) Cash on hand	-	2.89
(b) Bank balances:		
- In current accounts	233.10	791.17
Total	**233.10**	**794.06**

Notes forming part of financial statements

for the year ended March 31, 2019

Note 12 Other current financial assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Unsecured, considered good		
Unbilled Revenue	60.17	6.78
Total	**60.17**	**6.78**

Note 13 Other current assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Prepaid expenses	70.96	22.30
Balances with government authorities	5,412.34	2,461.01
Advance to suppliers	808.05	598.73
Advance to related party (Refer Note 29)	156.46	210.60
Total	**6,447.81**	**3,292.64**

Note 14 Equity Share capital

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
(a) Authorised		
1,000,000,000 (Previous year 1,000,000,000) Equity shares of ₹ 10/- each	100,000	100,000
200,000 (Previous year 200,000) Preference shares of ₹ 10/- each	20	20
	100,020	**100,020**
(b) Issued subscribed and paid-up		
450,050,000 (Previous year 300,050,000) Equity shares of ₹ 10/- each, Fully paid-up	45,005	30,005
Total	**45,005**	**30,005**

Authorised Equity Share Capital Movement

Particulars	Number of Shares	Amount ₹ in Lacs
As at 1 April 2017	**225,000,000**	**22,500**
Increase during the year	775,000,000	77,500
As at 31 March 2018	**1,000,000,000**	**100,000**
Increase during the year	-	-
As at 31 March 2019	**1,000,000,000**	**100,000**

Notes forming part of financial statements
for the year ended March 31, 2019

Notes :

(i) Shares held by holding company/ultimate holding company

Particulars	As at March 31, 2019	As at March 31, 2018
	Number of Shares	Number of Shares
Balaji Telefilms Limited (immediate and ultimate holding company)	450,050,000	300,050,000

(ii) Details of Equity shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Balaji Telefilms Limited	450,050,000	100%	300,050,000	100%

(iii) The reconciliation of the number of shares outstanding is set out below:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Equity shares outstanding at the beginning of the year	300,050,000	30,005	150,050,000	15,005
Add: Issue of Equity Shares during the year	150,000,000	15,000	150,000,000	15,000
Equity shares outstanding at the end of the year	**450,050,000**	**45,005**	**300,050,000**	**30,005**

(iv) The company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the shareholders will be eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

(v) No shares are issued for consideration other than cash during the 5 years immediately preceding March 31, 2019.

Note 15 Other Equity

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Retained Earnings	(22,837.87)	(11,653.49)
Share options outstanding account	369.34	-
Total	**(22,468.53)**	**(11,653.49)**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 15.1 Retained earnings

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Balance at the beginning of the year (as originally presented)	(11,653.49)	(2,040.94)
Change in accounting policy (Refer note 40)	289.39	-
Restated Balance	**(11,364.10)**	**(2,040.94)**
Loss for the year	(11,492.18)	(9,522.37)
Other comprehensive income for the year (net of tax)	33.41	(5.43)
Total comprehensive income for the year	**(11,458.77)**	**(9,527.80)**
Share Issue Costs	(15.00)	(84.75)
Balance at the year end	**(22,837.87)**	**(11,653.49)**

Note 15.2 Share options outstanding account

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Balance at beginning of year	-	-
Add: Additions during the year (Refer note 36)	369.34	-
Balance at the year end	**369.34**	**-**

Note 16 Non-current Provisions

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Provision for employee benefits		
Provision for gratuity (Refer Note 30)	-	17.92
Total	**-**	**17.92**

Note 17 Deferred tax liability (Refer Note 32)

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Deferred tax asset	(224.31)	(197.42)
Deferred tax liability	224.31	197.42
Total	**-**	**-**

Notes forming part of financial statements

for the year ended March 31, 2019

(₹ in Lacs)

Particulars	For Year Ended March 31, 2019		
	Opening Balance	Charged/ (Credited) to Profit or Loss	Closing Balance
Tax effect of items constituting deferred tax liabilities			
Fair value of investments	197.42	8.97	206.39
Deferred payment to trade payable	-	17.92	17.92
	197.42	**26.89**	**224.31**
Tax effect of items constituting deferred tax assets			
Carried forward tax losses	197.42	26.89	224.31
	197.42	**26.89**	**224.31**
Net Tax Asset/(Liabilities)	-	-	-

(₹ in Lacs)

Particulars	For Year Ended March 31, 2018		
	Opening Balance	Charged/ (Credited) to Profit or Loss	Closing Balance
Tax effect of items constituting deferred tax liabilities			
Fair value of investments	282.67	(85.25)	197.42
	282.67	**(85.25)**	**197.42**
Tax effect of items constituting deferred tax assets			
Carried forward tax losses	-	197.42	197.42
	-	**197.42**	**197.42**
Net Tax Asset/(Liabilities)	**282.67**	**(282.67)**	-

Note 18 Trade payables

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Non-Current		
(a) Trade payables: micro and small enterprises	-	-
(b) Trade payables: others	-	-
(c) Trade payables to related parties (Refer Note 29)	280.89	-
Total	**280.89**	-

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Current		
(a) Trade payables: micro and small enterprises	34.81	-
(b) Trade payables: others	1,723.60	1,901.05
(c) Trade payables to related parties (Refer Note 29)	1,185.07	59.50
Total	**2,943.48**	**1,960.55**

Notes forming part of financial statements
for the year ended March 31, 2019

Due to micro and small enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The details pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	30.01	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	4.80	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year, and	4.96	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	4.96	-

Note 19 Other current financial liabilities

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Payable to creditors related to fixed assets	5.54	15.59
Total	**5.54**	**15.59**

Note 20 Other current liabilities

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Statutory liabilities	347.92	138.83
Employee benefits payable	166.07	157.76
Deferred Revenue/Contract Liabilities	658.17	489.28
Total	**1,172.16**	**785.87**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 21 Revenue from operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
Subscription income	1,554.64	465.26
Licensing of digital content rights	2,610.73	218.48
Advertisement Income	21.74	-
Total	**4,187.11**	**683.74**

The Revenue recognised is equivalent to the contract price and there is no element of discount, rebates, incentives, etc. which are adjusted to revenue.
There are no unsatisfied performance obligations in respect of revenue contract.

Note 22 Other income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
Unwinding of discount on security deposit	3.87	4.22
Profit on sale of investments	697.46	719.90
Unrealised gains on investments at fair value through profit or loss	34.50	-
Total	**735.83**	**724.12**

Note 23 Direct Cost

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	₹ in Lacs	₹ in Lacs
Amortisation of content	7,540.29	3,009.21
Dubbing & subtitiling cost	356.03	88.39
Discontinued shows written off	205.95	29.04
Total	**8,102.27**	**3,126.64**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 24 Employee Benefit Expense

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Salaries, wages and bonus	1,359.34	1,341.17
Contributions to provident and other funds (Refer Note 30)	66.21	64.73
Gratuity (Refer Note 30)	23.49	16.24
Staff welfare expenses	4.48	4.65
Employee stock option expense	99.33	-
Total	**1,552.85**	**1,426.79**

Note 25 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Depreciation of property, plant and equipment (Refer Note 4.1)	87.68	54.07
Amortisation of Intangible assets (Refer Note 4.2)	395.26	322.03
Total	**482.94**	**376.10**

Note 26 Finance costs

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Interest on deferred payment	25.03	-
Total	**25.03**	**-**

Note 27 Marketing Expenses

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Marketing Expenses	2,596.33	4,196.89
Total	**2,596.33**	**4,196.89**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 28 Other expenses

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Power and fuel	23.16	17.53
Rent including lease rentals	142.94	130.70
Repairs and maintenance - others	8.34	8.78
Rates and taxes	103.78	115.27
Communication expenses	48.49	20.97
Legal and professional charges (Refer note 28.1)	821.24	680.92
Cross charge by Parent Company	848.93	166.98
Travelling and conveyance expenses	41.76	82.50
Digital space charges	788.45	180.63
Software expenses	102.29	179.47
Directors sitting fees	18.00	9.00
License and hosting fees	509.18	340.33
Foreign exchange loss (Net)	5.77	5.35
Sales Commission	149.66	53.90
Miscellaneous expenses	43.71	36.65
Unrealised loss on investments at fair value through profit or loss	-	57.50
Total	**3,655.70**	**2,086.48**

Note 28.1 Details of auditors remuneration (included in Legal and Professional charges)

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
As Auditors:		
Audit fee	16.50	14.50
Reimbursement of expenses	0.17	-
Total	**16.67**	**14.50**

Notes forming part of financial statements
for the year ended March 31, 2019

29 Related Party Transactions

(a) Name of related parties and description of relationship

Name of the Related Party	Relationship
Balaji Telefilms Limited	Holding Company
Marinating Films Private Limited	Fellow Subsidiary
Chhayabani Balaji Entertainment Private Limited	Fellow Subsidiary
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Relative of Key management person
Mr. Nachiket Pantvaidya	Key management person
Mr. D G Rajan	Key management person
Mr. Devender Kumar Vasal	Key management person
Mr. V B Dalal	Key management person

(b) Details of Transactions with related parties during the year

(₹ in Lacs)

Nature of Transactions	Holding Company	Key Management Person & Relative of KMP	Fellow Subsidiary
Remuneration (Refer note (ii) below)			
Nachiket Pantvaidya	-	-	-
	-	(106.16)	-
Cross Charge (Reimbursement of Expenses)			
Balaji Telefilms Limited	578.92	-	-
	(166.98)	-	-
Employee stock option expense (Refer note 35)	369.34	-	-
	(-)	-	-
Director Sitting Fees			
D G Rajan	-	6.00	-
	-	(3.00)	-
Devender Kumar Vasal	-	6.00	-
	-	(3.00)	-
V B Dalal	-	6.00	-
	-	(3.00)	-
Artist Fees			
Tusshar Kapoor	-	163.75	-
	-	-	-

Notes forming part of financial statements
for the year ended March 31, 2019

Nature of Transactions	Holding Company	Key Management Person & Relative of KMP	Fellow Subsidiary
Issue of Shares			
Balaji Telefilms Limited	15,000.00	-	-
	(15,000.00)	-	-
Purchase of Content			
Balaji Telefilms Limited:			
Web Series & Films	4,975.62	-	-
	(2,850.12)	-	-
Marketing Expenses	21.42	-	-
	(-)	-	-
Interest on deferred payment	25.03	-	-
	(-)	-	-
Chhayabani Balaji Entertainment Private Limited	-	-	64.60
	-	-	(95.32)
Marinating Films Private Limited	-	-	-
	-	-	(50.00)
Advance for Content			
Balaji Telefilms Limited	156.46	-	-
	(210.60)	-	-

(c) Closing balances as at year end

(₹ in Lacs)

Nature of Transactions	Holding Company	Key Management Person & Relative of KMP	Fellow Subsidiary
Trade payable			
Balaji Telefilms Limited	1,465.96	-	-
	(55.23)	-	-
Chhayabani Balaji Entertainment Pvt Limited	-	-	-
	-	-	(4.27)
Advance to supplier			
Balaji Telefilms Limited	156.46	-	-
	(210.60)	-	-

Note:
(i) Figures in bracket relate to the previous year.
(ii) The Company provides long term benefits in the form of gratuity to key management personnel along with all employees, cost of the same is not identifiable separately and hence not disclosed.

Notes forming part of financial statements

for the year ended March 31, 2019

30 Employee benefits

(a) Defined Contribution Plan

Both the employees and the Company make pre-determined contributions to provident fund. Amount recognized as expense amounts to ₹ 66.21 lakhs (Previous year ₹ 64.73 lakhs)

The Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the aforesaid matter is not likely to have a impact and accordingly, no provision has been made in these Financial Statements.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable are calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation as at	
	31-Mar-19	31-Mar-18
Discount rate	6.76%	7.80%
Salary growth rate	10.00%	10.00%
Rate of Employee Turnover	25.00%	10.00%
Mortality Rate during employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Mortality Rate after employment	NA	NA

Notes forming part of financial statements
for the year ended March 31, 2019

Defined benefit plans – as per actuarial valuation on March 31, 2019

(₹ in Lacs)

Particulars	Funded Plan	
	Gratuity	
	Year Ended March 31, 2019	Year Ended March 31, 2018
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Actuarial (Gains)/Losses on Obligation for the year	(33.76)	5.19
Return on Plan Assets, Excluding Interest Income	0.35	0.24
Net (Income)/Expense for the year recognised in other comprehensive income (OCI)	**(33.41)**	**5.43**
Expense Recognised in the Statement of Profit and Loss		
Current Service Cost	22.09	16.27
Net interest cost	1.40	(0.04)
Expenses Recognized	**23.49**	**16.24**
I. Net Asset/(Liability) recognised in the Balance Sheet		
1. Present value of defined benefit obligation at the end of the year	(30.74)	(39.34)
2. Fair value of plan assets at the end of the year	35.26	21.42
3. Surplus/(Deficit)	4.52	(17.92)
4. Net (Liability)/ Asset	4.52	(17.92)
5. Net liability recognised in the Balance sheet	**-**	**(17.92)**
II. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	39.34	16.67
2. Expenses Recognised in Statement of Profit or Loss		
- Current Service Cost	22.09	16.27
- Interest Expense/(Income)	3.07	1.21
3. Actuarial (Gains)/ Losses on Obligations - Due to change in Demographic Assumptions	(16.00)	-
4. Actuarial (Gains)/ Losses on Obligations - Due to change in Financial Assumptions	1.44	(2.31)
5. Actuarial (Gains)/ Losses on Obligations- Due to experience	(19.20)	7.50
6. Present value of defined benefit obligation at the end of the year	**30.74**	**39.34**
III. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	21.42	17.17
2. Contributions by employer	12.52	3.25
3. Interest Income	1.67	1.24
4. Return on Plan Assets, excluding Interest Income	(0.35)	(0.24)
5. Fair value of plan assets at the end of the year	**35.26**	**21.42**

Notes forming part of financial statements
for the year ended March 31, 2019

(₹ in Lacs)

The sensitivity of the defined benefit obligation to the weighted principle assumptions is:		
Projected Benefit Obligation on Current Assumptions	**30.74**	**39.34**
Delta Effect of +1% Change in Rate of Discounting	(1.39)	(3.56)
Delta Effect of -1% Change in Rate of Discounting	1.51	4.11
Delta Effect of +1% Change in Rate of Salary Increase	1.45	3.98
Delta Effect of -1% Change in Rate of Salary Increase	(1.36)	(3.52)
Delta Effect of +1% Change in Rate of Employee Turnover	0.86	1.54
Delta Effect of -1% Change in Rate of Employee Turnover	(0.90)	(1.65)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous year.

The Company expects to contribute ₹ 7.11 lakhs (Previous year ₹ 40 Lakhs) to the gratuity fund during the next financial year.

Maturity profile of defined benefit obligation:

(₹ in Lacs)

Projected Benefits Payable in future years from Date of Reporting	March 31, 2019	March 31, 2018
1st Following year	0.10	0.33
2nd Following year	3.82	0.34
3rd Following year	5.47	1.43
4th Following year	5.52	3.57
5th Following year	5.32	4.17
Sum of Years 6 to 10	15.49	20.19
Sum of Years 11 and above	8.38	68.83

Plan Assets

The fair value of Company's pension plan asset as of March 31, 2019 and March 31, 2018 by category are as follows:

(₹ in Lacs)

	As at March 31, 2019	As at March 31, 2018
Asset category:		
Deposits with Insurance companies	35.26	21.42
	100%	**100%**

Notes forming part of financial statements

for the year ended March 31, 2019

The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published benchmarks.

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

31 Earnings/(loss) per share

Basic and diluted earnings/(loss) per share

Earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as under :

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) (Loss) for the year attributable to equity share holders (₹ in lacs)	(11,492.18)	(9,522.37)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	396,214,384	229,776,027
(c) Loss per share - Basic and diluted (₹) (a / b)	(2.90)	(4.14)
(d) Nominal value of shares (₹)	10	10

32 In accordance with the Indian Accounting Standard 12 (Ind AS 12) on "Income Taxes", deferred tax assets and liabilities should be recognized for all timing differences. However, considering the present financial position and accumulated tax losses and the requirement of the Ind AS 12 the deferred tax asset is recognised only to the extent of deferred tax liabiity, the deferred tax asset is not accounted for, to the extent of ₹ 6,035.39 lacs (previous year ₹ 2,929.14 lacs) as at March 31, 2019. However, the same will be reassessed at subsequent Balance Sheet date and will be accounted for in the year of reasonable certainty in accordance with the aforesaid Ind AS 12.

33 Lease Transactions

Amount of lease rentals charged to the statement of profit and loss account in respect of operating leases is ₹ 142.94 lacs (previous year ₹ 130.70 lacs)

Commitments for minimum lease payments in relation to non-cancellable operating leases payable is as follows:

(₹ in Lacs)

Particulars	March 31, 2019	March 31, 2018
Within 1 year	31.64	135.99
Later than 1 year but not later than 5 years	-	30.42

Notes forming part of financial statements
for the year ended March 31, 2019

34 Segment Information

The Company is primarily engaged in the business of subscription based sale/licensing of digital content, which in the context of Ind AS 108 on "Operating Segments", constitutes a single reportable segment.

Revenue of approximately ₹ 2,604.37 lacs during the year ended March 31, 2019 are derived from major six external customer.

Revenue of approximately ₹ 150 lacs during the year ended March 31, 2018 are derived from a single external customer.

35 As at March 31, 2019 the Company has accumulated losses of ₹ 22,837.87 lacs.The company has necessary financial support from its parent company Balaji Telefilms Limited and given the long term corporate strategies and future profit projections, the Company has followed the fundamental accounting assumption of 'Going Concern' for preparation of financials for the year ended March 31, 2019 as the Company neither has the intention nor the necessity of liquidation or curtailing materially the scale of the operations. In the opinion of the Board of Directors, the Company will meet all it's financial obligations as they fall due for payment for at least 12 months from the date of signatures of these financial statements.

36 Share Based Payments

Certain employees of the Company are alloted employee stock options of the Holding Company. These plans are subject to eligibility criteria based on employee's period of service (Service Conditions) with the Group. The holding Company does not charge any cost for this benefit, expenses for grant date fair value of the award is recognised over the vesting period of the options; and a corresponding credit is recognised in equity. The credit to equity is treated as a capital contribution. The fair value of the option has been arrived at using Binomial Model.

(i) Summary of Stock options granted under the plan:

Particulars	Number of Options
Opening Balance - April 01, 2018	**-**
Granted during the year	920,298
Excercised during the year	-
Forfeited during the year	631,281
Closing Balance - March 31, 2019	**289,017**

(ii) Expense arising from share based payment transaction

(₹ in lacs)

Particulars	March 31, 2019	March 31, 2018
Employee Stock Option Expenses	369.34	-

The above Employee Stock Option Expenses of ₹ 369.34 lacs is included in the statement of Profit and Loss as under-

Particular	Amount (₹ in lacs)
Employee stock options expense (Refer Note 24)	99.33
Cross charge by Parent Company (Refer Note 28)	270.01
Total	**369.34**

Notes forming part of financial statements
for the year ended March 31, 2019

37 Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

Financial instrument by category

(₹ in lacs)

	March 31, 2019			March 31, 2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Non-current financial assets						
Loans	-	-	-	-	-	18.80
Current financial assets						
Investments	6,350.51	-	-	10,015.79	-	-
Trade receivables	-	-	532.60	-	-	79.27
Cash and cash equivalents	-	-	233.10	-	-	794.06
Loans	-	-	47.19	-	-	24.72
Other financial assets	-	-	60.17	-	-	6.78
Total Financial Assets	**6,350.51**	**-**	**873.06**	**10,015.79**	**-**	**923.63**
Non-Current Financial Liabilities						
Trade payables	-	-	280.89	-	-	-
Current Financial Liabilities						
Trade payables	-	-	2,943.48	-	-	1,960.55
Other financial liabilities	-	-	5.54	-	-	15.59
Total Financial Liabilities	**-**	**-**	**3,229.91**	**-**	**-**	**1,976.14**

(i) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels as prescribed in the accounting standard. An explanation of each level follows underneath the table.

Notes forming part of financial statements
for the year ended March 31, 2019

(₹ in lacs)

Financial assets and liabilities measured at fair value- recurring fair value measurement March 31, 2019	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Funds	-	6,350.51	-	6,350.51
Total Financial Assets	**-**	**6,350.51**	**-**	**6,350.51**
Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2019	**Level 1**	**Level 2**	**Level 3**	**Total**
Non-current liabilities				
Trade Payables	-	-	284.69	284.69
Total Financial Liabilities	**-**	**-**	**284.69**	**284.69**

(₹ in lacs)

Financial assets and liabilities measured at fair value- recurring fair value measurement March 31, 2018	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Funds	-	10,015.79	-	10,015.79
Total Financial Assets	**-**	**10,015.79**	**-**	**10,015.79**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2018	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Loans	-	-	18.80	18.80
Total Financial Assets	**-**	**-**	**18.80**	**18.80**

The carrying value of trade receivables, cash and cash equivalents, current loans, current trade payables and other financial assets and liabilities are considered to be the same as their fair values due to their short term nature.

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in valuation technique. The hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement). The categories used are as follows:

Level-1 Hierarchy includes financial instruments measured using quoted price.

Level-2 The fair value of financial instruments that are not traded in an active market is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.

Level -3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Notes forming part of financial statements
for the year ended March 31, 2019

(ii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:
-The mutual funds are valued using closing NAV available in the market.

(iii) Fair value of financial assets and liabilities measured at amortised cost

(₹ in lacs)

Particulars	March 31, 2019		March 31, 2018	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Non Current Financial Assets				
Loans	-	-	18.80	18.80
Non Current Financial Liabilities				
Trade Payables	280.89	284.69	-	-

38 Financial Risk Management

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the management is responsible for overseeing the Company's risk assessment and management policies and processes.

(A) Credit Risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company deals with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and credit ratings of its counterparties are regularly monitored and the aggregate value of transactions concluded is spread amongst counterparties.

(i) Credit Risk Management

Financial instruments and cash deposits

The Company maintains exposure in cash and cash equivalents, term deposits with banks and investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have good credit ratings and hence the risk is reduced. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good. As a practice, the company only invests with high rated banks/institutions. The Company's maximum exposure to credit risk as at March 31, 2019 and March 31, 2018 is the carrying value of each class of financial assets as disclosed in note 37.

Security deposits given to lessors

The Company has given security deposit to lessors for premises leased by it as at March 31, 2019 and March 31, 2018. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

Notes forming part of financial statements
for the year ended March 31, 2019

Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

(B) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The responsibility for liquidity risk management rests with the Board of directors, which has an appropriate liquidity risk management framework for the management of the Company's short-medium-and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by regularly monitoring forecast and actual cash flows.

(i) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity grouping based on their contractual maturities.

(₹ in lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2019				
Trade payables	2,943.48	-	280.89	3,224.37
Other Financial Liabilities	5.54	-	-	5.54
Total financial liabilities	**2,949.02**	**-**	**-**	**3,229.91**

(₹ in lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2018				
Trade payables	1,960.55	-	-	1,960.55
Other Financial Liabilities	15.59	-	-	15.59
Total financial liabilities	**1,976.14**	**-**	**-**	**1,976.14**

(C) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Foreign currency risk exposure:

The Company is subject to the risk that changes in foreign currency values impact the Company's export revenue and import of services.

Notes forming part of financial statements
for the year ended March 31, 2019

As at March 31, 2019, the unhedged exposure to the Company on holding financial assets (trade receivables) and liabilities (trade payables net of advances) other than in their functional currency amounted to ₹ 83.75 lacs and ₹ 138.93 lacs (March 31, 2018 ₹ Nil)

(b) Interest rate risk

The Company does not have any borrowings and is thus not exposed to interest rate risk as at March 31, 2019 (Previous year Nil).

(c) Price risk

(i) Exposure

The company's exposure to investments arises from investment held by the company in mutual funds and classified in the balance sheet as fair value through profit or loss.

To manage its price risk arising from investments in mutual funds, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company.

(ii) Sensitivity

(₹ in lacs)

Particulars	Impact on profit after tax	
	March 31, 2019	March 31, 2018
Net asset value - Increase 5% (March 31, 2018 5%)*	317.53	500.79
Net asset value - Decrease 2% (March 31, 2018 2%)*	(127.01)	(200.32)

*Profit after tax for the year would increase/(decrease) as a result of gains/losses on investments classified at fair value through profit or loss.

39 Capital Management

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The company considers the following components of its balance sheet to be managed capital:
Total equity as shown in the balance sheet including reserves, retained earnings and share capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares.

40 Changes in accounting policies

This note explains the impact of the adoption of Ind AS 115 Revenue from Contracts with Customers on the company's financial statements.

Impact on the financial statements

The Company applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under this method, the Company recognised the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of retained earnings as at April 1, 2018. Comparative prior period has not been adjusted.

Notes forming part of financial statements
for the year ended March 31, 2019

Entities applying the modified retrospective method can elect to apply the revenue standard only to contracts that are not completed as at the date of initial application (that is, they would ignore the effects of applying the revenue standard to contracts that were completed prior to the date of initial application). The company elected to apply the standard to contracts that are not completed as at April 1, 2018.

The impact on the Company's retained earnings as at April 1, 2018 is as follows

Retained earnings	As at April 01, 2018
Opening balance	(11,653.49)
Change in accounting policy (Ind AS 115)	289.39
Closing balance	(11,364.10)

The following table presents the amounts by which each financial statement line item is affected in the current year ended March 31, 2019 by the application of Ind AS 115 as compared with the previous revenue recognition requirements. Line items that were not affected by the changes have not been included. The adjustments are explained in more detail below.

(₹ in lacs)

Statement of profit and loss (extract)	March 31, 2019 without adoption of Ind AS 115	Increase/ (decrease)	March 31, 2019 As reported
Revenue from Operations	4,416.33	(229.22)	4,187.11
Total comprehensive income for the year	(11,229.55)	(229.22)	(11,458.77)
Earnings per Equity Share (of ₹ 10/- each)	(2.84)	(0.06)	(2.90)

(₹ in lacs)

Balance Sheet (extract)	March 31, 2019 without adoption of Ind AS 115	Increase/ (decrease)	March 31, 2019 As reported
Retained earnings	(22,898.04)	60.17	(22,837.87)
Other current financial assets			
Unbilled revenue	-	60.17	60.17

Accounting of Revenue from Licensing of digital content rights
Under the previous revenue recognition standard, Revenue from sale of digital content was recognised on such contracts on a straight-line basis over the period of the contract. However, following the adoption of Ind AS 115, in certain contracts for digital content with its customers where the Company does not have any continuing involvement subsequent to delivery of content, the Company has identified separate performance obligations within the contract and revenue is recognised on fulfillment of each such performance obligation. This change in accounting resulted in an increase in opening reserves of ₹ 289.39 lacs, which has been accounted for on April 1, 2018. Further, Revenue for the year ended March 31, 2019 decreased by ₹ 229.22 lacs and profit before tax decreased by ₹ 229.22 lacs.

As a consequence of the above, Unbilled revenue of ₹ 60.17 lacs is recognised as on March 31, 2019.

Notes forming part of financial statements

for the year ended March 31, 2019

41 Recent accounting pronouncements - Standards issued but not yet effective:

(a) Ind AS 116, Leases

Ind AS 116 was notified by Ministry of Corporate Affairs on March 30, 2019 and it is applicable for annual reporting periods beginning on or after April 1, 2019. This standard will replace the current guidance in Ind AS-17, Leases.

Under Ind AS 116, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The statement of profit and loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change.

Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities. The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease.

The company is in process of assessing the impact of the standard on the financial position, results of operation and cash flow.

(b) Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12, 'Income Taxes'

The appendix explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. These amendments will be applicable on or after 1 April 2019. In particular, it discusses:

- how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;
- that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
- that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;
- that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

The Company does not expect to have a material impact on its financial statements pursuant to the aforesaid amendment.

Notes forming part of financial statements

for the year ended March 31, 2019

(c) **Plan Amendment, Curtailment or Settlement – Amendments to Ind AS 19, 'Employee Benefits'**

The amendments to Ind AS 19 clarify the accounting for defined benefit plan amendments, curtailments and settlements. They confirm that entities must :

- calculate the current service cost and net interest for the remainder of the reporting period after a plan amendment, curtailment or settlement by using the updated assumptions from the date of the change;
- any reduction in a surplus should be recognised immediately in profit or loss either as part of past service cost, or as a gain or loss on settlement. In other words, a reduction in a surplus must be recognised in profit or loss even if that surplus was not previously recognised because of the impact of the asset ceiling; and
- separately recognise any changes in the asset ceiling through other comprehensive income.

These amendments will apply to any future plan amendments, curtailments, or settlements of the group on or after April 1, 2019. The Company does not expect to have a material impact on its financial statements pursuant to the aforesaid amendment.

(d) **Ind AS 12, 'Income Taxes'**

The amendments clarify that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised. These requirements apply to all income tax consequences of dividends. Previously, it was unclear whether the income tax consequences of dividends should be recognised in profit or loss, or in equity, and the scope of the existing guidance was ambiguous. These amendments are not expected to have any material impact on the financial statements of the Company.

(e) **Amendments to other existing Ind AS**

Ind AS 109 - Financial Instruments - Prepayment Features with Negative Compensation
Ind AS 103 - Business Combinations
Ind AS 111 - Joint Arrangements
Ind AS 23 - Borrowing Costs
Ind AS 28 - Investment in Associates and joint ventures
The Company does not expect any impact from above mentioned new standards and amendments.

Signatures to note 1 to 41

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Nachiket Pantvaidya
(CEO)

Karuna Naik
(Company Secretary)
Place : Mumbai
Date : May 22, 2019

Sanjay Dwivedi
(Group CFO)

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BOARD'S REPORT

The Directors present the 4th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2019.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

The salient features of the Company's financial results for the year under review are as follows:

(₹ in Lacs)

PARTICULARS	2018-19	2017-18
Income from operations	164.25	235.32
Total Expenditure	225.30	293.63
Operating (Loss)	**(61.05)**	**(58.31)**
Finance costs	4.46	3.59
Depreciation	14.67	4.48
Operating (Loss) after finance cost and depreciation	**(80.18)**	**(66.38)**
Add: Other income	-	-
(Loss) for the Period before tax	**(80.18)**	**(66.38)**
Provision for tax (including deferred tax)	-	(1.33)
(Loss) for the Period after tax	**(80.18)**	**(65.05)**
(Loss) carried to the Balance Sheet	**(80.18)**	**(65.05)**

RESULTS OF OPERATIONS

During the year under review, the Company has reported a net loss of ₹ 80.18 Lacs as compared to a net loss of ₹ 65.05 Lacs in the previous fiscal.

DIVIDEND

Considering the loss incurred in the current financial year, Directors have not recommended any dividend for the financial year under review.

TRANSFER TO RESERVES

The Directors of the Company do not propose to transfer any amount to the reserves in view of loss incurred by the Company.

BORROWINGS

The Company does not have any borrowings during the year under review.

SHARE CAPITAL

- During the year under review, the Company converted 10,00,000 Zero Dividend Redeemable Preference Shares into 10,00,000 Zero Dividend Redeemable Optionally Convertible Preference Shares of ₹ 10/- each.
- Pursuant to the conversion of Zero Dividend Redeemable Preference Shares, the paid-up share capital of the Company as on March 31, 2019 was ₹ 1,55,00,000/- (Rupees One Crore Fifty-Five Lacs Only) comprising of 50,000 Equity shares of face value of ₹ 10/- each and 15,00,000 Zero Dividend Redeemable Optionally Convertible Preference Shares of ₹ 10/- each. The Company has neither issued shares with differential voting rights nor granted stock options or sweat equity. As on March 31, 2019 the Company is a subsidiary of Balaji Telefilms Limited.

BOARD'S REPORT

PUBLIC DEPOSITS

During the year under review, your Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

CHANGE IN NATURE OF BUSINESS

There was no change in nature of the business during the year under review.

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company does not have any subsidiary, associate and joint venture Company. Thus, the Audited Financial Statements, Auditors' Report thereon and the Board's Report along with applicable annexures are not annexed herewith.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OCCURRED BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF THE REPORT

No material changes and commitments have occurred between the end of financial year and the date of this report affecting the financial position of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

During the year under review, there was no change in Directorship of the Company. Further, the provisions of Section 203 of the Companies Act, 2013 for the appointment of Key Managerial Personnel are not applicable to the Company.

Retirement by rotation and subsequent re-appointment

Mr. Ramlal Nandi, Non-Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting (AGM), pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company, and being eligible has offered himself for re-appointment.

Appropriate resolution for his re-appointment is being placed for the approval of the Members of the Company at the ensuing AGM. The Board recommends his re-appointment as Non-Executive Director of the Company.

DECLARATION BY INDEPENDENT DIRECTOR

The Company has received necessary declaration from the Independent Director under Section 149(7) of the Companies Act, 2013 that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

AUDITORS

STATUTORY AUDIT

M/s. Price Waterhouse Chartered Accountants LLP were appointed as Statutory Auditors of the Company at the AGM held on August 31, 2017, for a term of 5 (five) consecutive years subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 07, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing AGM. M/s. Price Waterhouse Chartered Accountants LLP have confirmed that they are not disqualified from continuing as Auditors of the Company.

COST AUDIT

In accordance with Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable to the Company.

SECRETARIAL AUDIT

In accordance with Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit is not applicable to the Company.

BOARD'S REPORT

However, during the year under review, Secretarial Review of the Company was conducted for better corporate governance and to ensure timely compliances with respect to statutory provisions as applicable to the Company.

AUDIT REPORTS

The Report given by the Auditors on the financial statements of the Company is part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

DISCLOSURES RELATED TO BOARD AND POLICIES

i) BOARD MEETINGS

During the year under review, 4 (four) Meetings of the Board of Directors were held on May 19, 2018, August 10, 2018, November 13, 2018 & February 12, 2019. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

ii) BUSINESS RISK MANAGEMENT

The Holding Company i.e. Balaji Telefilms Limited has Risk Management Policy which is applicable to all its subsidiaries. The risk management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage. Major risks identified by the business and functions are systematically addressed through mitigation actions on a periodic basis.

iii) DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY

The Holding Company i.e. Balaji Telefilms Limited has Corporate Social Responsibility Policy which is applicable to all its subsidiaries. However, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

The provisions of Section 177, 178 & 135 of the Companies Act, 2013 with respect to constitution of various Committees are not applicable to the Company.

OTHER DISCLOSURES

i) EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return in Form MGT – 9, as required under Section 92 of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, is appended as Annexure I, which forms part of this Report and is also available at **http://www.balajitelefilms.com/annual_return.php**

ii) REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors have not reported to the Board, under Section 134(3)(ca) and 143 (12) of the Companies Act, 2013, any instances of frauds committed against the Company by its officers or employees, the details of which would need to be mentioned in this report.

iii) SECRETARIAL STANDARDS

The Company complies with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

iv) INTERNAL FINANCIAL CONTROL SYSTEM AND ADEQUACY

The Board has adopted the policies and procedures for ensuring the orderly and efficient control of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds, errors, reporting mechanisms, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

v) VIGIL MECHANISM / WHISTLE BLOWER POLICY

The provisions of Companies Act, 2013 relating to Vigil Mechanism / Whistle Blower Policy are not applicable to the Company

vi) RELATED PARTY TRANSACTIONS

All transactions/contracts/arrangements entered into by the Company with related party(ies) as defined under the provisions of Section 188 and 2(76) of the Companies Act, 2013, during the financial year under

BOARD'S REPORT

review were in ordinary course of business and at arm's length basis except usage of premises let out to the Company by Balaji Telefilms (Holding Company) without payment of any rent on ongoing basis and is appended as Form AOC-2 in Annexure II, which forms part of this Report. Further, none of these transactions/contracts/arrangements with related parties could be considered material in nature as per the thresholds given in Rule 15 (3) of the Companies (Meeting of Board and its Powers) Rules, 2014.

vii) FIXED DEPOSITS

During the year under review, the Company has not accepted any fixed deposits and as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

viii) PARTICULAR OF LOANS, GUARANTEE OR INVESTMENTS

During the year under review, the Company does not have any Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013. Hence no disclosure is required to be given in this regard.

ix) PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place Prevention of Sexual Harassment at Workplace Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee and Apex Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. During the financial year 2018-19, no sexual harassment complaint has been registered with the Company.

x) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going status of the Company & its future operations.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

ENERGY CONSERVATION MEASURES TAKEN BY THE COMPANY

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to conservation of energy do not apply to the Company. However, significant measures are taken to reduce energy consumption by using energy-efficient computers and by purchasing energy-efficient equipments. We purchase computers, laptops, air conditioners etc. that meet environmental standards, wherever possible and regularly upgrade old equipments with more energy-efficient equipments. Currently, we use Light Emitting Diode (LED) fixtures to reduce the power consumption in the illumination system.

TECHNOLOGY ABSORPTION

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to technology absorption do not apply to the Company. The Company's research and development initiative mainly consists of ideation of new subjects for our content production business, which are used in the creation of new storyline and tracks. The expenses incurred on such initiatives are not practically quantifiable.

The Company is an integrated player in the entertainment industry and our business is such that there is limited scope for new technology absorption, adaptation and innovation. However, the Company uses the latest technology, wherever possible to deliver superior production value, as a regular process.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, there were no foreign exchange earnings or outgo.

MECHANISM FOR EVALUATING BOARD MEMBERS

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board lays down the evaluation criteria for the performance evaluation of Executive/Non-Executive/Independent Directors. The questionnaire of the survey is a key part of the process of reviewing the functioning and

BOARD'S REPORT

effectiveness of the Board and for identifying possible paths for improvement.

The following are the criteria on the basis of which the Directors are evaluated:

1) Knowledge to perform the role;
2) Time and Level of Participation;
3) Performance of Duties and Level of Oversight;
4) Professional Conduct and Independence etc.

Feedback on each Director is encouraged to be provided as a part of the survey.

EVALUATION OF BOARD AND INDIVIDUAL DIRECTORS

The Companies Act, 2013 provides that annual performance evaluation of Directors should be carried out by other Directors to the exclusion of Director being evaluated. The evaluation of the Board as a whole and Individual Directors including Executive, Non-Executive and Independent Directors is conducted based on the criteria and framework adopted by the Board. The Board takes note of the evaluation process results.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a) In the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards had been followed along with proper explanation relating to any material departures;

b) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;

c) Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual accounts for the financial year ended March 31, 2019 had been prepared on a 'going concern' basis;

e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENTS

The Directors wish to acknowledge with gratitude and place on record their appreciation to all stakeholders – shareholders, investors, customers, suppliers, business associates, banks, regulatory and governmental authorities for their cooperation, assistance and support.

For and on behalf of the Board of Directors

Sd/-
Shobha Kapoor
Chairperson
DIN: 00005124

Place: Mumbai
Date: May 22, 2019

ANNEXURE I

FORM MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended 31.03.2019

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014.]

I. REGISTRATION & OTHER DETAILS

1.	**CIN**	U22190MH2015PTC261948
2.	**Registration Date**	16/02/2015
3.	**Name of the Company**	Chhayabani Balaji Entertainment Private Limited
4.	**Category/Sub-category of the Company**	Company Limited by Shares/ Private Non-Government Company
5.	**Address of the Registered office & Contact details**	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053, Maharashtra. Tel: +91-022-40698000, Fax: +91-022-40698181/82 Email: simmi.bisht@balajitelefilms.com Website: www.chhayabanibalaji.com
6.	**Whether listed Company**	No
7.	**Name, Address & Contact details of the Registrar & Transfer Agent, if any.**	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Media & Entertainment	591	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and Address of the Company	CIN / GLN	Holding / Subsidiary/ Associate	% of Shares Held	Applicable Section
Balaji Telefilms Limited **Registered Office:** C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053, Maharashtra.	L99999MH1994PLC082802	Holding Company	50	2(46)

ANNEXURE I

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2018				No. of Shares held at the end of the year i.e. March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	50,000	50,000	100.00	0	50,000	50,000	100.00	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1)	**0**	**50,000**	**50,000**	**100.00**	**0**	**50,000**	**50,000**	**100.00**	**0**
(2) Foreign									
a) Individuals (NRIs/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Institutions	0	0	0	0	0	0	0	0	0
e) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
f) Others	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Shareholding of Promoters A= A(1) +A(2)	**0**	**50,000**	**50,000**	**100.00**	**0**	**50,000**	**50,000**	**100.00**	**0**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/UTI	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
j) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
(2) Non-Institutions									
a) Bodies Corporate	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0

ANNEXURE I

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2018				No. of Shares held at the end of the year i.e. March 31, 2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0	0	0	0	0	0
c) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**0**	**50,000**	**50,000**	**100.00**	**0**	**50,000**	**50,000**	**100.00**	**0**

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 01, 2018			Shareholding at the end of the year i.e. March 31, 2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Balaji Telefilms Limited	25,000	50.00	0	25,000	50.00	0	0
2.	Chhayabani Private Limited	25,000	50.00	0	25,000	50.00	0	0
	Total	**50,000**	**100.00**	**0**	**50,000**	**100.00**	**0**	**0**

iii) Change in Promoters' Shareholding :

There is no change in Promoter's Shareholding during the financial year 2018-19.

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

The entire share capital of the Company is held by the Holding Company and Promoters of the Company.

v) Shareholding of Directors and Key Managerial Personnel:

The Directors of the Company did not hold any shares during the financial 2018-19. Further, the provisions of Section 203 of the Companies Act, 2013 for the appointment of Key Managerial Personnel are not applicable to the Company.

V. INDEBTEDNESS

The Company had no Indebtedness with respect to Secured or Unsecured Loans or Deposits during the financial year 2018-19.

ANNEXURE I

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:
Mr. Saugata Nandi designated as Managing Director has not received any remuneration during the financial year 2018-19.

B. Remuneration to other Directors: (₹ In Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	**Independent Directors**	**Virendra Babubhai Dalal**			
	Fee for attending Board and Committee Meetings	0.75			**0.75**
	Commission	-			-
	Others	-			-
	Total (1)	**0.75**			**0.75**
2.	**Other Non- Executive Directors**	**Shobha Kapoor**	**Ekta Kapoor**	**Ramlal Nandi**	
	Fee for attending Board and Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	Others	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**
	Total B=(1+2)	**0.75**	**-**	**-**	**0.75**
	Total Managerial Remuneration (A+B)				**0.75**
	Ceiling as per Act (per annum)	**N.A.**			

Note: The Independent Director has been paid only sitting fees for attending Board meetings of the Company which is excluded under Section 197(2) of the Companies Act, 2013.

C. Remuneration to Key Managerial Personnel other than MD/Manager/ WTD:
Provisions of Section 203 of the Companies Act, 2013 for the appointment of Key Managerial Personnel are not applicable to the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for breach of any section of the Companies Act, 2013 against the Company or its Directors or other officers in default during the year.

For and on behalf of the Board of Directors

Sd/-
Shobha Kapoor
Chairperson
DIN: 00005124

Place: Mumbai
Date: May 22, 2019

ANNEXURE II

FORM AOC-2
PARTICULARS OF CONTRACTS / ARRANGEMENTS / TRANSACTIONS MADE WITH RELATED PARTIES

For the financial year ended March 31, 2019

[Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts), Rules, 2014.]

1) DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

The following contract or arrangement or transaction entered into during the year ended March 31, 2019 was not at arm's length basis.

Name(s) of the Related Party and nature of relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Salient terms of the Contracts or Arrangements or Transactions including the value, if any	Justification for entering into such Contracts or Arrangements or Transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General Meeting as required under first proviso to section 188
Balaji Telefilms Limited(Holding Company)	Arrangement with the Holding Company for usage of the premises viz. C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Indl Estate, New Link Road, Andheri - (West), Mumbai – 400 053 by the Company as its Registered Office without any rent payment.	On-going	-	In order to curtail the expenses and maximize profits, the Company has entered into this arrangement with its Holding Company.	February 12, 2019	N.A.	N.A.

2) DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARMS LENGTH BASIS

There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2019, which were at arm's length basis.

For and on behalf of the Board of Directors

Sd/-
Shobha Kapoor
Chairperson
DIN: 00005124

Place: Mumbai
Date: May 22, 2019

Independent Auditor's Report

To the Members of Chhayabani Balaji Entertainment Private Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Chhayabani Balaji Entertainment Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are

Independent Auditor's Report

free from material misstatement, whether due to fraud or error.

6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report

Report on other legal and regulatory requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

11. As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    i. The Company does not have any pending litigations which would impact its financial position.

    ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2019.

    iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

    iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 22, 2019

Annexure A
to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Chhayabani Balaji Entertainment Private Limited on the financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Chhayabani Balaji Entertainment Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

Annexure A to Independent Auditors' Report

that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 22, 2019

Annexure B
to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Chhayabani Balaji Entertainment Private Limited on the financial statements for the year ended March 31, 2019

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Company does not own any immovable properties as disclosed in Note 4 on Property, plant and equipment to the financial statements. Therefore, the provisions of Clause 3(i)© of the said Order are not applicable to the Company.

ii. The Company does not have Inventory and therefore the provisions of Clause 3(ii) of the Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)© of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues, including income tax and goods and service tax have not generally been regularly deposited with the appropriate authorities through the delays in deposit have not been serious. The extent of the arrears of statutory dues outstanding as at March 31, 2019, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (INR in lakhs)	Period to which the amount relates	Due date	Date of Payment
Goods and Services Tax Act, 2017	Goods and service tax	8.03	April 01, 2018 to September 30, 2018	October 20, 2018	Unpaid as on the date of this report

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service tax or goods and service tax which have not been deposited on account of any dispute.

viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

Annexure B
to Independent Auditors' Report

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has not paid/ provided for managerial remuneration in during the year. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Mehul Desai
Partner
Membership Number: 103211

Place: Mumbai
Date: May 22, 2019

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Balance Sheet
as at March 31, 2019

Particulars	Note	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	24.79	38.66
(b) Current tax asset (net)	5	17.26	13.79
Total Non-current assets		**42.05**	**52.45**
Current assets			
(a) Inventories	6	-	7.00
(b) Financial assets			
(i) Trade receivables	7	0.45	92.16
(ii) Cash and cash equivalents	8	1.80	2.31
(iii) Loans	9	-	0.50
(c) Other current assets	10	25.29	13.76
Total Current assets		**27.54**	**115.73**
Total Assets		**69.59**	**168.18**
EQUITY AND LIABILITIES			
Equity			
(a) Share capital	11	5.00	5.00
(b) Other equity			
- Equity component of compound financial instrument		132.91	132.91
- Reserves & Surplus	12	(209.18)	(129.00)
Total Equity		**(71.27)**	**8.91**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	21.12	16.66
Total Non-current liabilities		**21.12**	**16.66**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(a) total outstanding dues of micro and small enterprises	14	-	-
(b) total outstanding dues other than (i) (a) above	14	78.98	105.20
(b) Other current liabilities	15	40.76	37.41
Total Current liabilities		**119.74**	**142.61**
Total Equity and Liabilities		**69.59**	**168.18**

The above Balance Sheet should be read in conjunction with the accompanying notes.
This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
(DIN: 00005124)

Saugata Nandi
(Managing Director)
(DIN: 00620045)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Sunil Lulla
(Group CEO)

Statement of Profit and Loss
for the year ended March 31, 2019

	Particulars	Note	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
1	Revenue from operations	16	164.25	235.32
2	**Total income**		**164.25**	**235.32**
3	**Expenses**			
	Cost of production	17	197.75	270.27
	Change in inventories of stock-in-trade	17	7.00	(7.00)
	Depreciation and amortisation expense	18	14.67	4.48
	Finance Costs	19	4.46	3.59
	Other expenses	20	20.55	30.36
4	**Total expenses**		**244.43**	**301.70**
5	**Loss before tax (2-4)**		**(80.18)**	**(66.38)**
6	**Tax expenses**			
	Current tax		-	-
	Deferred tax	29	-	(1.33)
	Total tax expense		**-**	**(1.33)**
7	**Loss for the year (5-6)**		**(80.18)**	**(65.05)**
8	**Other Comprehensive Income**		**-**	**-**
9	**Total Comprehensive Income for the year (7+8)**		**(80.18)**	**(65.05)**
10	**Basic & diluted earnings/(loss) per share (in ₹)** (Face value of ₹ 10 each)	22	**(160.36)**	**(130.10)**

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.
This is the Statement of Profit and Lossreferred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
(DIN: 00005124)

Saugata Nandi
(Managing Director)
(DIN: 00620045)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Sunil Lulla
(Group CEO)

Statement of Cash Flows

for the year ended March 31, 2019

Particulars	For the year ended Mar 31, 2019		For the year ended March 31, 2018	
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Loss before tax		(80.18)		(66.38)
Adjustments for				
Depreciation	14.67		4.48	
Interest on Liability component of compound financial instrument	4.46	19.13	3.42	7.90
Operating loss before working capital changes		**(61.05)**		**(58.48)**
(Increase) / Decrease in trade receivables	91.71		(91.71)	
(Increase) / Decrease in inventories	7.00		(7.00)	
(Increase) / Decrease in other financial assets	0.50		(0.50)	
(Increase)/ Decrease in other current assets	(11.53)		5.96	
Increase / (Decrease) in trade payables	(26.22)		78.11	
Increase / (Decrease) in other current liabilities	3.35	64.81	37.09	21.95
		3.76		(36.53)
Income taxes paid		(3.47)		(3.90)
Net cash flow from / (used in) operating activities (A)		**0.29**		**(40.43)**
B. Cash Flow from Investing Activities				
Purchase of fixed assets		(0.80)		(39.06)
Net cash used in investing activities (B)		**(0.80)**		**(39.06)**
C. Cash Flow from Financing Activities				
Issue of Preference Share Capital		-		50.00
Net cash flow from financing activities (C)		**-**		**50.00**
Net Decrease in cash and cash equivalents (A+B+C)		**(0.51)**		**(29.49)**
Cash and cash equivalents at the beginning of the financial year (Refer note 8)		2.31		31.80
Cash and cash equivalents at the end of the financial year (Refer note 8)		**1.80**		**2.31**

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.
This is the Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
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Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Sunil Lulla
(Group CEO)

Statement Of Changes In Equity

for the year ended March 31, 2019

A. Equity share capital

Particulars	(₹ in Lacs)
As at April 1, 2017	**5.00**
Changes in equity share capital during the year	-
As at March 31, 2018	**5.00**
As at April 1, 2018	**5.00**
Changes in equity share capital during the year	-
As at March 31, 2019	**5.00**

B. Other Equity

(₹ in Lacs)

Particulars	Equity component of compound financial instruments	Reserves and surplus	Total other equity
		Retained earnings	
As at April 1, 2017	**83.38**	**(63.95)**	**19.43**
Issue of Zero dividend reedemable optionally convertible Preference Shares	49.53	-	49.53
(Loss) for the year	-	(65.05)	(65.05)
As at March 31, 2018	**132.91**	**(129.00)**	**3.91**
As at April 1, 2018	132.91	(129.00)	3.91
(Loss) for the year	-	(80.18)	(80.18)
As at March 31, 2019	**132.91**	**(209.18)**	**(76.27)**

The above Statement of changes in Equity should be read in conjunction with the accompanying notes.
This is the Statement of changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
(DIN: 00005124)

Saugata Nandi
(Managing Director)
(DIN: 00620045)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Sunil Lulla
(Group CEO)

Notes forming part of financial statements
for the year ended March 31, 2019

Note 1 : Background

Chhayabani Balaji Entertainment Private Limited was incorporated on February 16, 2015 under the Companies Act, 2013 and is in the business of production of television content. The Company is a subsidiary of Balaji Telefilms Ltd. The registered office and principal place of business of the Company is at Andheri (West), Mumbai.

Note 2 : Significant accounting policies

The note provides a list of significant accounting policies adopted in the preparation of these Financial Statements. These policies have been consistently applied to all the year presented, unless otherwise stated.

(a) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criteria's set out in the Schedule III to the Companies Act, 2013.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained it's operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

<u>Historical cost convention</u>

The financial statements have been prepared on historical cost basis.

<u>New and amended standards adopted by the Company</u>

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2018:

(i) Ind AS 115, Revenue from Contract with the Customers: Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under the method, the Company as elected to apply the revenue standard only to contracts that are not completed as at the date of initial application. The adoption of the standard does not have any impact on the Company's financial statements and no adjustment to the opening balance of retained earnings as at April 1, 2018 is required.

(ii) Amendment to Ind AS 12, Income Taxes. The amendments clarify the accounting for deferred taxes where an asset is measured at fair value and fair value is below the asset's tax base. They also clarify certain other aspects of accounting of deferred tax. The amendment does not have any impact of the Company's financial statements.

(b) Segment Reporting

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. The chief operating decision maker of the Company consists of the managing director who assesses the financial performance and position of the Company, and makes strategic decisions. Refer note 24 for segment information presented.

Notes forming part of financial statements

for the year ended March 31, 2019

(c) Revenue Recognition

The Company derives revenue from producing television programs and web series to its customers. Some of the contracts include multiple deliverables. The Company identifies and evaluate each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

Revenue generated from the commissioned television programs and web series produced for broadcasters is recognized over the period of time over the contract period.

The transaction price, being the amount to which the Company expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration where the Company's performance may result in additional revenues based on the achievement of agreed targets.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

Revenue excludes any taxes and duties collected on behalf of the government.

(d) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred Tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Notes forming part of financial statements
for the year ended March 31, 2019

(e) Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(f) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions. For the purpose of Cash Flow Statement, Cash and cash equivalents are considered net of outstanding overdrafts, if any, as they are considered an integral part of Company's cash management.

(g) Inventories

Inventories comprise of Television serials and are stated at the lower of cost and net realisable value. Cost is determined as average cost.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

(h) Trade receivable

Trade receivable are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(i) Financial Asset

Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or Other Comprehensive Income.

Initial recognition and Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Subsequent Measurement:

Financial assets are classified as FVTPL, unless the Company has irrevocably elected on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in those instruments.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

Notes forming part of financial statements
for the year ended March 31, 2019

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Other debt instruments are designated as at fair value through profit or loss on initial recognition.

Impairment of Financial Assets
The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 26 (A) details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition:
A financial asset is de-recognised only when
- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(j) Financial Liabilities

Classification as debt or equity
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

Subsequent measurement
Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

De-recognition:
A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Notes forming part of financial statements
for the year ended March 31, 2019

(k) Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

<u>Depreciation methods, estimated useful lives and residual value</u>

Depreciation is calculated using the straight-line method to allocate the cost of the asset, net of their residual values, if any, over their estimated useful lives which are in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

(l) Impairment of assets

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of profit or loss.

(m) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are not recognized for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Where the likelihood of outflow of resources is remote, no provision or disclosure as specified in Ind AS -37 - Provision, contingent liabilities and contingent assets is made.

Notes forming part of financial statements
for the year ended March 31, 2019

(n) Earning per Shares

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(o) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal digits after lakhs as per the requirement of Schedule III of the Act, unless otherwise stated.

Note 3: Critical Estimates and Judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- **Estimated useful life of Tangible Assets:**
  The Company reviews the useful lives and carrying amount of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

- **Recognition of Deferred Tax assets:**
  The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. To determine the future taxable profits, the management considers the nature of the deferred tax assets, recent operating results, future market growth, forecasted earnings and future taxable income in the jurisdictions in which the company operates.

- **Impairment of Trade Receivable:**
  Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the group uses expected credit loss model to assess the impairment loss or gain. The group uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

  Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 4 - Property, plant and equipment

(₹ in Lacs)

Description of Assets	Plant and machinery - Computers	Plant and machinery - Others	Studios and sets	Total
I. Gross Carrying Amount				
Balance as at April 1, 2017	4.62	1.23	-	5.85
Additions	1.09	-	37.97	39.06
Balance as at March 31, 2018	**5.71**	**1.23**	**37.97**	**44.91**
II. Accumulated Depreciation				
Balance as at April 1, 2017	(1.64)	(0.13)	-	(1.77)
Depreciation expense	(1.66)	(0.12)	(2.70)	(4.48)
Balance as at March 31, 2018	**(3.30)**	**(0.25)**	**(2.70)**	**(6.25)**
III. Net Carrying Amount as at March 31, 2018	**2.41**	**0.98**	**35.27**	**38.66**

(₹ in Lacs)

Description of Assets	Plant and machinery - Computers	Plant and machinery - Others	Studios and sets	Total
I. Gross Carrying Amount				
Balance as at April 1, 2018	5.71	1.23	37.97	44.91
Additions	0.80	-	-	0.80
Balance as at March 31, 2019	**6.51**	**1.23**	**37.97**	**45.71**
II. Accumulated Depreciation				
Balance as at April 1, 2018	(3.30)	(0.25)	(2.70)	(6.25)
Depreciation expense	(1.89)	(0.12)	(12.66)	(14.67)
Balance as at March 31, 2019	**(5.19)**	**(0.37)**	**(15.36)**	**(20.92)**
III. Net Carrying Amount as at March 31, 2019	**1.32**	**0.86**	**22.61**	**24.79**

Note 5 Current tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Tax deducted at source	17.26	13.79
Total	**17.26**	**13.79**

Note 6 Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Finished		
Television series	-	7.00
Total	**-**	**7.00**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 7 Trade receivables

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Trade receivable	0.45	87.89
Receivable from related party (Refer note 21)	-	4.27
Less : Loss allowance	-	-
Total	**0.45**	**92.16**

Break up of security details

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	0.45	92.16
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Less : Loss allowance	-	-
Total trade receivable	**0.45**	**92.16**

The average credit period on sales is 45 days. No interest is charged on trade receivables overdue. The Company has generally recognised an allowance for doubtful debts at 100% against receivables from whom recoverability is uncertain.
Trade receivables disclosed above include amounts that are past due at the end of the reporting period for which the Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.
In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period.

Note 8 Cash and cash equivalents

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Cash on hand	1.43	0.78
Balances with banks in current accounts	0.37	1.53
Total	**1.80**	**2.31**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 9 Loans - Current

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Security Deposit	-	0.50
Less: Loss allowance	-	-
Total	**-**	**0.50**

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	-	0.50
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Less: Loss allowance	-	-
Total	**-**	**0.50**

Note 10 Other current assets

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Balances with government authorities	24.16	13.14
Advance to vendors	1.13	0.62
Total	**25.29**	**13.76**

Note 11 Share capital

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
(a) Authorised		
2,500,000 (Previous Year 2,500,000) Equity Shares of ₹ 10/- each	250.00	250.00
2,500,000 (Previous Year 2,500,000) Preference Shares of ₹ 10/- each	250.00	250.00
Total	**500.00**	**500.00**
(b) Issued, Subscribed and fully paid-up		
50,000 (Previous Year 50,000) Equity Shares of ₹ 10/- each	5.00	5.00
Total	**5.00**	**5.00**

Notes forming part of financial statements
for the year ended March 31, 2019

Notes :

(i) Shares held by holding company / ultimate holding company :

Particulars	As at March 31, 2019	As at March 31, 2018
	No of shares	No of shares
Balaji Telefilms Limited (immediate and ultimate holding company)	25,000	25,000

(ii) Details of Equity Shares held by each shareholder holding more than 5% Equity Shares:

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Balaji Telefilms Limited	25,000	50.00%	25,000	50.00%
Chhayabani Private Limited	25,000	50.00%	25,000	50.00%

(iii) The reconciliation of the number of shares outstanding is set out below:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Equity shares outstanding at the beginning of the year	50,000	5	50,000	5
Add: Issue of Equity Shares during the year	-	-	-	-
Equity shares outstanding at the end of the year	50,000	5	50,000	5

(iv) The company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the shareholders will be eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

(v) No shares are issued for consideration other than cash during the 5 years immediately preceding March 31, 2019.

(vi) Balaji Telefilms Limited controls the composition of the Board of directors of the company and accordingly has been considered as the immediate / ultimate holding company.

Note 12 Reserves & Surplus

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Retained Earnings		
Balance at beginning of year	(129.00)	(63.95)
(Loss) for the Year	(80.18)	(65.05)
Balance at end of the year	**(209.18)**	**(129.00)**

Notes forming part of financial statements

for the year ended March 31, 2019

Note 13 Borrowings - Non current

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Unsecured : Liability component of compound financial instrument 1,500,000 (Previous year 1,500,000) Zero dividend reedemable optionally convertible Preference Shares of ₹10/- each	21.12	16.66
Total	**21.12**	**16.66**

Terms of allotment

Particulars	Allotment date	Redemption date
500,000 Zero dividend reedemable optionally convertible Preference Shares	September 23, 2015	September 22, 2025
500,000 Zero dividend reedemable optionally convertible Preference Shares	February 5, 2016	February 4, 2026
500,000 Zero dividend reedemable optionally convertible Preference Shares	November 29, 2017	November 28, 2037

Zero dividend reedemable optionally convertible Preference Shares to be redeemed at par at any time within the redemption period from the date of allotment with mutual consent of the Company and the preference shareholders.

The equity component relating to above is disclosed under Equity Component of Compound Financial Instrument in the Balance Sheet.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Cash and cash equivalents	1.80	2.31
Non-current borrowings	(21.12)	(16.66)
Total	**(19.32)**	**(14.35)**

Particulars	Other Assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Non-current borrowings	
Net debt as at March 31, 2017	**31.80**	**(12.77)**	**19.03**
Cash flows	(29.49)	(0.47)	(29.96)
Interest expense	-	(3.42)	(3.42)
Net debt as at March 31, 2018	**2.31**	**(16.66)**	**(14.35)**
Cash flows	(0.51)	-	(0.51)
Interest expense	-	(4.46)	(4.46)
Net debt as at March 31, 2019	**1.80**	**(21.12)**	**(19.32)**

Notes forming part of financial statements
for the year ended March 31, 2019

Note 14 Trade payables

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Current		
Trade payables: micro and small enterprises	-	-
Trade payables: others	52.49	78.20
Trade payables to related parties (Refer note 21)	26.49	27.00
Total	**78.98**	**105.20**

Notes:

(a) Micro, Small and Medium Enterprises :

The balances payable above includes ₹ Nil (Previous year ₹ Nil) due to Micro and Small Enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act). No interest is paid / payable during the year to any Micro / Small Enterprise registered under the MSME. There were no delayed payments during the year to any Micro or Small Enterprise registered under the MSME Act. The above information has been determined to the extent such parties could be identified on the basis of the information available with the Management regarding the status of suppliers under the MSME Act.

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Note 15 Other current liabilities

Particulars	As at March 31, 2019 ₹ in Lacs	As at March 31, 2018 ₹ in Lacs
Statutory liabilities	40.29	36.20
Others	0.47	1.21
Total	**40.76**	**37.41**

Note 16 Revenue from operations

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Sale of services:		
Commissioned television programs	99.65	140.00
Internet programs	64.60	95.32
Total	**164.25**	**235.32**

The Revenue recognised is equivalent to the contract price and there is no element of discount, rebates, incentives, etc. which are adjusted to revenue.

There are no unsatisfied performance obligations in respect of revenue contract.

Notes forming part of financial statements
for the year ended March 31, 2019

Note 17 Cost of production

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Purchase of costumes and dresses	5.50	6.50
Artists, Directors and other technicians	107.42	150.12
Shooting and location expenses	34.63	51.89
Set properties and equipment hire charges	30.73	33.10
Food & Refreshments	10.57	19.00
Other production expenses	8.90	9.66
Total	**197.75**	**270.27**

Changes in Inventories :

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Opening balance - Television series	7.00	-
Closing balance - Television series	-	7.00
Total changes in inventories	**7.00**	**(7.00)**

Note 18 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Depreciation of property, plant and equipment (Refer note 4)	14.67	4.48
Total	**14.67**	**4.48**

Note 19 Finance Cost

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Interest on delayed payment of taxes	-	0.17
Interest on Liability component of compound financial instrument	4.46	3.42
Total	**4.46**	**3.59**

Notes forming part of financial statements
for the year ended March 31, 2019

20 Other expenses

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
Communication expenses	0.53	0.43
Director sitting fees	1.00	1.00
Legal and professional charges (Refer Note 20.1)	13.59	20.81
Rates and taxes	0.94	0.39
Repair and maintenance	0.06	0.10
Travelling and conveyance expenses	3.61	4.63
Miscellaneous expenses	0.82	3.00
Total	**20.55**	**30.36**

20.1 Payments to auditors (included in Legal & professional charges)

Particulars	For the year ended March 31, 2019 ₹ in Lacs	For the year ended March 31, 2018 ₹ in Lacs
As auditors :		
Audit fees	3.00	3.00
Reimbursement of out of pocket expenses	0.04	-
Total	**3.04**	**3.00**

21 Related Party Transactions

(a) Name of related parties and description of relationship

Name of the Related Party	Relationship
Balaji Telefilms Limited	Holding Company
ALT Digital Media Entertainment Limited	Fellow Subsidiary
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Saugata Nandi	Key management person
Mr. Ramlal Nandi	Key management person
Mr. Virendra Babubhai Dalal	Key management person
India Film Laboratories Private Limited	Company in which key management person has significant influence
Chhayabani Private Limited	Other shareholder having significant influence

Notes forming part of financial statements

for the year ended March 31, 2019

(b) Details of transactions with related parties during the year

(₹ in lacs)

Particulars	Holding Company	Other shareholder having significant influence	Company in which Key Management Person has significant influence	Key management person	Fellow subsidiary
Issue of Preference Share Capital					
Balaji Telefilms Limited	-	-	-	-	-
	(25.00)	(-)	(-)	(-)	(-)
Chhayabani Private Limited	-	-	-	-	-
	(-)	(25.00)	(-)	(-)	(-)
Sale of Contents					
ALT Digital Media Entertainment Limited	-	-	-	-	64.60
	(-)	(-)	(-)	(-)	(95.32)
Shooting and location expenses					
India Film Laboratories Private Limited	-	-	6.75	-	-
	(-)	(-)	(31.90)	(-)	(-)
Expenses incured on behalf of CBEPL					
Mr. Saugata Nandi	-	-	-	3.54	-
	(-)	(-)	(-)	(3.56)	(-)
Mr. Ramlal Nandi	-	-	-	2.07	-
	(-)	(-)	(-)	(-)	(-)
Reimbursement of expense incured on behalf of CBEPL					
Mr. Saugata Nandi	-	-	-	4.51	-
	(-)	(-)	(-)	(2.36)	(-)
Mr. Ramlal Nandi	-	-	-	2.07	-
	(-)	(-)	(-)	(-)	(-)
Director sitting fees					
Mr. Virendra Babubhai Dalal	-	-	-	1.00	-
	(-)	(-)	(-)	(1.00)	(-)

Notes forming part of financial statements
for the year ended March 31, 2019

(c) **Closing balances as at the year end March 31, 2019** (₹ in lacs)

Particulars	Holding Company	Other shareholder having significant influence	Company in which Key Management Person has significant influence	Independent director	Fellow Subsidiary
Trade Payables					
India Film Laboratories Private Limited	-	-	26.49	-	-
	(-)	(-)	(27.00)	(-)	(-)
Expenses incured on behalf of CBEPL					
Mr. Saugata Nandi	-	-	-	0.24	-
	(-)	(-)	(-)	(1.21)	(-)
Trade Receivables					
ALT Digital Media Entertainment Limited	-	-	-	-	-
	(-)	(-)	(-)	(-)	(4.27)
Director sitting fees payable					
Mr. Virendra Babubhai Dalal	-	-	-	0.23	-
	(-)	(-)	(-)	(0.50)	(-)

Note

(i) There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties.

(ii) Figures in bracket relate to the previous year.

22 Earnings per share

Basic and diluted earnings per share

Earnings per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period as under :

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
(a) (Loss) for the period attributable to equity share holders (₹ in Lacs)	(80.18)	(65.05)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	50,000	50,000
(c) (Loss) per share - Basic and diluted (₹) (a / b)	(160.36)	(130.10)
(d) Nominal value of shares (₹)	10	10

Note : Impact of optionally convertible preference shares on EPS is anti-dilutive, hence not considered.

Notes forming part of financial statements

for the year ended March 31, 2019

23 In accordance with the Indian Accounting Standard 12 (Ind AS 12) on "Income Taxes", deferred tax assets and liabilities should be recognized for all timing differences. However, considering the present financial position and accumulated tax losses and the requirement of the Ind AS 12 the deferred tax asset is recognised only to the extent of deferred tax liability. The deferred tax asset is not accounted for, to the extent of ₹ 53.06 lacs (Previous year ₹ 33.37 lacs). However, the same will be reassessed at subsequent Balance Sheet date and will be accounted for in the year of reasonable certainty in accordance with the aforesaid Ind AS 12.

24 Segment Information

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.
Revenue of ₹ 164.25 lacs (March 31, 2018 ₹ 235.32 lacs) are derived from the two major customers of the company.

25 Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

Financial instrument by category.

(₹ in lacs)

Particulars	March 31, 2019			March 31, 2018		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Current financial assets						
Trade receivables	-	-	0.45	-	-	92.16
Cash and cash equivalents	-	-	1.80	-	-	2.31
Loans	-	-	-	-	-	0.50
Total Financial Assets	**-**	**-**	**2.25**	**-**	**-**	**94.97**
Financial Liabilities						
Borrowings	-	-	21.12	-	-	16.66
Trade payables	-	-	78.98	-	-	105.20
Total Financial Liabilities	**-**	**-**	**100.10**	**-**	**-**	**121.86**

(i) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed the accounting standard. An explanation of each level follows underneath the table.

Notes forming part of financial statements

for the year ended March 31, 2019

(₹ in lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2019	Level 1	Level 2	Level 3	Total
Non-current financial liabilities				
Borrowings	-	-	21.12	21.12
Total Financial Liabilities	**-**	**-**	**21.12**	**21.12**

(₹ in lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31,2018	Level 1	Level 2	Level 3	Total
Non-current financial liabilities				
Borrowings	-	-	16.66	16.66
Total Financial Liabilities	**-**	**-**	**16.66**	**16.66**

The carrying value of trade receivables, cash and cash equivalents, loans and trade payables are considered to be the same as their fair values due to their short term nature.

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in valuation technique. The hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement). The categories used are as follows:

Level-1 Hierarchy includes financial instruments measured using quoted price.

Level-2 The fair value of financial instruments that are not traded in an active market is determined using valuation technique which maximize the use of observable market data and rely as little as possible on entity -specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.

Level -3 If one or more of the significant inputs is not based on observable market data, the instrument is include in level 3.

26 Financial Risk Management

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the management is responsible for overseeing the Company's risk assessment and management policies and processes.

(A) Credit Risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company deals with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and credit ratings of its counterparties are regularly monitored and the aggregate value of transactions concluded is spread amongst counterparties.

Notes forming part of financial statements
for the year ended March 31, 2019

(i) Credit Risk Management

Financial instruments and cash deposits

The Company maintains exposure in cash and cash equivalents. The credit worthiness of the banks is evaluated by the management on an ongoing basis and is considered to be good. As a practice, the company only invests with high rated banks.

The Company's maximum exposure to credit risk as at March 31, 2019 and March 31, 2018 is the carrying value of each class of financial assets as disclosed in note 25.

Security deposits given to lessors

The Company gives security deposit to it lessors in relation to its business. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

(B) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The responsibility for liquidity risk management rests with the Board of directors, which has an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by regularly monitoring forecast and actual cash flows.

(i) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity grouping based on their contractual maturities.

(₹ in lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2019				
Borrowings	-	-	21.12	21.12
Trade payables	78.98	-	-	78.98
Total financial liabilities	**78.98**	**-**	**21.12**	**100.10**

(₹ in lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2018				
Borrowings	-	-	16.66	16.66
Trade payables	105.20	-	-	105.20
Total financial liabilities	**105.20**	**-**	**16.66**	**121.86**

Notes forming part of financial statements

for the year ended March 31, 2019

(C) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign currency risk exposure:

The Company does not have any exposure to foreign currency risk as at March 31, 2019 (Previous year Nil).

(ii) Interest rate risk

The Company have borrowings bearing zero interest rate and is thus not exposed to interest rate risk as at March 31, 2019 (Previous year Nil).

(iii) Price risk

The Company does not have any investments and is thus not exposed to price risk as at March 31, 2019 (Previous year Nil).

27 Capital management

The company considers the following components of its Balance Sheet to be managed capital: Total equity as shown in the balance sheet.

The company aim is to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders.

The company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

28 As at March 31, 2019 the Company has accumulated losses of ₹ 209.18 lacs. The Company has necessary financial support from its parent company Balaji Telefilms Limited and given the long term corporate strategies and future profit projections, the Company has followed the fundamental accounting assumption of 'Going Concern' for preparation of financials for the year ended March 31, 2019 as the Company neither has the intention nor the necessity of liquidation or of curtailing materially the scale of the operations. In the opinion of the Board of Directors, the Company will meet all it's financial obligations as they fall due for payment for at least 12 months from the date of signatures of these financial statements.

29 Deferred tax liabilities (net)

Particulars	As at March 31, 2019	As at March 31, 2018
	₹ in Lacs	₹ in Lacs
Deferred tax liabilities		
Borrowings	1.00	1.00
Depreciation on fixed assets	-	0.37
Deferred tax assets		
On brought forward losses	1.00	1.37
Total	-	-

Notes forming part of financial statements
for the year ended March 31, 2019

Movement in deferred tax balances

(₹ in lacs)

Particulars	For Year Ended March 31, 2019		
	Opening Balance	Charged/ (Credited) to Profit or loss	Closing Balance
Deferred tax liabilities			
On borrowings	1.00	-	1.00
Depreciation of Fixed Assets	0.37	(0.37)	-
Total deferred tax liability	**1.37**	**(0.37)**	**1.00**
Deferred tax assets			
On brought forward losses	1.37	(0.37)	1.00
Total deferred tax assets	**1.37**	**(0.37)**	**1.00**

(₹ in lacs)

Particulars	For Year Ended March 31, 2018		
	Opening Balance	Charged/ (Credited) to Profit or loss	Closing Balance
Deferred tax liabilities			
On borrowings	1.33	(0.33)	1.00
Depreciation of Fixed Assets	-	0.37	0.37
Total deferred tax liability	**1.33**	**0.04**	**1.37**
Deferred tax assets			
On brought forward losses	-	(1.37)	1.37
Total deferred tax assets	**-**	**(1.37)**	**1.37**

30 Standard issued but not effective

(a) Ind AS 116, Leases

Ind AS 116 was notified by Ministry of Corporate Affairs on March 30, 2019 and it is applicable for annual reporting periods beginning on or after April 1, 2019. This standard will replace the current guidance in Ind AS-17, Leases.

Under Ind AS 116, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The statement of profit and loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change.

Notes forming part of financial statements
for the year ended March 31, 2019

Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities. The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease.

The company is in process of assessing the impact of the standard on the financial position, results of operation and cash flow.

(b) Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12, 'Income Taxes'

The appendix explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. These amendments will be applicable on or after April 1, 2019. In particular, it discusses:

- how to determine the appropriate unit of account, and that each uncertain tax treatment should be considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty;
- that the entity should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored;
- that the entity should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment;
- that the impact of the uncertainty should be measured using either the most likely amount or the expected value method, depending on which method better predicts the resolution of the uncertainty; and
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

The Company does not expect to have a material impact on its financial statements pursuant to the aforesaid amendment.

(c) Other standards, changes in standards and interpretation

There are no other standards, changes in standards and interpretations that are not in force that the Company expects to have a material impact arising from its application in its financial statements.

Signatures to notes 1 to 30

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211
Place : Mumbai
Date : May 22, 2019

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
(DIN: 00005124)

Saugata Nandi
(Managing Director)
(DIN: 00620045)

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : May 22, 2019

Sunil Lulla
(Group CEO)

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 25th Annual General Meeting of the Members of Balaji Telefilms Limited will be held on August 30, 2019 at 12:00 Noon at "The Club" 197, D. N. Nagar, Andheri (West), Mumbai – 400 053, Maharashtra to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt, (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 and the report of Auditors thereon;

2. To appoint a Director in place of Mrs. Shobha Kapoor (DIN:00005124), who retires by rotation and being eligible, offers herself for re-appointment;

3. To declare Final Dividend on Equity Shares for the financial year ended March 31, 2019.

SPECIAL BUSINESS

4. **Appointment of Mr. Ramesh Gopal Sippy (DIN: 00652881) as Non-Executive Director of the Company.**

   To consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution:**

   "**RESOLVED** that pursuant to the provisions of Section 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17(1A) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Ramesh Gopal Sippy (DIN: 00652881), who has attained the age of 75 years, in respect of whom Nomination and Remuneration Committee has recommended his appointment to the Board and the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company w.e.f. September 01, 2019 and shall be liable to retire by rotation.

   RESOLVED FURTHER that to give effect to this appointment, Mrs. Shobha Kapoor, Managing Director and Mrs. Simmi Singh Bisht, Group Head Secretarial of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give effect to above resolution including filing of necessary forms with Registrar of Companies and to issue Letter of Appointment for and on behalf of the Company."

5. **Re-appointment of Mr. Arun Kumar Purwar (DIN: 00026383) as an Independent Director of the Company.**

   To consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution:**

   "**RESOLVED** that pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Arun Kumar Purwar (DIN: 00026383), who was appointed as an Independent Director and who holds office of Independent Director up to August 30, 2020 and being eligible, in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for the second term of 5 (five) consecutive years on the Board of the Company w.e.f. August 31, 2020.

   RESOLVED FURTHER that to give effect to this appointment, Mrs. Shobha Kapoor, Managing

NOTICE OF THE ANNUAL GENERAL MEETING

Director and Mrs. Simmi Singh Bisht, Group Head Secretarial of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give effect to above resolution including filing of necessary forms with Registrar of Companies and to issue Letter of Appointment for and on behalf of the Company."

6. **Continuation of Directorship of Mr. Virendra Babubhai Dalal (DIN: 00247971) as Non-Executive Independent Director of the Company.**

   To consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution:**

   "RESOLVED that pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and the applicable provisions of the Companies Act, 2013, if any, read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Members of the Company be and is hereby accorded for continuation of Mr. Virendra Babubhai Dalal (DIN: 00247971), as Non-Executive Independent Director of the Company who shall attain the age of 75 years on March 14, 2020 , during his term as a Non-Executive Independent Director.

   RESOLVED FURTHER that to give effect to this appointment, Mrs. Shobha Kapoor, Managing Director and Mrs. Simmi Singh Bisht, Group head Secretarial of the Company be and hereby severally authorized to do all such acts, deeds and things as may be necessary to give effect to above resolution."

7. **Re-appointment of Mr. Virendra Babubhai Dalal (DIN: 00247971) as an Independent Director of the Company.**

   To consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution:**

   "RESOLVED that pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17(1A) and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Virendra Babubhai Dalal (DIN: 00247971), who was appointed as an Independent Director and who holds office of Independent Director up to August 30, 2020 and being eligible, in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for the second term of 5 (five) consecutive years on the Board of the Company w.e.f. August 31, 2020.

   RESOLVED FURTHER that to give effect to this appointment, Mrs. Shobha Kapoor, Managing Director and Mrs. Simmi Singh Bisht, Group Head Secretarial of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary to give effect to above resolution including filing of necessary forms with Registrar of Companies and to issue Letter of Appointment for and on behalf of the Company."

8. **Revision in Remuneration of Ms. Ekta Kapoor (DIN: 00005093), Joint Managing Director of the Company.**

   To consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution:**

   "RESOLVED that pursuant to the recommendations of Nomination and Remuneration Committee and approval of the Board and subject to the provisions of Section 196, 197, 198 and 203 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the

NOTICE OF THE ANNUAL GENERAL MEETING

time being in force) and applicable regulations of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time, consent of the Members of the Company be and is hereby accorded to increase the remuneration payable to Ms. Ekta Kapoor, Joint Managing Director of the Company for a period of 3 years w.e.f. September 01, 2019 on the following terms and conditions:

1. **Basic Salary:** an amount not exceeding ₹ 41,66,667/- per month (i.e. ₹ 5,00,00,000/- per annum)

   Commission: Not exceeding 2.5% of the net profit.

2. **Perquisites, Allowances & Benefits:**

   PART "A"

   a) **Housing:**
   Joint Managing Director shall be entitled to house rent allowance subject to the ceiling of 50% of the basic salary.

   b) **Leave Travel Concession/Allowance:**
   Earned Leave and Leave Travel Concession / Allowance for self and family not exceeding 10% of the basic salary.

   c) **Personal Medical and Accident Insurance:**
   Personal Medical and Accident Insurance and any other coverage in accordance with the Rules & Regulations of the Company.

   d) **Club Fees:**
   Fees of maximum 2 (Two) Clubs (inclusive of Admission and Life Membership fees) to be paid to the Joint Managing Director.

   e) **Medical & Other Allowances:**
   Medical and other allowances not exceeding 30% of the basic salary.

   PART "B"

   a) **Company's contribution to Provident and other Fund:**
   Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

   b) **Leave Encashment:**
   Encashment of leave at the end of tenure will be permitted in accordance with the rules of the Company. The above perquisites shall not be included in the computation of the ceiling on remuneration.

PART "C"

a) **Car:**
The Company shall provide such chauffer driven Car to the Joint Managing Director as may be desired by her for business of the Company.

b) **Telephone:**
Personal mobile phone and telephone facilities at the residence of the Joint Managing Director for use of Company's business.

c) **Entertainment Expenses:**
The reimbursement of actual and properly incurred Entertainment Expenses by the Joint Managing Director for legitimate business of the Company.

Any other perquisites, benefits, facilities, allowances and expense as may be decided by the Board from time to time as per the Rules/Schemes of the Company as applicable to Board Members.

Perquisites shall be valued as per Income Tax Rules, wherever applicable and in the absence of any such Rules, perquisites shall be valued at actual cost.

RESOLVED FURTHER that in the event of loss or inadequacy of profits in any financial year during the term of the Joint Managing Director, Ms. Ekta Kapoor will be paid minimum remuneration as specified in Schedule V to the Companies Act, 2013 as in force.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Ms. Ekta Kapoor, Joint Managing

NOTICE OF THE ANNUAL GENERAL MEETING

Director including Commission and the monetary value of perquisites, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER that any Director of the Company and Mrs. Simmi Singh Bisht, Group Head Secretarial be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution including filing of necessary forms with the Registrar of Companies.**"**

Regd. Office:
C-13, Balaji House, Dalia Industrial Estate,
Opp. Laxmi Industrial Estate, New Link Road,
Andheri (West), Mumbai - 400 053, Maharashtra.
CIN: L99999MH1994PLC082802
Email: **investor@balajitelefilms.com**
Website: **www.balajitelefilms.com**

By order of the Board of Directors
For Balaji Telefilms Limited

Sd/-
Simmi Singh Bisht
Group Head Secretarial
(Membership No. A23360)

Place: Mumbai
Date: May 22, 2019

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.

2. Details as required in Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (**'Listing Regulations'**) and Secretarial Standard-2 on General Meeting in respect of the Directors seeking re-appointment at the AGM are provided in the Annexure to the Notice.

3. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty Members holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Members holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. If a Proxy is appointed for more than fifty Members, the Proxy shall choose any fifty Members and confirm the same to the Company not later than 48 hours before the commencement of the Meeting. In case, the Proxy fails to do so, only the first fifty proxies received by the Company shall be considered as valid. The instrument of Proxy, in order to be effective, should be deposited, either in person or through post, at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of Limited Companies, Societies, etc., must be supported by an appropriate resolution/letter of authority, as applicable.

4. Corporate Members intending to send their authorized representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.

5. Attendance slip, proxy form and the route map of the Venue of the Meeting are annexed hereto. Members/Proxies /Authorized Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copies of Annual Report. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

NOTICE OF THE ANNUAL GENERAL MEETING

6. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID numbers and Members who hold shares in physical form are requested to write their folio numbers in the attendance slip for attending the Meeting.

7. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, August 24, 2019 to Friday, August 30, 2019 (both days inclusive).

8. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection without any fees by the Members at the Registered Office of the Company on all working days (except Saturdays, Sundays and Public Holidays) during business hours up to and including the date of the Meeting.

9. The Final Dividend for the financial year ended March 31, 2019, as recommended by the Board, if approved at the AGM, will be paid on or after Wednesday, September 04, 2019 to those Members whose name appears in the Register of Members of the Company as on the record date i.e. Friday, August 23, 2019.

10. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and /or bank mandate immediately to their Depository Participants.

11. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to Karvy Fintech Private Limited (Karvy) / Investor Service Department of the Company immediately.

12. Members of the Company had approved appointment of M/s. Price Waterhouse Chartered Accountants LLP, (Firm Registration No. 012754N/ N500016) as Statutory Auditors of the Company at the twenty-third AGM of the Company held on August 31, 2017 which is valid till conclusion of the AGM to be held in the financial year 2021-22. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 w.e.f. May 07, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the twenty-fifth AGM.

13. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.

14. The Board of Directors, at their meeting held on May 22, 2019 has appointed Mr. Bhavesh Desai, Company Secretary (Membership No. 7899) and Advocate (Advocate No. MAH/711/2019) as scrutinizer for conducting the e-voting and poll process in a fair and transparent manner.

15. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / List of Beneficial Owners as on Friday, August 23, 2019, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members

NOTICE OF THE ANNUAL GENERAL MEETING

may cast their votes on electronic voting system from any place other than the venue of the Meeting (remote e-voting). The remote e-voting period will commence on Monday, August 26, 2019 (11:30 a.m. IST) and will end on Thursday, August 29, 2019 (5.00 p.m. IST). The e-voting module shall be disabled for voting thereafter. Such remote e-voting facility is in addition to voting that may take place at the Meeting venue on Friday, August 30, 2019. The e-voting instructions explaining the process of remote e-voting with necessary user ID and password are annexed to this notice.

16. Please note that the Members can opt for only one mode of voting i.e., either by voting at the Meeting or remote e-voting. If Members opt for remote e-voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting may also attend the Meeting and participate in the Meeting but shall not be entitled to cast their vote again. A Member cannot exercise his vote by proxy on e-voting.

17. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, Friday, August 23, 2019. Any person who is in receipt of this notice but is not a member as on the cut-off date, Friday, August 23, 2019 should treat this notice for information purpose only.

18. Any person who acquires shares of the Company and becomes a shareholder of the Company after dispatch of Notice of this Annual General Meeting and holds shares as on the cut-off date, Friday, August 23, 2019, may obtain the login ID and password by sending a request at **investor@balajitelefilms.com.** However, if such person is already registered with Karvy Fintech Private Limited, for remote e-voting, he may use his existing user ID and password for casting their vote.

19. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2010-11, from time to time, to the Investor Education and Protection Fund (IEPF) Authority established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on August 31, 2018 (date of the previous Annual General Meeting) on the website of the Company and the same can be accessed through the link:**https://kosmic.karvy.com/IEPF/IEPFInfo.aspx?q=FDl1Zv0mJjU%3d.** The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: **www.iepf.gov.in.**

20. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2018-19, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. November 27, 2018. Details of shares transferred to the IEPF Authority are available on the website of the Company at **www.balajitelefilms.com.** The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: **www.iepf.gov.in.**

21. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all Equity Shares of the Company on which dividend has not been paid or claimed for seven consecutive years or more on October 11, 2019 shall be transferred by the Company to Investor Education and Protection Fund ("IEPF"). The Company has also written to the concerned Shareholders intimating them their particulars of the Equity Shares due for transfer. These details are also available on the Company's website at **www.balajitelefilms.com.** No claim shall lie against the Company in respect of these Equity Shares post their transfer to IEPF. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned Members/Investors are advised to visit the web-link: **http://iepf.gov.in/IEPFA/refund.html** or contact Karvy for lodging claim for refund of shares and/or dividend from the IEPF Authority.

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INSTRUCTIONS FOR E-VOTING:

1. Use the following URL for e-voting: **https://evoting.karvy.com.**

2. Enter the login credentials i.e., user ID and password mentioned in your email/attendance slip/Proxy form/Your Folio No. /DP ID/Client ID will be your user ID. However, if you are already registered with Karvy for e-voting, you can use your existing user id and password for casting your vote.

3. After entering the details appropriately, click on **"LOGIN".**

4. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and one special character (@,#,$,etc.). The system will prompt you to change your password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential for casting your vote in a secure manner.

5. You need to login again with the new credentials.

6. On successful login, the system will prompt you to select the EVENT i.e., Balaji Telefilms Limited.

7. On the voting page, the number of Equity Shares (which represents the number of votes) as held by the Member, on the cutoff date will appear.

8. If you desire to cast all the votes assenting / dissenting to the resolution, then enter all Equity Shares and click "FOR" / "AGAINST" as the case may be or partially in "FOR" and partially in "AGAINST", but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding as on the cutoff date. You may also choose the option "ABSTAIN" and the Equity Shares held will not be counted under either head.

9. Members holding multiple folios / demat account shall choose the voting process separately for each folio / demat account.

10. Cast your vote by selecting an appropriate option and click on "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

OTHER INSTRUCTIONS:

1. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual available at the "download" section of **https://evoting.karvy.com** or contact Karvy Fintech Private Limited. on **1800 345 4001** (toll free).

2. The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Karvy / Investor Services Department of the Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.

3. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 , the Register of contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013 and the Certificate from Auditors of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, will be available for inspection at the AGM.

4. The Results shall be declared on or after the AGM of the Company. The Results declared shall be communicated to the BSE Limited and National Stock Exchange of India Ltd. within 48

NOTICE OF THE ANNUAL GENERAL MEETING

hours of conclusion of the AGM of the Company. The Results along with the Scrutinizer's Report shall be placed on the Company's website at www.balajitelefilms.com and on Registrar and Transfer Agent's website at www.karvyfintech.com

5. The resolution(s) shall be deemed to be passed on the date of the General Meeting, subject to receipt of sufficient votes.

6. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail on bndesai4u@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_EVENT NO."

7. In case of any query or grievance, please refer to the Help & FAQ section of the website of Karvy Fintech Private Limited at www.karvyfintech.com or call on 040- 67161510 or contact Mrs. Simmi Singh Bisht, Group Head Secretarial at simmi.bisht@balajitelefilms.com or call on +91-022-40698000.

Regd. Office:
C-13, Balaji House, Dalia Industrial Estate,
Opp. Laxmi Industrial Estate, New Link Road,
Andheri (West), Mumbai - 400 053, Maharashtra.
CIN: L99999MH1994PLC082802
Email: investor@balajitelefilms.com
Website: www.balajitelefilms.com

Place: Mumbai
Date: May 22, 2019

By order of the Board of Directors
For Balaji Telefilms Limited

Sd/-
Simmi Singh Bisht
Group Head Secretarial
(Membership No. A23360)

NOTICE OF THE ANNUAL GENERAL MEETING

Explanatory Statement

As required by Section 102 of the Companies Act, 2013 ("the Act"), the following Explanatory Statement sets out all material facts relating to the Business mentioned under Item No 4 to 8 of the accompanying Notice:

Item No. 4

Mr. Ramesh Gopal Sippy (DIN: 00652881) is a science graduate and has around 50 years of experience in Film Industry. He has been elected as President of Indian Motion Picture Distributors' Association. He is one of the leading Distributor of films in India.

The Board, on the recommendation of Nomination and Remuneration Committee and considering his background and experience in Media & Entertainment Industry, has proposed the appointment of Mr. Ramesh Gopal Sippy as Non-Executive Director of the Company w.e.f. September 01, 2019 and whose office is liable to retire by rotation.

Regulation 17(1A) of the Listing Regulations requires the Company to obtain approval of Members by way of Special Resolution for appointing or continuing the Directorship of a person as a Non-Executive Director who has attained the age of 75 years.

Mr. Ramesh Gopal Sippy is aged 75 years and hence his appointment as Non- Executive Director of the Company requires approval of the Members by way of Special Resolution.

The Company has received a notice under Section 160(1) of the Act proposing his candidature for the office of Director of the Company. Mr. Ramesh Gopal Sippy is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Further, details of Mr. Ramesh Gopal Sippy have been given in the Annexure to this Notice.

None of the Directors, Key Managerial Personnel or their relatives except Mrs. Shobha Kapoor being related to Mr. Ramesh Gopal Sippy are concerned or interested in the resolution.

Copy of draft letter of appointment of Mr. Ramesh Gopal Sippy setting out the terms and conditions of appointment are available for inspection by the Members at the registered office of the Company.

The Board recommends the Resolution as set out in the Item No. 4 of the accompanying Notice for the approval by the Members of the Company.

Item No. 5 & 7

Mr. Arun Kumar Purwar (DIN: 00026383) and Mr. Virendra Babubhai Dalal (DIN: 00247971) were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges. Mr. Arun Kumar Purwar and Mr. Virendra Babubhai Dalal hold office as Independent Directors of the Company up to August 30, 2020 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of performance evaluation of Independent Directors, has recommended re-appointment of Mr. Arun Kumar Purwar and Mr. Virendra Babubhai Dalal as Independent Director for a second term of 5 (Five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation of Independent Director and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background, experience and contributions made by them during their tenure, the continued association of Mr. Arun Kumar Purwar and Mr. Virendra Babubhai Dalal would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, it is proposed to re-appoint Mr. Arun Kumar Purwar and Mr. Virendra Babubhai Dalal as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5 (Five) consecutive years on the Board of the Company.

Mr. Arun Kumar Purwar and Mr. Virendra Babubhai Dalal are not disqualified from being appointed as Directors in terms of Section 164 of the Act and has given their consent to act as Director.

NOTICE OF THE ANNUAL GENERAL MEETING

The Company has received notice in writing under Section 160(1) of the Act proposing the candidature of Mr. Arun Kumar Purwar and Mr. Virendra Babubhai Dalal, for the office of Independent Director of the Company.

The Company has also received declaration from Mr. Arun Kumar Purwar and Mr. Virendra Babubhai Dalal that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

Further, details of Director whose re-appointment as Independent Director is proposed in Item No. 5 & 7 has been given in the Annexure to this Notice.

Copy of draft letter of appointment of Mr. Arun Kumar Purwar and Mr. Virendra Babubhai Dalal setting out the terms and conditions of appointment are available for inspection by the Members at the registered office of the Company.

Mr. Arun Kumar Purwar and Mr. Virendra Babubhai Dalal are interested in the resolution set out respectively at Item No. 5 & 7 of the Notice with regard to their re-appointment. The relatives of them may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Resolution as set out in the Item No. 5 & 7 of the accompanying Notice for the approval by the Members of the Company.

Item No. 6

Mr. Virendra Babubhai Dalal, Non-Executive Independent Director will attain the age of 75 years on March 14, 2020 and hence his continuation of Directorship as a Non-Executive Director w.e.f. March 14, 2020, requires the approval of Members by way of a special resolution, pursuant to Regulation 17(1A) of the Listing Regulations.

The Board based on the performance evaluation of Mr. Virendra Babubhai Dalal considers that given his background, experience and contributions made by him during his tenure, the continued association of Mr. Virendra Babubhai Dalal would be beneficial to the Company.

Further details of Mr. Virendra Babubhai Dalal have been given in the Annexure to this Notice.

Mr. Virendra Babubhai Dalal is interested in the resolution set out at Item No. 6 of the Notice with regard to his continuation of Directorship. His relatives may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

The Board recommends the Resolution as set out in the Item No. 6 of the accompanying Notice for the approval by the Members of the Company.

Item No. 8

Ms. Ekta Kapoor is the driving creative force behind the Company's most successful and most famous shows. She ventured into Television Serial production at the age of 19. In no time, she altered the face of Indian Television Industry and continues to dominate till date. Her shows have broken all previous records of Television Serial Production and popularity in India. She has driven the success of the motion picture business and is driving leadership in the digital streaming domain.

Considering the progress made by the Company under the able guidance and supervision of Ms. Ekta Kapoor and her expertise in the industry and on the basis of recommendation of Nomination & Remuneration Committee, it is proposed to revise remuneration payable to Ms. Ekta Kapoor as Joint Managing Director of the Company.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor being related to each other are concerned or interested in resolution.

The Board recommends the Resolution as set out in the Item No. 8 of the accompanying Notice for the approval by the Members of the Company.

NOTICE OF THE ANNUAL GENERAL MEETING

Information Required Under Clause (B) (iv) of Part II of Schedule V for Item No. 8

I. General Information:

1. Nature of Industry:

The Indian M&E sector grew 13.4% which was higher than the Indian Economy and reached INR 1.67 trillion (USD 23.9 billion) in 2018, and is expected to cross INR 2.35 trillion (USD 33.6 billion) by 2021, at a CAGR of 12%. The M&E sector is seeing the fruits of continued economic growth and India's rising per-capita nominal GDP.

Television, the largest segment, grew at on the back of a strong performance by regional channels, multiple sporting events and high impact properties. The film segment continues to grow domestically and was further supported by the growth in Indian film exports, particularly to China and increasing values for digital rights.

Digital continues to be the fastest growing segment within the Indian M&E space led by digital subscription that grew by over 250% with Indians now starting to pay for online content. Advertising budgets continued their shift towards digital media and now account for 21% of total advertising spends.

2. Date of commencement of Commercial Production:

The Company was incorporated on November 10, 1994. Immediately after incorporation, the Company had commenced production of serials and gradually engaged in the activities of production and distribution of serials, films and other entertainment programs.

3. In case of new Companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A.

4. Financial Performance based on given indicators: The financial data as per last audited Balance Sheet as on March 31, 2019 is as under:

(₹ In Lacs)

Particulars	2018-19 (Audited)
Revenues	44,030.15
Expenditure	42,558.48
Operating Profit	1,471.67
Other Income	2,482.16
Profit Before Taxes	2,645.04
Exceptional items	NIL
Income Tax	632.58
Profit After Taxes	2,012.46

5. **Foreign Investments or Collaborators:** At present the Company does not have any participation in any foreign investment, nor there is any holding of foreign body corporate in the Company.

II. Information about the Appointees :

1. Background details :

Ms. Ekta Kapoor is the Joint Managing Director of the Company. She is daughter of Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor and sister of Mr. Tusshar Kapoor. Ms. Ekta Kapoor is the creative force behind the Company's most successful and most famous shows. She ventured into Television Serial Production at the age of 19. In no time, she altered the face of Indian television industry and continues to dominate till date. Her shows have broken all previous records of Television Serial production and popularity in India. She has driven the success of the motion picture business and is driving leadership in the digital streaming domain.

NOTICE OF THE ANNUAL GENERAL MEETING

2. **Past remuneration:**

(Amount in ₹)

Name	Designation	Basic Salary	Perquisites, allowances & benefits	Commission	Total
Ekta Kapoor	Joint Managing Director	2,22,60,000	-	-	2,22,60,000

Employer Contribution of ₹ 17,28,000 to Provident Fund is not included above.

All above figures are per annum and pertains to F.Y. 18-19.

3. **Recognition and Awards:**

Among others, following is the short list of few of the awards won by Ms. Ekta Kapoor, Joint Managing Director:

Awarding Entity	Year	Award
Ernst & Young	2001	Entrepreneur of the Year
The Economic Times Award	2002	Business Woman of the Year
American Biographical Institute	2003	Woman of the Year
Indian Telly Awards	2004	Creative Director of The Year
Indian Telly Awards	2006	Hall of Fame
Star Parivaar Awards	2010	Special Honour
3rd Boroplus Gold Awards	2010	Hall of Fame
Indo-American Society	2010	Most Outstanding Woman Entrepreneur award
National Media Network Film and TV Awards	2011	Most Successful Film & TV Producer
Dadasaheb Phalke Academy Awards	2012	'Phalke Icon Producer Award' for Film & Television
Asia Pacific Entrepreneurship Awards	2015	Woman Entrepreneur of the Year
Indian Business Awards	2017	Business Today's Most Powerful Women
KhaasRishta Award	2017	KhaasRishta Award
ITA Awards	2017	Sterling Icon of Entertainment
IWM (Indian Wiki Media) Digital Awards	2018	Web Person of the year
34th Annual session of FICCI Ladies Organisation	2018	FLO Icon Award
Hindustan Times Style Awards	2019	Most Stylish Flimmaker
The Economic Times	2019	Content Creator of the Year
ET Edge Maharashtrian Awards	2019	Content Powerhouse
Forbes	2019	Icon of Excellence
Fortune 50	2019	Most Powerful Women in Business
Variety Magazine	2019	Top 500 Global Entertainment Leaders
LinkedIn	2019	League of Global Leaders

NOTICE OF THE ANNUAL GENERAL MEETING

4. **Job Profile and Suitability:**

As Joint Managing Director, Ms. Ekta Kapoor drives the creation and curation of the content created and produced by and for the Company. She provides strong leadership and brings astute management skills to the Company. Having been instrumental in steering the Company towards being the leader in the television industry in India, Ms. Ekta Kapoor has almost two decade's worth of experience in this domain. She has produced over 175 shows for various entertainment channels, aggregating over 20,000 hours of television content, over 40 movies and over 40 original exclusive series for ALTBalaji. With this extensive experience, she is ideally placed to ensure that the Company continues to make profitable, quality and differentiated content.

Balaji Telefilms Limited has launched several critically acclaimed television serials, over 40 movies and has a rapidly growing digital streaming service (ALT Balaji) in its short tenure within the industry. She has a great understanding of Indian audiences and never ceases to deliver appealing content to the masses. Ms. Ekta Kapoor's leadership and involvement has been significant in steering the Company towards being a front runner in the Indian Media and Entertainment industry. Consequently, her untiring efforts have well positioned Balaji Telefilms to cater to the rapidly growing Indian Entertainment space and to demonstrate excellent growth going forward.

5. **Remuneration proposed:**

Revise from ₹ 2,40,00,000/- (Rupees Two Crores Forty Lakhs Only) per annum to ₹ 5,00,00,000/- (Rupees Five Crores Only) per annum.

6. **Comparative Remuneration profile with respect to Industry, Size of the Company, Profile of the Position and Person:**

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Ms. Ekta Kapoor, the remuneration proposed to be paid is commensurate with the remuneration package paid to the similar counter parts in other Companies.

7. **Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel:**

Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor are relatives of the appointee, who are also inter se related to each other. Except for receipt of rent for immovable property by the appointee and her relatives viz. Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor and receipt of dividend by them, if declared by the Company on the share capital held by them, she do not have any material pecuniary relationship with the Company.

III. Other Information:

1. **Reasons of inadequate profits:**

The content production space operates with certain cyclicality. In the last couple of years, we have had a number of new shows launching which resulted in higher initial costs. However, as the shows become popular they generate significantly higher profits. We now have a more stable line up of shows with improved profitability as the shows launched in previous years have become daily hits.

2. **Steps taken or proposed to be taken for improvement:**

In recent years, the Company has put in an aggressive plan to improve the per hour realistion and improve our production costs We now focus only on prime time shows with higher impact and higher revenues and have seen our average revenue per hour increase year on year.

We also endeavor to control costs by actively monitoring cost for initial episodes and aim to break even relatively faster. The same is visible in the performance of the Company over the last few quarters.

NOTICE OF THE ANNUAL GENERAL MEETING

3. **Expected increase in productivity and profits in measurable terms:**

   We believe all the initiatives listed above will bring and create further value for our shareholders. It will also enhance the revenue potential of the Group, resulting in better and improved profit for the companies of the Balaji Group.

IV. **Disclosures:**

   The information and disclosures of the remuneration package of the Managerial Personnel have been mentioned in the Annual Report in the Corporate Governance Report under the heading Remuneration in Rupees paid to Directors for the year ended March 31, 2019.

ANNEXURE

Details of Directors Retiring by Rotation / Seeking Appointment and Re-Appointment at the forthcoming Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings]

Mr. Ramesh Gopal Sippy	
Age	75 Years
Qualification	B. Sc., University of Bombay
Experience	50 years of experience in Film Industry. He has been elected as President of Indian Motion Picture Distributors' Association. He is one of the leading Distributor of films in India.
Terms & Conditions of Appointment/Re-appointment	In terms of Section 152 of the Companies Act, 2013, Mr. Ramesh Gopal Sippy will be appointed as a Non-Executive Director in Annual General Meeting and is liable to retire by rotation.
Remuneration last drawn (including sitting fees, if any)	N.A.
Remuneration proposed to be paid	As approved by Board of Directors.
Date of first appointment on the Board	N.A.
Shareholding in the Company as on March 31, 2019	Nil
Relationship with other Directors/Key Managerial Personnel	Brother of Mrs. Shobha Kapoor and not related to any other Director/Key Managerial Personnel
No. of Meetings of the Board attended during the financial year 2018-19	N.A.
Directorships of other Boards as on March 31, 2019	• Raksha Entertainment Private Limited
	• Indian Motion Picture Distributors Association
Membership/Chairmanship of Committees of other Boards as on March 31, 2019	N.A.

Mrs. Shobha Kapoor	
Age	70 Years
Qualification	Under graduate
Experience	20+ years of experience in media and entertainment industry. Please refer Company's website: www.balajitelefilms.com for detailed profile.
Terms & Conditions of Appointment/ Re-appointment	As approved by Members at AGM held on August 31, 2018.
Remuneration last drawn (including sitting fees, if any)	₹ 2,39,88,000/-
Remuneration proposed to be paid	As per existing approved terms and conditions
Date of first appointment on the Board	November 10, 1994
Shareholding in the Company as on March 31, 2019	1,10,08,850 Equity Shares of Face Value ₹2 /- each

ANNEXURE

Relationship with other Directors/Key Managerial Personnel	Wife of Mr. Jeetendra Kapoor and Mother of Ms. Ekta Kapoor and not related to any other Director/Key Managerial Personnel
No. of Meetings of the Board attended during the financial year 2018-19	4
Directorships of other Boards as on March 31, 2019	• Alt Digital Media Entertainment Limited • Chhayabani Balaji Entertainment Private limited • Marinating Films Private Limited • Balaji Teleproducts Limited • Balaji Films & Telly Investment Limited • Shri Navnidhi Developers Private Limited • Balaji Motion Pictures Limited
Membership/Chairmanship of Committees of other Boards as on March 31, 2019	**Alt Digital Media Entertainment Limited** • Nomination and Remuneration Committee – Member

Mr. Arun Kumar Purwar	
Age	73 Years
Qualification	Post Graduate from Allahabad University
Experience	35+ years of experience in Banking Industry. He is also associated with various Companies across diverse sectors. Please refer Company's website: www.balajitelefilms.com for detailed profile.
Terms & Conditions of Appointment/ Re-appointment	As per the resolution at Item No. 5 of the Notice convening this meeting read with Explanatory Statement thereto.
Remuneration last drawn (including sitting fees, if any)	₹ 5,00,000/-
Remuneration proposed to be paid	As approved by Board of Directors.
Date of first appointment on the Board	May 20, 2015
Shareholding in the Company as on March 31, 2019	NIL
Relationship with other Directors/Key Managerial Personnel	Not related to any other Director/Key Managerial Personnel
No. of Meetings of the Board attended during the financial year 2018-19	4
Directorships of other Boards as on March 31, 2019	• Jindal Steel And Power Limited • Alkem Laboratories Limited • Reliance Communications Limited • IIFL Holdings Limited • Energy Infratech Private Limited • ONGC Tripura Power Company Limited • Tadas Wind Energy Private Limited • Mizuho Securities India Private Limited • Eroute Technologies Private Limited

ANNEXURE

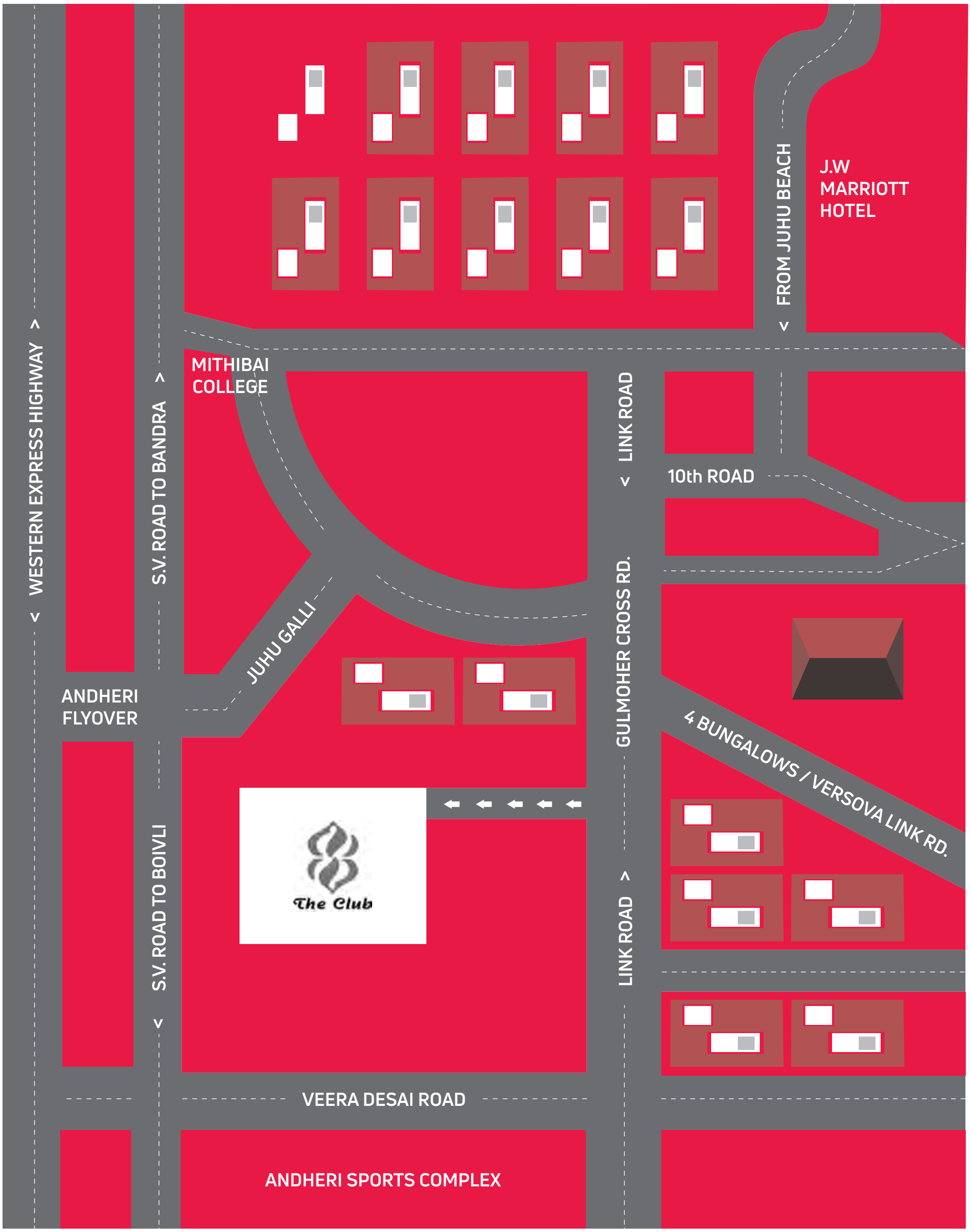
Membership/Chairmanship of Committees of other Boards as on March 31, 2019	**Jindal Steel and Power Limited** • Audit Committee-Member • Investment Committee-Chairman • Nomination and Remuneration Committee-Member
	IIFL Holdings Limited • Compensation / Remuneration Committee-Member • Risk Management Committee-Member
	ONGC Tripura Power Company Limited • Audit Committee-Chairman
	Alkem Laboratories • Nomination and Remuneration Committee-Chairman • Corporate Social Responsibility- Member
	Tadas Wind Energy Private Limited • Audit Committee-Chairman • Nomination and Remuneration Committee-Member

Mr. Virendra Babubhai Dalal	
Age	74 Years
Qualification	Chartered Accountant
Experience	10+ years of experience in Accountancy and more than 40 years of experience in Audit and Direct Taxation and has handled various international assignments in Internal and Operational Audits in U.K., Portugal, Kenya and Indonesia. Please refer Company's website: www.balajitelefilms.com for detailed profile.
Terms & Conditions of Appointment/ Re-appointment	As per the resolution at Item No. 6 & 7 of the Notice convening this meeting read with Explanatory Statement thereto.
Remuneration last drawn (including sitting fees, if any)	₹ 6,00,000/-
Remuneration proposed to be paid	As per existing approved terms and conditions
Date of first appointment on the Board	August 12, 2014
Shareholding in the Company as on March 31, 2019	NIL
Relationship with other Directors/Key Managerial Personnel	Not related to any other Director/Key Managerial Personnel
No. of Meetings of the Board attended during the financial year 2018-19	4
Directorships of other Boards as on March 31, 2019	• Chhayabani Balaji Entertainment Private Limited
	• Superadd Trade Private Limited
	• ALT Digital Media Entertainment Limited
Membership/Chairmanship of Committees of other Boards as on March 31, 2019	**ALT Digital Media Entertainment Limited** • Audit Committee-Member • Nomination & Remuneration Committee-Chairman

ANNEXURE

Ms. Ekta Kapoor	
Age	44 Years
Qualification	Under Graduate
Experience	20+ years of experience in media and entertainment industry. Please refer Company's website: www.balajitelefilms.com for detailed profile.
Terms & Conditions of Appointment/ Re-appointment	As approved by Members at AGM held on August 31, 2018.
Remuneration last drawn (including sitting fees, if any)	₹ 2,39,88,000/-
Remuneration proposed to be paid	As per resolution at item no. 8 of the Notice convening this Meeting read with Explanatory Statement thereto.
Date of first appointment on the Board	November 10, 1994
Shareholding in the Company as on March 31, 2019	1,83,08,208 Equity shares of Face value of ₹ 2 /- each
Relationship with other Directors	Daughter of Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor and not related to any other Directors/Key Managerial Personnel
No. of Meetings of the Board attended during the financial year 2018-19	4
Directorships of other Boards as on March 31, 2019	• Chhayabani Balaji Entertainment Private limited
	• Marinating Films Private Limited
	• Balaji Teleproducts Limited
	• Ekta K. Securities & Investment Private Limited
	• Balaji Films & Telly Investment Limited
	• Perisos Media Private Limited
	• Alt Digital Media Entertainment Limited
	• Balaji Motion Pictures Limited
Membership/Chairmanship of Committees of other Boards as on March 31, 2019	Nil

ROUTE MAP TO THE VENUE OF 25TH ANNUAL GENERAL MEETING OF THE COMPANY



Landmark : Opp. D.N. Nagar Police Station

ATTENDANCE SLIP

BALAJI TELEFILMS LIMITED
CIN: L99999MH1994PLC082802
Registered Office: C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate,
New Link Road, Andheri (West), Mumbai – 400 053
Tel No: +91 022-4069800 **Fax No:** +91 022 40698181
Website: www.balajitelefilms.com **E-mail Id:** investor@balajitelefilms.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint shareholders may obtain Additional Slip at the Venue of the Meeting.

Name & Address of the Shareholder:			
DP Id*		**Folio No.**	
Client Id*		**No. of shares**	

I hereby record my presence at the **25th Annual General Meeting** of the Members of the Company held on Friday, August 30, 2019, at 12:00 noon at "The Club", 197, Juhu Versova Link Road, Opp. D. N. Nagar Police Station, Andheri (West), Mumbai – 400 053, Maharashtra.

*Applicable for Members holding shares in Electronic form.

____
Signature of Member / Proxy

BALAJI TELEFILMS LIMITED
CIN: L99999MH1994PLC082802
Registered Office: C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate,
New Link Road, Andheri (West), Mumbai – 400 053
Tel No: +91 022 4069800 **Fax No:** +91 022 40698181
Website: www.balajitelefilms.com **E-mail Id:** investor@balajitelefilms.com

Form MGT-11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member:		**Folio No./Client Id*:**	
Address of the Member:		**DP Id*:**	
E-mail Id:			

* Applicable for Members holding shares in Electronic form.

I/We being the Member(s) of Balaji Telefilms Limited holding _______shares, hereby appoint

1) Name:________________________________E-mail Id:_______________________________________

Address:____

Signature____, or failing him/her

2) Name:________________________________E-mail Id:______________________________________

Address:____

Signature____, or failing him/her

3) Name:________________________________E-mail Id:______________________________________

Address:____

Signature____, or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **25th Annual General Meeting** of the Members of the Company, to be held on Friday, August 30, 2019 at 12:00 noon at "The Club", 197, Juhu Versova Link Road, Opp. D. N. Nagar Police Station, Andheri (West), Mumbai – 400 053, and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Sr. No.	Resolution	For*	Against*
1.	Consider and Adopt:		
	a) Audited Financial Statements for the financial year ended March 31, 2019 and the report of Board of Directors and Auditors thereon; b) Audited Consolidated Financial Statements for the financial year ended March 31, 2019 and the report of Auditors thereon.		
2.	Appointment of a Director in place of Mrs. Shobha Kapoor (DIN:00005124), who retires by rotation and being eligible, offers herself for re-appointment.		

3.	Declaration of Final Dividend on Equity Shares for the financial year ended March 31, 2019.		
4.	Appointment of Mr. Ramesh Gopal Sippy (DIN: 00652881) as Non-Executive Director of the Company.		
5.	Re-appointment of Mr. Arun Kumar Purwar (DIN: 00026383) as an Independent Director of the Company.		
6.	Continuation of Directorship of Mr. Virendra Babubhai Dalal (DIN: 00247971) as Non-Executive Independent Director of the Company.		
7.	Re-appointment of Mr. Virendra Babubhai Dalal (DIN: 00247971) as an Independent Director of the Company.		
8.	Revision in Remuneration of Ms. Ekta Kapoor (DIN: 00005093), Joint Managing Director of the Company.		

Signed this ______________________day of _____________________2019.

Affix Revenue Stamp

Signature of Member(s)___________________________

Notes:

*1. This is only optional. Please put a ' ✓' in the appropriate column against the resolutions indicated in the Box. If you leave 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote at the Meeting in the manner he/she thinks appropriate.

2. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than forty-eight hours before the commencement of the Meeting.

3. A proxy need not be a Member of the Company and shall prove his identity at the time of attending the Meeting.

4. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

5. Appointing a proxy does not prevent a Member from attending the Meeting in person if he/she so wishes. When a Member appoints a Proxy and both the Member and Proxy attend the Meeting, the Proxy will stand automatically revoked.

6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

7. This form of proxy shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.

8. This form of proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.

9. Undated proxy form will not be considered valid.

10. If Company receives multiple proxies for the same holdings of a Member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.

Balaji Telefilms Limited

For more information about Balaji Telefilms Limited, please visit our website:

www.balajitelefilms.com

Registered Office
C-13, Balaji House, Dalia Industrial Estate,
Opp. Laxmi Industrial Estate,
New Link, Road, Andheri (West),
Mumbai - 400 053.

Please visit our website: www.balajitelefilms.com