

Balaji Telefilms Ltd.

C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industries
New Link Road, Andheri (West), Mumbai - 400 053.
Tel.: 40698000 • Fax : 40698181 / 82 / 83
Website : www.balajitelefilms.com
CIN No. : L99999MH1994PLC082802



August 09, 2021

To,

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001
Stock Code: 532382

National Stock Exchange of India Ltd.
"Exchange Plaza",
Bandra-Kurla Complex, Bandra (East),
Mumbai 400 051
Stock Code: BALAJITELE

Sub: Notice of Annual General Meeting ("AGM") along with Annual Report of Balaji Telefilms Limited for the financial year 2020-21.

Dear Sir/Madam,

In continuation to our letter dated August 06, 2021 and in terms of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached Notice of AGM along with Annual Report of Balaji Telefilms Limited for the financial year 2020-21 which have been sent through electronic mode to all the Members of the Company who have registered their e-mail address with the Company/Depository Participant(s).

The Notice of AGM along with Annual Report for the financial year 2020-21, is available on the website of the Company at www.balajitelefilms.com and on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Ltd at www.bseindia.com and www.nseindia.com and on the website of NSDL i.e. www.evoting.nsdl.com. respectively.

Kindly take the same on record.

Thanking You.

Yours truly,

For Balaji Telefilms Limited


Sanjay Dwivedi

Group Chief Financial Officer





Sustainable Entertainment For Decades

Balaji Telefilms Limited

2020-21
Annual Report

**ENTERTAINMENT ACTS
AS AN ESCAPE FROM
TOUGH REALITIES.**



And our aspiration to move closer to our audiences beckons us to create endearing stories that provide respite from tedious routines.

Over the past few decades, we have successfully evoked emotions and left a lasting impact on the minds of the Indian audience. Our ability to grasp the changes in the entertainment industry keeps us poised to explore myriad opportunities. Today, we are not just renowned for the mass-favourite television shows but, have secured a formidable presence in films and the OTT space. With a growing inclination towards digital domains of entertainment, we were quick to comprehend audience preferences. Likewise, we discovered ways to keep our audiences engaged with exciting content.

Keeping the Indian audience at the heart of our endeavours, we have explored shows in diverse genres and local languages – fulfilling our promise of delighting audiences, year after year.

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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. Pradeep Kumar Sarda

Independent Director
(DIN: 00021405)

Mr. Virendra Babubhai Dalal

Independent Director
(DIN: 00247971)

Mr. Devender Kumar Vasal

Independent Director
(DIN: 06858991)

Mr. Ramesh Sippy

Non-Executive Director
(DIN: 00652881)

Dr. Archana Hingorani

Independent Director
(DIN: 00028037)

Mr. Jason Kothari

Additional Director
(Non-Executive Independent)
(w.e.f. February 11, 2021)
(DIN: 07343314)

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

Mr. Nachiket Pantvaidya (upto April 30, 2021)

Group Chief Executive Officer

Mr. Nachiket Pantvaidya
(w.e.f. July 19, 2021)

Group Chief Operating Officer

Mr. Zulfiqar Khan
(w.e.f. June 18, 2021)

Group Chief Financial Officer

Mr. Sanjay Dwivedi

Senior Management

Mr. Stephen Daniel

Group Head – HR

Ms. Tanushri Das Gupta

Executive V.P. Digital

Ms. Ruchikaa Kapoor

EVP Marketing, Creative & Branding
(Motion Pictures)

Mr. Vimal Doshi

Head-Distribution (Motion Pictures)

Mrs. Divya Dixit

Senior Vice President-Marketing
(ALT Balaji)

Mr. Baljit Chaddha

Creative Director (ALT Balaji)

Statutory Auditors

Price Waterhouse Chartered
Accountants LLP

Secretarial Auditors

MMJB & 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

KFin Technologies Private Limited
(formerly known as Karvy Fintech Private Limited)
Selenium Tower B, Plot No 31 & 32
Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad – 500 032, Telangana.
Tel: +91-0406716 2222,
7961 1000
Fax: +040-23440674
Toll Free No: 1800 309 4001
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

Bankers

Yes Bank Limited
ICICI Bank Limited
HDFC Bank Limited
Axis Bank Limited
Oriental Bank of Commerce
State Bank of India
Central Bank Of India
IndusInd Bank Limited

About *Us*

Balaji
Telefilms
Limited is a

*leading
entertainment
company*



in India and amongst
the largest content
production houses in
Asia for production
and distribution of
film, television series
and over the top
platform content
across all media.

We create content that strikes chord with the world's fourth most spoken language and over 300 million native Hindi speakers, spread across the globe. Our storytelling captures the plurality of emotions that is representative of the multi-cultural dimension of India and draw consumers from all sections of the society.

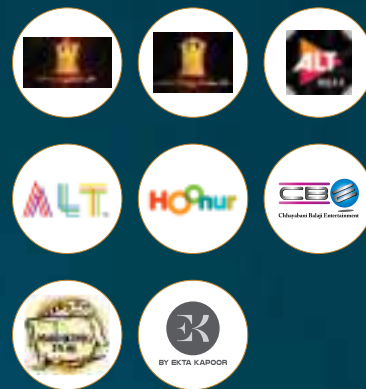
In over 26 years of our journey, we have become a household name and redefining the experience of entertainment through creativity with responsibility. Through successful relationships

with the industry partners and stakeholders, we continue to build on our strength to deliver a wholesome entertainment package across different formats.

Vision

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

Our brands



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 works together as a team.

● EXCELLENCE

We push the bar and never settle for second best



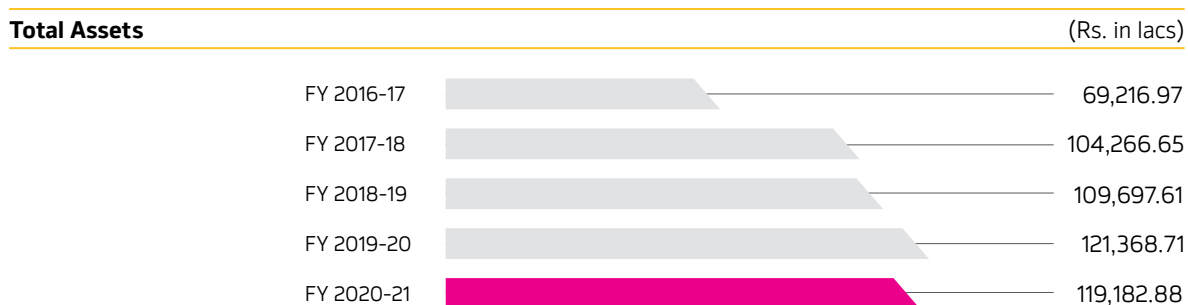
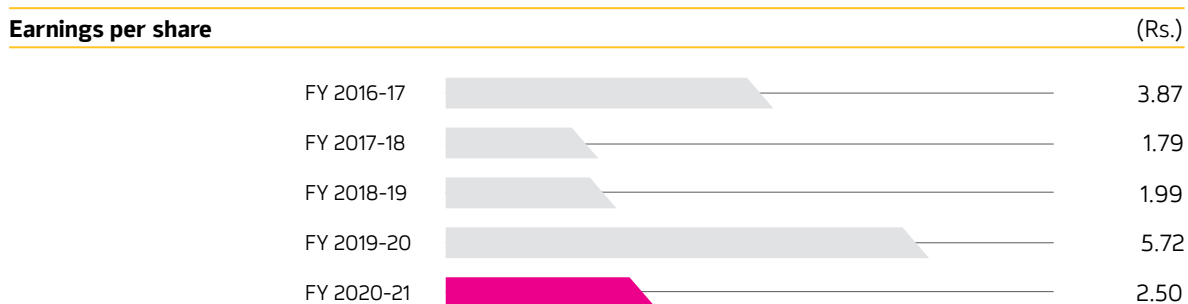
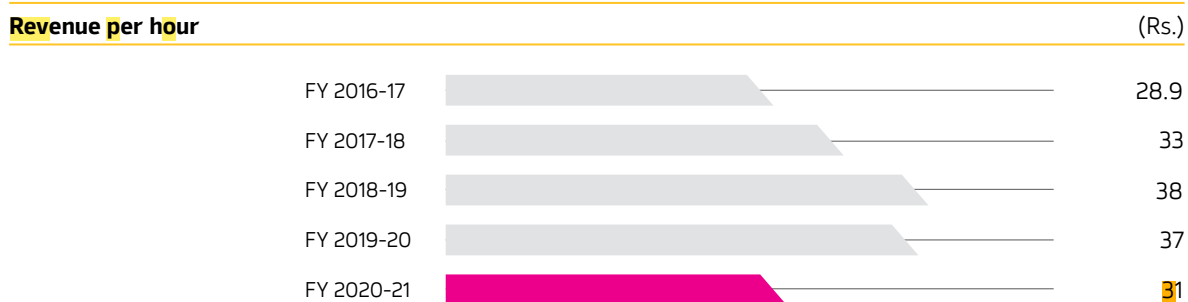
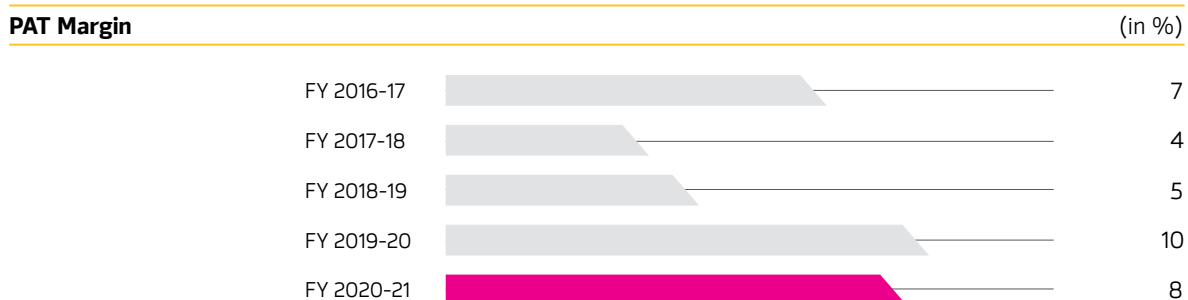
Business Performance

Revenue from operations		(Rs. in lacs)
FY 2016-17		40,850
FY 2017-18		41,658
FY 2018-19		44,030
FY 2019-20		57,663
FY 2020-21		31,578

EBIDTA		(Rs. in lacs)
FY 2016-17		280
FY 2017-18		5,310
FY 2018-19		1,472
FY 2019-20		12,416
FY 2020-21		3,741

EBIDTA Margins		(in %)
FY 2016-17		1
FY 2017-18		13
FY 2018-19		3
FY 2019-20		22
FY 2020-21		12

PAT		(Rs. in lacs)
FY 2016-17		2,940
FY 2017-18		1,630
FY 2018-19		2,012
FY 2019-20		5,787
FY 2020-21		2,528



Message from the Promoters



Mr. Jeetendra Kapoor
Promoter



Mrs. Shobha Kapoor
Promoter



Ms. Ekta Kapoor
Promoter

“

The industry exhibited remarkable resilience to overcome obstacles and the Indian media and entertainment industry is expected to be the fastest growing market globally, in terms of consumer and advertising revenue.

”

Dear shareholders,

As we step into another fiscal, we are glad to take you through an insightful discussion on your Company's performance during FY20-21.

While the Coronavirus pandemic wreaked havoc on world economies, people grappled with an unfathomable crisis. Strict lockdowns were imposed around the world. It not only curtailed economic activity considerably, restrictions on movement affected industries across sectors. The Indian economy too suffered a huge GDP contraction. To aid economic recovery, the government and the Reserve Bank of India introduced favourable monetary policies that stimulated demand. The successful implementation of vaccination drives since early Q4FY21 also improved sentiments. However, the second wave of the pandemic in Q1FY22 somewhat affected a positive turnaround. As the effects of the pandemic subside, the Indian economy is poised to recover in the near term, mostly on account of improved consumer sentiments and government stimulus to foster economic revival.

Indian Media and Entertainment Industry

The Indian Media and Entertainment industry declined 24% in FY2020-21 due to the pandemic and the subsequent operational and financial challenges. As lockdowns continued across the country, theatres were closed and shootings were halted. This affected production schedules and the industry struggled to deliver fresh content on time. Content consumption patterns also underwent significant changes. With the growth of digital infrastructure

and availability of cheaper data packages, a shift towards digital entertainment platforms was noticed. As people preferred to view shows on digital devices, at a time and place of their preference, personalised viewing experiences predominated consumer behaviour.

The industry exhibited remarkable resilience to overcome obstacles and the Indian media and entertainment industry is expected to be the fastest growing market globally, in terms of consumer and advertising revenue. Technological advancements and deepening of internet access will continue to influence consumption patterns, with more opportunities for innovation and a rapid adoption of modern business models. TV advertising is slowly reviving and double digit CAGR growth of box office revenues is expected in the next couple of years. The over-the-top segment has been a silver lining in the entertainment industry and is expected to continue its momentum in the long term.

Performance review

Despite an adverse operating environment, the Company managed to stay afloat through strategic efforts, innovative marketing strategies and financial prudence. In the last fiscal, financial performance was impacted by the Covid 19 pandemic. The effect was mostly felt on the TV and Movie business, even as the digital arm remained strong. The Company posted loss of INR 118.9 crores during the fiscal 2020-21, due to 48% reduction in top line. Nevertheless, the Company is committed to create value for investors and announced a dividend of 10% for shareholders.

TV

Production and shooting for TV shows have resumed with new SOPs in place. The overall demand for content remains strong, even as rates have softened due to the impact on broadcasters' revenue. Popular shows such as Kundali Bhagya and Kumkum Bhagya are running successfully and we expect the release of 4-6 more shows in the year ahead. It is expected to drive revenue growth despite subdued pricing pressures.

Movies

Carrying forward the success of Dream Girl, we released two successful movies Dolly Kitty Aur Woh Chamakte Sitare and Pagglait on OTT platforms. Dolly Kitty was appreciated at international film festivals in London and had it not been for the pandemic, the film was set to make an appearance in other film festivals too. Direct to digital emerged as a viable option for release of movies and the Company has reworked its movie slate accordingly to segregate movies based on content and budget for theatrical and digital releases. The Company is open to various monetization opportunities for existing and future projects and the team is focusing on completing existing projects through strict supervision. For the year ahead the Company awaits the completion of 5 big budget movies, in various stages of production.

OTT

True to the brand position of Balaji Telefilms Limited, Alt Balaji is increasingly becoming the preferred OTT platform for the



Indian audience, as indicated by the consistent growth in subscriptions, which grew by 42% during the fiscal 2020-21. The growth is driven by a strong repository of content library spanning various genres and catering to diverse customer segments dominated by the youth. The significant rise of digital infrastructure across the country, due to the government's focus on Digital India and massive investments by leading telecom companies to build 5G infrastructure holds immense potential for increasing internet penetration and making data consumption affordable. With an industry best affordable pricing plan of nearly INR 1 per day, Alt Balaji is well positioned to penetrate deeper into the masses.

Projects in the pipeline

Your Company has revisited its strategic framework and inked exciting deals across formats and genres to satisfy the craving for quality entertainment. The telefilms business is set to launch 5 new shows in the fiscal 2021-22, including regional language shows. Native regional language speakers continue to prefer mainstream content in their languages. Our motion picture segment has built a strong repository of films, due for release in the next fiscal (FY22), featuring leading actors and directors of the film industry including Amitabh Bachchan, Akshay Kumar, John Abraham, Anurag Kashyap, Kartik Aryan and Tapsee Pannu, to name a few. Even as we are optimistic about the reopening of theatres for the public during FY22, we have incorporated the pathway for direct to digital release in our operational framework to address

any unforeseen event. The digital platform has a ready production ecosystem and more than 40 shows have been signed and committed for release on Alt Balaji.

Initiatives during the pandemic

Your Company exhibited tremendous resilience during the pandemic to deliver fresh content across all formats, even as challenges came in from all quarters of the supply chain. Recognizing the uncertainty of the crisis, the team recalibrated its operational strategy across all verticals and took several initiatives such as relocating to outdoor locations in green zones to resume shooting and tuning the creative dimension in scripts to align with the current state of affairs. The strategic intervention to forge meaningful relationship with other industry players helped gain efficiency from greater collaboration in distribution, soft power and generating cash flows. Strict project management practices further eased pressure from rising costs and the Company managed to achieve better positioning at the negotiating table owing to the availability of ready to dispatch materials, without compromising on the quality of storytelling that the brand is reckoned with.

People

Our people braved odds arising from the logistical challenges in relocating outdoor shooting, maintaining and adhering to strict safety protocols for the entire unit as well as mounting pressures on finances. Nevertheless, the efforts bore fruits and the Company

resumed its growth path in the final quarters. Our people once again reiterated their commitment towards the Company's objective to provide entertainment to the mass population, come what may.

Acknowledgement

Although no amount of appreciation can match the extraordinary resilience and commitment that our people demonstrated, we are sincerely grateful and obliged to have such talented, determined and courageous people with us. We are also thankful to all our stakeholders including the Board of Directors, shareholders, key management personnel, our business partners, investors and our customers for their continued support and guidance through such difficult times.

On behalf of the Balaji Telefilms Limited family, we extend our gratitude to the Covid 19 warriors from the medical fraternity including doctors and nurses, the law enforcement personnel, bankers, workers in pharmaceutical factories, journalists and countless volunteers who rose to the clarion call to serve humanity, maintain law and order and facilitate the basic necessities of life, during the year gone by. They are the real heroes of our society and we salute them.

As we sign off, we extend our condolences for those who lost their lives during the pandemic including those from the film industry. We hope for the speedy recovery of those grieving over the loss of their near and dear ones and wish good health and a prosperous year ahead.

Thank you.

GCFO Message



Mr. Sanjay Dwivedi

GCFO

Dear Shareholders,

I appreciate you taking some time out to know the Company's performance during the year 2020-21 and welcome you on this exciting journey.

Operating Performance

During the year FY21, the entertainment industry battled severe challenges with the onset of the pandemic and the social and mobility restrictions. The lockdowns adversely impacted the industry as both demand and supply sides were choked due to abrupt stoppages in shootings of contents for all the platforms, closing down and / or restrictions on theatres and leading to paucity of fresh content. Moreover, a significant traffic was observed on OTT platforms as work for home model kicked in and digitalization accelerated in the economy. With few restriction still in place, the industry is on its path of recovery with strategic reorientation across segments driving the product mix.

Financial

The total income from operations stood at INR 293.7 crores during the financial year 2020-21 compared to INR 573.6 crores earned during FY20. The cost of production also reduced to INR 261 crores during the period under review on account of covid associated restrictions, as compared to INR 389.4 crores in FY20. The gross margin declined to INR 32.7 crores from INR 184.2 crores during the previous year, with gross margins percentage reaching 11% in FY21.

Consequently, the EBITDA loss reached INR 104 crores with EBITDA margins at negative 35%. The corresponding figures in the previous financial year were INR 10.7 crores and 2% respectively. For the year ended 31st March 2021, the Company reported a net loss of INR 118.9 crores, compared to INR 59 crores loss in FY20.

Overall, the financial performance of the Company was impacted by

the covid 19 pandemic, skewed towards TV and movie business. However, the silver lining was the strong growth in the OTT platform, Alt Balaji, as indicated by the 42% rise in subscriptions which reached 4.7 million in FY21.

Opportunity

The pandemic has accelerated the digitalization of the economy in almost all sectors including the entertainment industry. Mobile is becoming a dominant means of communication and doing business across all important customer segments including those in the higher age bracket of over sixty. The substantial investment by telecom operators in increasing internet penetration and new technology, supports the consumer shift and further compliments the development of digital infrastructure in the country. This auger well for the entertainment industry, particularly the OTT segment as it enables a much wider reach for



The Company intends to continue to pursue strategic partnerships with leading players in the industry for a profitable and long-lasting growth, constrained by the objective to maintain a healthy financial position and cash flow.



target audience, where volume and quality of the consumers are equally important for sustainable performance of the business. While OTT makes a good case for alternate platform for monetization of content, the TV and Movie business continue to hold significant potential albeit the temporary restrictions.

Strategy

The Company continues to maintain its focus on the TV, Movie and OTT segments with an aim towards maintaining a strong balance sheet along with growth opportunities in emerging consumer trends. The OTT business under the brand Alt Balaji, has become a significant player differentiated by its content and affordability. The Company intends to pursue and invest in more original contents catering to the specific preferences across different genres and at industry competitive affordable subscription rates. With the success of few movie releases on OTT platform witnessed during

the year, the OTT segment is also likely to provide platform for small budget- deep content releases. Furthermore, the TV business is highly likely to continue on its recovery path from the pandemic with more spending on content. The movie business is likely to segregate releases based on budget and casting with big ticket movies opting for theatrical releases, conditional on the prevalent Government restrictions.

The Company intends to continue to pursue strategic partnerships with leading players in the industry for a profitable and long-lasting growth, constrained by the objective to maintain a healthy financial position and cash flow.

We are optimistic on the outlook of the overall business as we progress on our journey with a strategic focus on key areas of growth, financial metrics and customer satisfaction. While our OTT business delivered exceptional performance during the

year under review, we witnessed a comeback from the traditional TV and Movie segment. In the aftermath of the pandemic, the organization dealt with severe challenges from logistic to distribution and across all the verticals. However, our people exhibited resilience and commitment towards the organizational goals as we all learned and unlearned from our experiences during the pandemic. Today, we are much more confident and well prepared to counter any challenges that could arise in these uncertain times. I extend my congratulations to all the people of the Company for their support and faith, reposed on us.

I would like to convey my sincere admiration to the Board of Directors and all the shareholders for their continued support and active involvement in our journey.

Thanks and regards,

Mr. Sanjay Dwivedi

GCFO

GCOO Message



Mr. Zulfiqar Khan
GCOO

Dear Readers,

I wish you and your family are keeping safe and healthy. I welcome you all to our Annual Report 2020-21.

The year gone by was filled with challenges and uncertainty as the covid-19 pandemic enveloped the entire globe and is highly likely to have changed it permanently. It has extracted a severe human toll and transformed the way we live, access basic services and the way we work. The consequences of the pandemic have been uneven across economies, sectors and households. During these pressing times, while industries which depended on aggregation of people, suffered huge repercussion from restricted mobility and social distancing, the global healthcare community achieved a remarkable feat in creating vaccines in record time.

However, unlike any other crisis in recent years, the pandemic came along with high degree of uncertainty which amongst others,

have caused organizations to cautiously adopt optimistic approach in their strategic framework.

In this backdrop of the pandemic and attendant economic crisis, the Indian economy contracted by -7.3% in fiscal 2020-21, in sync with the global economy. The nationwide lockdowns and restricted mobility, enforced as per statutory orders, disrupted the supply chain network. While most of the industries and services took a severe hit, sectors such as medical and pharmaceuticals industry remained buoyant.

The entertainment industry took a sharp hit due to loss of production and decline in revenue, which was driven by an overall decline across economic sectors. During the year, the central bank of India adopted loose monetary policy to improve liquidity in the economy and policies were framed to ensure supply of cheap credit across critical sectors. While year ended with green shoots

of recovery driven by the vaccination program, pessimism resurfaced during the second wave in the months immediately following FY21.

Key trends that emerged during the year in the entertainment industry were an accelerated shift towards digital means of consumption of entertainment such as use of mobiles and rise in OTT. The work from home model also left families with sufficiently extra time for shared entertainment which has huge significance for the rise of TV industry. While theatre releases were hit, movie releases seem to get streamlined with offloading low budget movies for digital releases, thereby preparing the box office towards big budget movies.

With the growth in digital infrastructure, the line diminishing the markets by geography and financial well being are getting blurred along with strengthening of the traditional customer base.



The phenomenal growth of the Company since its inception has been powered by the people working with the organisation in crossing each milestone.



During the year FY2020-21, the Company achieved INR 274 crores in revenue from the TV business compared to INR 410 crores in FY20. The gross margin on TV reduced on account of lower realizations and increased cost due to Covid 19 protocols. The movie business posted a revenue of INR 42 crores in FY21 as compared to INR 166 crores in FY20. While FY20 witnessed release of few successful movie resulting in higher revenues and profitability, in FY21 two movies were sold to digital platforms due to closure of theatres. The OTT platform, Alt Balaji, earned INR 61 crores in revenue compared to INR 78 crores in FY20 as the segment witnessed increased marketing spends and exclusion of INR 16.3 crores of deferred revenues.

The TV production has returned back to normalcy with over 223 hours of content produced in Q4FY21 along with standard operating procedures being adopted at all levels. The overall demand for content has been growing across all customer segments, however the impact on broadcaster revenues and future outlook on broadcasting revenues is likely to exert downward pressure on rates. The Company has built a strong pipeline of content for the fiscal FY22 and the growth in volumes is expected to drive

revenues further. The direct to digital movies, which is fast emerging as a successful proposition is likely to continue its momentum in demand and profits.

The digital segment led by Alt Balaji will continue to drive growth on the back of strong content, innovative marketing and affordable pricing. The platform has been successful to carve a unique positioning in the highly competitive industry by pursuing original shows and will continue to create high quality of content with strong narratives for younger audiences.

The phenomenal growth of the Company since its inception has been powered by the people working with the organisation in crossing each milestone. During the fiscal year 2020-21, we added a new dimension to our team work as we tackled the logistical and operational challenges to continue shooting, undertook deeper engagement with the consumers to better understand their preferences and many more. A common thread joining the various initiatives and verticals were the spirit of learning and reorienting our framework to mitigate and adapt to the evolving conditions.

I would like to take this opportunity to extend my heartiest gratitude

to all our stakeholders for their continued interest, faith and encouragement in our organisation. I am particularly thankful to all the people in the organisation who have braved the pandemic and assured optimum results. I am also extremely thankful to all our business partners, associates and all our bankers for their support and contributions over the years. A big thank you to all our team members, whose passion, commitment and hard work, has kept us afloat even during these tough times. I look forward to your continued support to achieve our aspirations and goals.

Before signing off, I would also like to extend my gratitude to all the covid warriors including the medical fraternity, law enforcement personnel's, bankers and countless volunteers who put their duty before life, even as people adjusted to the pandemic. This pandemic is a clarion call to rise and redefine humanity by collaborating, supporting and abiding to safety protocols and rebuilding the society. I wish everyone a good health and safer times ahead.

Thanks and regards,

Mr. Zulfiqar Khan
GCOO

Key Metrics

Engaging content

The Company focuses on creating engaging content across multiple formats and genres to cater to a wide range of viewers. In the process, the Company capitalises on the capabilities of the in-house team and a large inventory to craft storytelling that trigger different set of emotions to enhance the experience of the viewers. The Company has one of the largest original exclusive Hindi content libraries in India.

Alt Balaji

Among the top 5 paid apps in the country.

#1

Content producer for prime time television

83

Live Shows in the Alt Balaji library

Experience and expertise

The Company has a deep understanding of the Indian audience when it comes to entertainment which can be corroborated by the series of milestones achieved over more than 26 years of presence in the entertainment industry in India. This rich amount of experience enables the Company to deliver quality Original and Exclusive content akin to the viewers preference, consistently.

26+

Years of experience

25,000 +

Hours of TV content till date

Reach

The Company has a strong presence across key media platforms including Television, Theatres and Over the Top platforms which helps establish a strong connect with the audiences. The reach is further bolstered through our strategic partnership with key industry players as well as with leading telecom players as it enables to expand our horizon to serve a much larger set of Indian audiences.

61

minutes per day

Average watch time for Alt Balaji



Our financial strength

The Company has achieved a remarkable balance of creativity with financial prudence which enables the Company to maintain a strong focus on cost optimisation, industry best pricing strategy and diversification of revenue stream which improves the top line and helps maintain healthy margins.

Brand recall

Over the past 26 years, we have been successful in establishing a strong brand position across all our businesses. Today, we enjoy dominant market share in creating fiction content while our digital business, AL Balaji, is one of the front runners in the digital space. This has also resulted in constant increase in our audience and subscriber base.

42%

Year on Year growth in direct subscription in Alt Balaji

46%

Growth in revenues from direct subscription in Alt Balaji



Our Value Creation Model

Our business drivers

Our financial strength

Focus on cost and revenue initiatives enables us to maintain healthy margins, which in turn drive the cash flow needed to continue to invest in and expand our offerings. This continued investment ensures that we are able to reach as many viewers as possible with the high-quality content experience we believe in.

Our knowledge and expertise

The wealth of knowledge and knowhow which has been built up across the organization over the past two decades has enabled us to create, design and build the cutting-edge content. While we do have control over the content, our close and long-standing relationships with the distributors/broadcasters are fundamental to providing the best and most varied selection of content for our audiences at the right time.

Our brands

We have established brands in each of the territories in which we operate. We have focused on developing and optimising the experience through our 'Audience First' approach, which is at the heart of our strategy.

Our technology

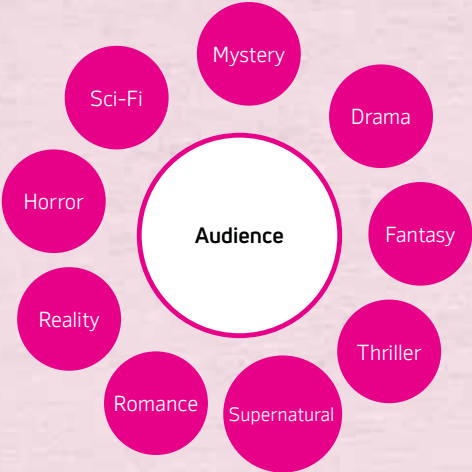
We have scaled our business on modern technologies around video, audio and visual effects, that empower us to offer content in the most contemporary manner.

Our business drivers


Everything that we do is to deliver on our vision... to “consistently provide delightful and innovative entertainment experiences by engaging audiences and nurturing talent”

How we create value

We create value through providing our audience with a choice of what to watch across all formats of entertainment.



Keeping the audience at the core of our endeavours, we continue to curate content that invokes myriad emotions and creates a lasting impression.



The value we create

Audience/Viewers

We are ensuring that our audience feels more connected and engaged, and will want to continue supporting and enjoying the content that seek to influence and inspire them with a newer experience again and again.

Shareholders

We aim to deliver returns, long term value and dividend growth to our shareholders. This is achieved through driving revenues, increasing earnings, re-investing in the business and prudently managing our cash flows.

Associates / Employees

We create direct jobs and career opportunities for over 244 people. The investment we make in actors, helps shape careers and empowers lives. We also invest in our people, particularly through learning and development, and the way we operate is key to maintaining our happy and motivated workforce. We also create a number of indirect jobs for example through our construction and refurbishment programmes.

Customers/Broadcasters

We generate favourable ratings and top viewership charts consistently to maximize value creation for our broadcasters.

Our business is underpinned by -

Regulation and responsible business

We are committed to ensure all of our teams comply with local and national industry laws and business regulations and strive to attain the highest levels of health and safety standards across the Company.

Risk management

Maintaining and monitoring an effective system of risk management and internal control ensures that our business, people and assets are safeguarded and that material financial errors and irregularities are prevented or detected.

Governance

Our experienced and diverse Board and Committees provide effective governance and oversight to the Company.

Business Segments

Overview

Balaji Telefilms

A gold standard in content production for the TV medium, our shows enable households to connect and unwind, together.

With over 26 years of experience in the telefilms business, the Company has produced over 150 shows across 5 languages, including some of the most successful shows in the television industry in India. As a torchbearer of the Indian TV industry, the Company recognizes the evolving nature of TV viewing in India and continues to channel efforts towards meeting the consumers expectations.

During the period under review, Balaji telefilms staged a solid comeback from the initial setbacks of the pandemic by turning challenges into opportunities. Making the most of the opportunity to revamp the shows, the Company embarked on creativity repurposing to adapt with new social developments, to maintain its responsibility towards the society. Furthermore, the Company took initiatives such as creation of bubble shoot for continuous production and adoption of standard operating procedure for safety and better project management.

The Company successfully managed to match telecast for the five shows in operation with revamped content. With a strong pipeline of shows slated for release in FY22 and renewed focus on regional language market, the Company is poised to continue its growth momentum in FY22. The growth is expected to be further driven by new formats such as TV plus which is comfortably placed between TV serials and OTT content, particularly for the women audience in India.

**Zee, Star,
Colors,
Dangal**

Deliver content to major
broadcasters in the entertainment
industry in prime-time slot

5

shows in the pipeline

584 hours

Total hours of production
in FY21 across 11 shows

25,000 +

Hours of TV content till date

**Gold
Standard**

In content production for
TV medium



UPCOMING



Bade Achhe lagte hai

Itna karo Na mujhe pyar

Kasam

New DD show

Kusum on Sony Marathi

Business Segments

Overview

Motion pictures

We fill our stories with life for an immersive cinematic experience across both theatre and digital medium, by delivering content which inspire.

With over 20 years of experience in creating entertaining movies across genres, Balaji Motion Pictures is amongst the leading motion pictures studio in India, where watching movie in theatres is one of the popular activities to escape from monotony of reality.

During the period under review, the Company focused on strengthening the scripts and strict project management to maintain a healthy mix of content ready for release.

This not only provided the required bargaining power but also helped control cost escalations which further eased pressure on cash flows. Collaboration with key players in the industry further helped record better cash flows in addition to gains in distribution and soft power.

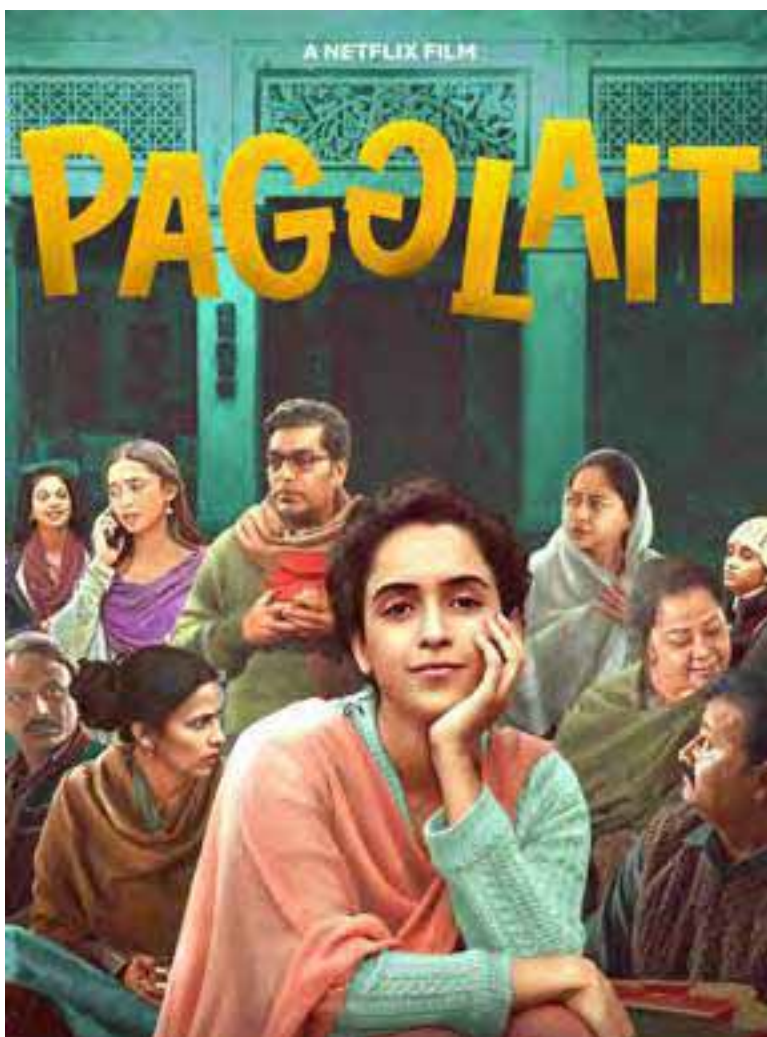
The Company is well positioned to capture a significant share of the films industry owing to its competitive advantage in having large slate of films under production,

inventory of in-house scripts and focus on content and material for the medium agnostic consumers. Moreover, drawing inferences from the experiences in recent past, the Company aims to build substantial amount of intellectual property (IP) and segregate scripts for direct to digital and theatrical release.

5

Movies in the pipeline for FY22



**Movie Name**

Pagglait

Synopsis

Widowed soon after marriage, a young woman grapples with an inability to grieve, quirky relatives and a startling discovery about her late husband.

Release Date

26th March 2021

Genre

Comedy Drama

Director

Umesh Bist

Lead Actors

Sanya Malhotra, Sayani Gupta, Ashutosh Rana

Status of Movie

Released on Netflix

Movie Name

Dolly Kitty Aur Woh Chamakte Sitare

Synopsis

A disillusioned Delhi wife and her new-in-town cousin navigate damning secrets, dreams and their thorny dynamic on their respective roads to freedom.

Release Date

18th September 2020

Genre

Drama

Director

Alankrita Shrivastava

Lead Actors

Bhumi Pednekar, Konkona Sen Sharma, Vikrant Massey, Amol Parashar

Status of Movie

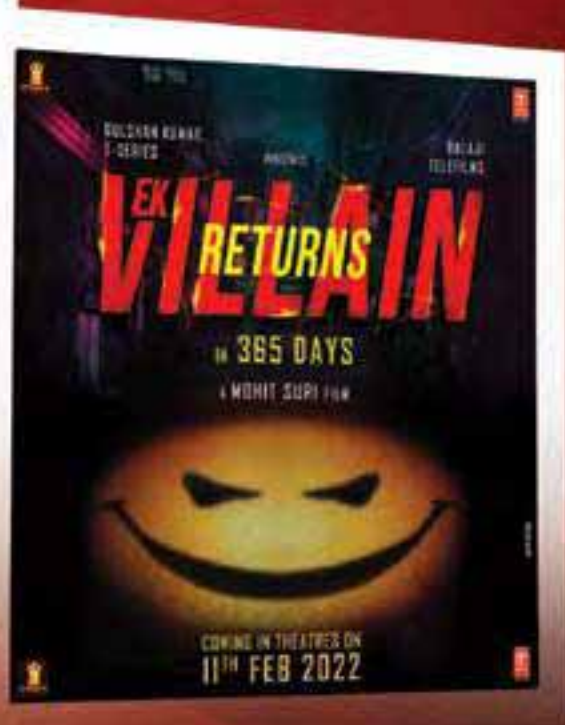
Released on Netflix

Business Segments

Overview

Upcoming Movies





Business Segments

Overview

Alt Balaji

A mass entertainment Hindi Originals platform where there is something for everybody

Alt Balaji is a subscription-based video on demand service provider, which aims to deliver original, exclusive and tailor-made content directly to individual audiences, spanning across multiple genres. Since its launch four years ago, the OTT platform has recorded consistent growth in subscriptions on year, aided by a strong library of original shows and affordable plans.

Alt Balaji aims to further penetrate the mass population of the country, focusing on youth as a significant consumer of digital entertainment, thereby creating a content pipeline to cater to various genres. Consequent to the skewed participation across gender in the digital ecosystem in India, the Company also aims to build powerful content in the two big genres of thriller and suspense.

In addition to a powerful content library, Alt Balaji is well positioned to cater to its audiences owing to an affordable pricing plan which is benchmarked and revised periodically, thereby adding value for the consumers. With the current subscription plan on offer across different time periods, the

daily subscription amount reduces to nearly a rupee on average for unlimited binge watching.

The platform's competitive positioning in content and pricing is expected to drive future growth as it establishes a symbiotic relationship with the telecom players, for reaching the masses. The country's solidifying digital infrastructure backed by deepening internet penetration, increase in smartphone user base and rising digital consumption, becomes a compelling proposition for partnering with telecom service providers to leverage their network for increased access. Furthermore, our affordable subscription plans will empower a large stratum of the population to make payments easily through the telco's wallet, thereby increasing reach and consumer experience.

The growth framework also incorporates strategic partnership such as co-production deals with other industry players to capitalize on distribution network and soften cost pressures.

Original.
Exclusive.
Premium

Content and stories for everyone

12 million +

Subscriptions Sold

1.1 billion

Video views

14 billion

Minutes binged

40+

Shows signed and committed to

Less than INR 1 per day

Affordable pricing plans suitable for mass audiences

Zee5 and MX Player

Strategic partnership with two leading OTT players

83 20

Live Shows in the library, of which shows added during the pandemic

4.7 million

Total subscription sold during FY21

46%

Growth in revenues from direct subscription

42%

Year on Year growth in direct subscription

2.3 million

Current active subscriber base

61 minutes

Average time spent on Alt Balaji per user per month



Business Segments

Overview

Marinating Films Pvt Ltd

We acquired a majority stake in Marinating Films Private Limited with an aim to generate additional revenue by creating TV-centric intellectual property rights. The subsidiary owns the concept, format and all proprietary rights and intellectual property rights in Box Cricket League (BCL), The Indian Telly Calendar (ITC) and Indian Television Style Awards (TSA).



Brand Ek

Launched by Ekta Kapoor, Brand EK, is the signature label comprising Indian ethnic wear and exquisite Jewellery that is aimed at promoting women's wear with quality ethnic wear at competitive prices. We cater to the upper and higher middleclass audience who want to buy what they see on television, inspired by what the TV characters wear.





Awards & Recognition

Balaji Telefilms Limited

International Iconic Awards 2020



Category: **Best Actor**

Winner: **Manit Joura**

Programme: **Kundali Bhagya**



Category: **Best Actor in Negative Lead Role**

Winner: **Sanjay Gagnani**

Programme: **Kundali Bhagya**



Category:

Hall of Fame Award-Indian Television Awards

Industry Leadership Award for ALT Balaji -Midday Hitlist OTT Awards.

IWM Buzz Awards

Woman of the year

Winner:

Ekta Kapoor

Indian Television Academy Awards 2021



Category: **Best Actress (Popular)**

Winner: **Surbhi Chandna**

Programme: **Naagin (Season 5)**



Category: **Popular Actor & Most Glamorous TV Star (Male)**

Winner: **Dheeraj Dhoopar**

Programme: **Kundali Bhagya**

Indian Television Academy Awards 2021



Category: **Most Glamorous TV Star (Female)**

Winner: **Shraddha Arya**

Programme: **Kundali Bhagya**



Category: **Most Fit Star (Female)**

Winner: **Pooja Banarjee**

Programme: **Kasautii Zindagii Kay**

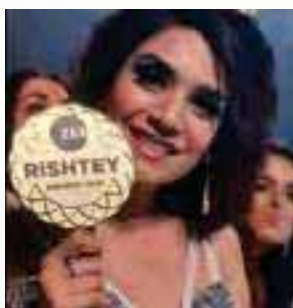


Category: **Best Actor in Television Series**

Winner: **Dheeraj Dhoopar**

Programme: **Kundali Bhagya**

Gold Awards 2020



Category: **Favorite Behen**

Winner: **Anjum Fakhri**

Programme: **Naagin (Season 5)**



Category: **Most Photogenic Star (Female)**

Winner: **Mugdha Chaphekar**

Programme: **Kumkum Bhagya**



Category: **Favorite Khalnayak Jodi**

Winner: **Sanjay Gagnani, Ruhi Chaturvedi**

Programme: **Kundali Bhagya**



Category: **Hot Stepper of the Year (Female)**

Winner: **Surabhi Chandna**

Programme: **Kumkum Bhagya**



Category: **Best Dressed Actor (Male)**

Winner: **Sharad Malhotra**

Programme: **Naagin (Season 5)**

Zee Rishtey Awards 2020



Category: **Favorite Nayi Jodi**

Winner: **Pearl V Puri & Nikki Sharma**

Programme: **Brahmarakshas (season 2)**

Awards & Recognition

Balaji Motion Pictures Limited

Gold honour for digital marketing excellence in the media & entertainment category at Ad Gully's DIGIXX 2020



Campaign of the Year at World Digital Marketing Congress



Silver at IAMA Digital Awards



Ruchikaa Kapoor-Rising Star of the Year



Dream Girl won Digital Campaign of the year



Alt Balaji

Sammies Awards

Mentalhood

Best use of Social media to launch a product or service



Labels Awards

Mentalhood

Best Content IP Of the Year



Labels Awards

ALTBalaji

Top Brand With A Cult Like Following



ITA Awards

Fittrat

Best Landmark show award - OTT



International Iconic Award

Fittrat

Best Lead actor – Female Krystle D'souza



White Page International

ALTBalaji

India's Best Brand
India's Inspirational Leader



InkSpell

Cold Lassi Aur Chicken Masala

Best fiction Content OTT



InkSpell

MOM

Best Motivational Content



InkSpell

MentalHood

Entertaining Content on OTT Special Mention



InkSpell

Ragini MMS S2

Best Horror content on Platform



InkSpell

Boo Sabki Phategi

Best humorous/ Satirical Content



InkSpell

Code M

Best Thriller Content on OTT



ScreenX

Boo Sabki Phategi

Hindi Content - Comedy Web Series (Horror)



ScreenX

Mansi Multani (Hum Tum and Them)

Popular Actor (FEMALE) in a Supporting Role in Web Originals (Romantic Drama)



ScreenX**Sandhya Mridul (Mentalhood)**

Popular Actor (FEMALE)
in a Negative Role in Web
Originals (Drama)

**ScreenX****Shilpa Shukla (Mentalhood)**

Popular Actor (FEMALE) in
a Supporting Role in Web
Originals (Drama)

**ScreenX****Shweta Tiwari (Hum Tum and Them)**

Popular Actor (FEMALE) in
Web Originals
(Romantic Drama)

**ScreenX****Jennifer Winget (Code M)**

Popular Actor
(FEMALE) in Web
Originals (Mystery)

**ScreenX****Divya Agarwal (Ragini MMS Returns Season 2)**

Popular Actor (FEMALE) in
Web Originals (Horror)

**ScreenX****Rajat Kapoor (Code M)**

Popular Actor (MALE) in
a Negative Role in Web
Originals (Mystery)

**ScreenX****Ashish Vidharthi (MOM)**

Popular Actor (MALE) in
a Supporting Role in Web
Originals (Drama)

**ScreenX****Mrinal Dutt (Cold Lassi Aur Chicken Masala)**

Popular Actor (MALE) in
a Supporting Role in Web
Originals (Romantic Drama)

**ScreenX****Krushna Abhishek (Boo... Sabki Phategi)**

Popular Actor (MALE) in
Comic Role in a Web Original

**ScreenX****Varun Sood (Ragini MMS Returns Season 2)**

Popular Actor (MALE) in Web
Originals (Horror)

**ScreenX****Karan Kundra (It Happened in Calcutta)**

Popular Actor (MALE) in Web
Originals (Romantic Drama)

**ScreenX****Tanuj Virwani (Code M)**

Popular Actor (MALE) in Web
Originals (Mystery)

**ScreenX****Vikrant Massey and Harleen Sethi (Broken But Beautiful S2)**

Popular Jodi in Web Originals
(Romantic Drama)

**ScreenX****Karisma Kapoor and Sanjay Suri (Mentalhood)**

Popular Jodi in Web Originals
(Drama)

**ScreenX****Varun Sood and Divya Agarwal (Ragini MMS Returns Season 2)**

Popular Jodi in Web Originals
(Horror)

**ScreenX****Hum Tum and Them**

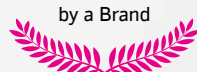
Sector Specific Awards -
Romance Show

**ScreenX****Mission Over Mars**

Sector Specific Awards -
Scientific Fiction (Drama)

**ScreenX****Capture the Hindi-Heartland on digital to drive platform/show sampling**

Best Use of Social Media
by a Brand

**ScreenX****Mentalhood**

Best Marketing Campaign
Launch for Web series

**ScreenX****Breast Buffer**

Best Marketing Innovation
in OTT Platform

**ScreenX****Virgin Bhaskar**

Hindi Content - Comedy Web
Series (Drama)

**ScreenX****Ragini MMS Returns Season 2**

Content - Horror Show

**Shark Awards****AltBalaji**

Best CSR Campaign Breast
Buffer

**FoxGlove****Mentalhood**

Best social media campaign



Awards &
Recognition

M Cube
Mentalhood

Best engagement in social media campaign



e4m
Code M

Best marketing campaign by an OTT Platform



e4m
MOM

Best Science fiction Show on web



Talent Track
Code M

Best Actress Jennifer Winget



M Cube
Coldd Lassi Aur Chicken Masala

Best integrated social media marketing campaign



e4m
Coldd Lassi Aur Chicken Masala

Best marketing campaign for a web original integrated



DigiXX Awards
Fittrat

Content Marketing



Talent Track
Broken But Beautiful

Best Director Harsh Dedhia



e4m
Fittrat

Best marketing campaign for a web original integrated



e4m
Ragini MMS 2

Best use of Video Marketing on TIK TOK, Hello Ji



DigiXX Awards
Coldd Lassi Aur Chicken Masala
Social Media



Talent Track
Fittrat

Best Sound Track



Inkspell Video Awards**Fittrat**

Best video content in an
integrated socialmedia marketing
campaign

**E4M****ALTBalaji**

Best Content Created

**Campaign PR 2020****Broken But Beautiful 2**

Silver for PR Campaign

**IWM Buzz Awards****Mentalhood**

Supporting Cast

**Campaign PR 2020****Ragini MMS 2**

Bronze for 360 Virtual Reality
Experience

**IWM Buzz Awards****Apharan**

Rising social media star

**Screenxx2020****Mentalhood**

Popular Jodi



Board of Directors



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.



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.



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 Maharashtra 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 Business Women by Fortune 50-Most Powerful Women in Business Awards. In the year 2020, she has also won Padma Shri Award. In the year 2021, she won Hall of Fame Award at Indian Television Awards and Industry Leadership Award for ALT Balaji at Midday Hitlist OTT Awards.



Mr. Duraiswamy Gunaseela Rajan

Independent Director

Mr. Duraiswamy Gunaseela Rajan is a Chartered Accountant by profession and is a Life & Fellow Member of the Institute of Chartered Accountants in England and Wales and a Fellow Member of the Institute of Chartered Accountants of India. He is an Associate Member of the Institute of Internal Auditors. Mr. Rajan served as a Partner at Lovelock & Lewes (now part of Price Waterhouse) 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. 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.

Board of *Directors*



Mr. Anshuman Thakur

Non-Executive Director

Anshuman Thakur is Senior Vice President - Strategy & Planning at Reliance Industries Limited. He joined the Reliance Group in 2014 and has ever since been closely involved with the Jio business. He has over 22 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, 50 years, has over 27 years of experience in media and entertainment across advertising, media consulting, television and film. Ms Deshpande is the President – Content and Media Platforms 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 Network 18 Group, Balaji Telefilms and Saavn with a view to integrate the synergies across these diverse media companies and build maximum value.

Ms. Deshpande regularly features among Fortune India's 50 Most Powerful Women in Business as well as Business Today's MPW list, both of which celebrate the journeys and triumphs of women who not only impact their organization but are also thought leaders in their industry. Ms Deshpande was also featured in Forbes Emergent 25 business women in Asia list.



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.

**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 a part time lecturer in Accountancy, having worked with 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 50 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.

**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.

**Mr. Ramesh Gopal Sippy**

Non-Executive Director

Mr. Ramesh Gopal Sippy is a science graduate and has 53 years of experience in Film Industry. He has been elected as President of Indian Motion Picture Distributors' Association for nearly two decades. He is one of the leading Distributor of films in India and has distributed large number of superhits as well as diverse set of Indian films throughout India. Mr. Sippy has demonstrated ability of successfully identifying and distributing some of the leading blockbusters as well as winners at the Indian Box Office.

Board of *Directors*



Dr. Archana Hingorani

Independent Director

Dr. Archana Hingorani serves as a Director on the Boards of Alembic Pharmaceuticals Limited, Den Networks Limited, 5Paisa Capital Limited, SIDBI Venture Capital Limited, Grindwell Norton Limited and SBI Mutual Fund Trustee Company Private Limited. She holds a Bachelor's Degree in Arts from the University of Mumbai, a Master's Degree in Business Administration from the Graduate School of Business, University of Pittsburgh, USA and a Doctorate Degree in Philosophy from the Joseph M. Katz Graduate School of Business, University of Pittsburgh, USA. She has 27 years of experience in financial services and private equity fund investment. She is currently a Managing Partner at Siana Capital, an investment firm focused on technology and innovation and a Visiting Faculty for Private Equity at the Katz Graduate School of Business, University of Pittsburgh, USA. She has been the recipient of various awards such as 'Ten most influential women in private real estate investing' by PERE in 2010, 'Most Powerful Women' in 2014, 2015, 2016 and 2017 by Fortune

India, 'Most Powerful Women' in 2011, 2012 and 2013 by Business Today, '25 Most Influential Women in Asia Asset Management' by Asian Investor in May, 2014, and 'Distinguished International Alumnus' in the year 2016 by the Katz Graduate School of Business, University of Pittsburgh, USA. In sum, she has over 35 years' experience in the financial services business, teaching and research.



Mr. Jason Kothari

Additional Director
(Non – Executive Independent)

Jason is an entrepreneur and experienced business leader in the technology, media, and entertainment sectors. He acquired the bankrupt US-based Valiant Entertainment and led its transformation as the CEO to the third-largest superhero entertainment Company after Marvel and DC and a sale for \$100 million, a record industry return.

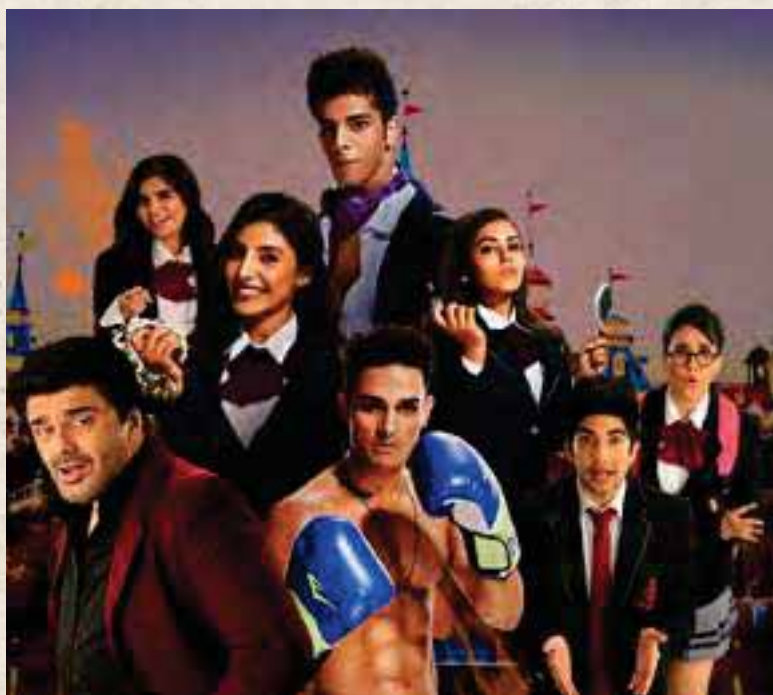
Subsequently, Jason was the CEO of Housing.com, where he led the transformation of the distressed Company and a merger with News Corp's PropTiger to create the \$350 million industry leader.

Following this, he was the Chief Strategy & Investment Officer of Snapdeal, where he played a lead role in transforming the distressed Company from a monthly loss of over \$20 million to a profit, the first for an Indian e-commerce Company. Jason was also the CEO of FreeCharge, where he led the sale of the Company to Axis Bank for \$60 million.

In addition, he has been a senior advisor to Softbank; Noon.com,

a Middle Eastern e-commerce Company that has raised \$1 billion; and is a Board Director of Emaar India, which has over \$2 billion in real estate assets.

He is also an Executive Producer of Bloodshot (Sony Pictures) starring Vin Diesel. Jason holds a B.S. from The Wharton School and is the author of the best-selling book 'Irrationally Passionate' (HarperCollins).



MANAGEMENT DISCUSSION AND ANALYSIS



Indian Economy

The Indian economy, like any other economy in the world, suffered due to covid 19, with deep impact on health, economic, financial and social systems. The lockdown and associated restricted mobility led to a significant demand contraction even as supply chain disruptions hurt production centers. The Indian economy is expected to have contracted sharply by -8% during FY21 after dipping into recession in the first two quarters.

The unscheduled production halt across industries compounded the stress in the industrial sector which drastically reduced capex investments. While the deceleration was broad based, the MSME sector fared comparatively better as forbearances support by the central bank helped sustain operational expenses.

The contact intensive sectors such as airlines and hospitality were severely hit due to lockdown as social distancing norms for safety and hygiene deterred people from venturing out. Nevertheless, the services sector experienced strong tailwinds from accelerated digital adoption across the sector even as road transportation and trade increased during the unlocking phase.

Good monsoons, bumper harvest and timely procurement of crops cushioned the rural economy as circulation of money increased disposable income at household level. The rural demand further received a

fillip from increased allocation under MGNREGA and front loading of funds transfer under PM KISAN.

The urban demand contracted significantly as income and job losses were more intense in metro areas which led to increase in precautionary savings and reduced discretionary spends.

The GDP slipped past the inflection point in Q3 driven by pent up demand since the gradual unlocking of the economy after a -23.9 contraction in Q1. High frequency indicators such as e-way bills, rail freight, GST collections and power consumption soared past their pre-pandemic levels during this period.

The government increased its consumption spending to propel overall demand even as RBI adopted accommodative monetary policy and asset buy back to provide liquidity, control yields and decrease the cost of borrowing. The liberalization of the agricultural sector along with private sector participation as envisioned by New Farm Bill and amendments in essential commodities act, marks a milestone in the structural transformation of the sector.

The high infrastructure capex announced during the Budget session, under the overarching theme of Aatmanirbhar Bharat is expected to trigger a trickledown effect in the economy through increase in

public investments. However, the overhang of a slowing economy as indicated by the low-capacity utilisation since FY 20 could be a dampener.

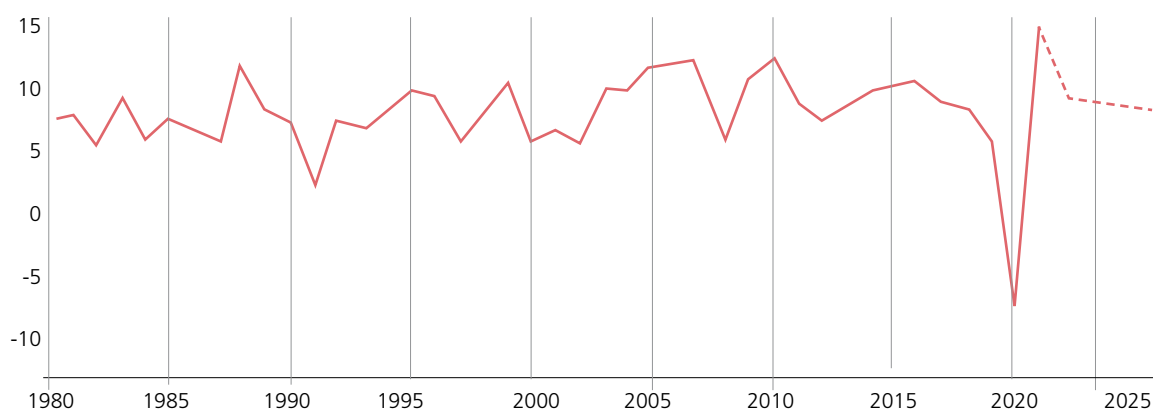
During the fiscal year, the Government stepped up its consumption expenditure to stimulate demand amidst falling household consumption, private investments and persistent pessimism as reflected in RBI's consumer confidence index. However, it shot up the fiscal deficit to 10% which can lead to high debt to GDP ratio of 90%¹ in FY21. With the threat of subsequent crisis owing to sporadic lockdowns due to covid-19 looming large, the room for fiscal expansion is limited and can derail the recovery process.

The pandemic is estimated to have reversed the poverty eradication process and derailed the growth of the middle class as the overall unemployment rate peaked at 23.52% in April 2020 and moderated to 6.52% in March 2021. The economy is yet to recover from the hangover of decline in average household income by

28% in April 2020 even as net new EPF subscriber have been rising since H2FY21.²

The IMF increased its growth projections for India by 100 basis points between January to April to 12.5% in FY21³. The vaccination euphoria and attendant hopes of recovery have been tempered by the second Covid 19 wave sweeping through a number of states, putting the growth trajectories at risk. The scarcity of essential medical equipment's, vaccines and life-saving drugs are indicative of the severity of the resurgent upheaval. The governments limited room for fiscal stimulus owing to an overstretched spending in the aftermath of Lockdown 1.0 may compound the impending crisis. The Indian economy is wavering through uncertainty and the fragile recovery is dependent on mitigating subsequent waves of infections, vaccination distribution and adapting to new normal. Under the prevailing circumstances, projections are bound to change but paucity of relevant data limits the accuracy of models.

India Real GDP growth (Annual percent change)



Source : IMF

Global M&E Industry overview

Consequent to the Great lockdown, stay at home viewers were able to watch premium TV and movies across various screens and providers as new streaming video services from prominent industry players increased. This also provided an alternate channel for evacuating inventory which otherwise would have come under theatrical releases. The global combined theatrical and home and mobile entertainment market shrank by -18% to USD 80.8 billion in 2020 over its 2019 market, excluding the USD 233.1 billion Pay TV subscription market,⁴ owing primarily to the lockdown which also hurt new content production.



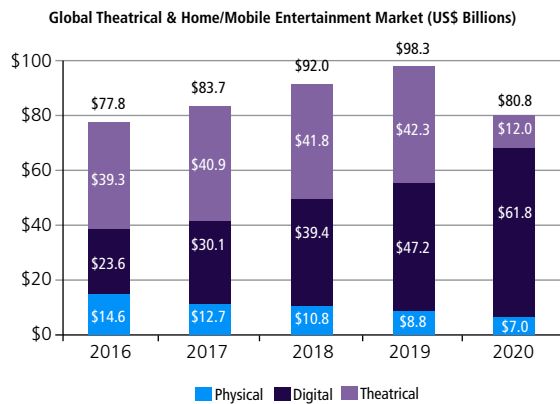
¹ World Bank South Asia Focus 2021

² CMIE

³ IMF WEO April 2021

⁴ Motion Pictures Association – THEME Report 2021

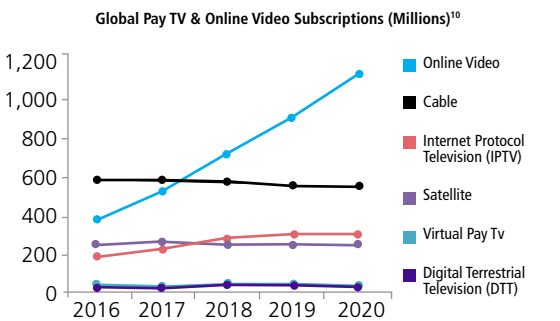
Global Theatrical and Home/Mobile Entertainment industry (USD Billions)



Source: Motion Pictures Association THEME 2020

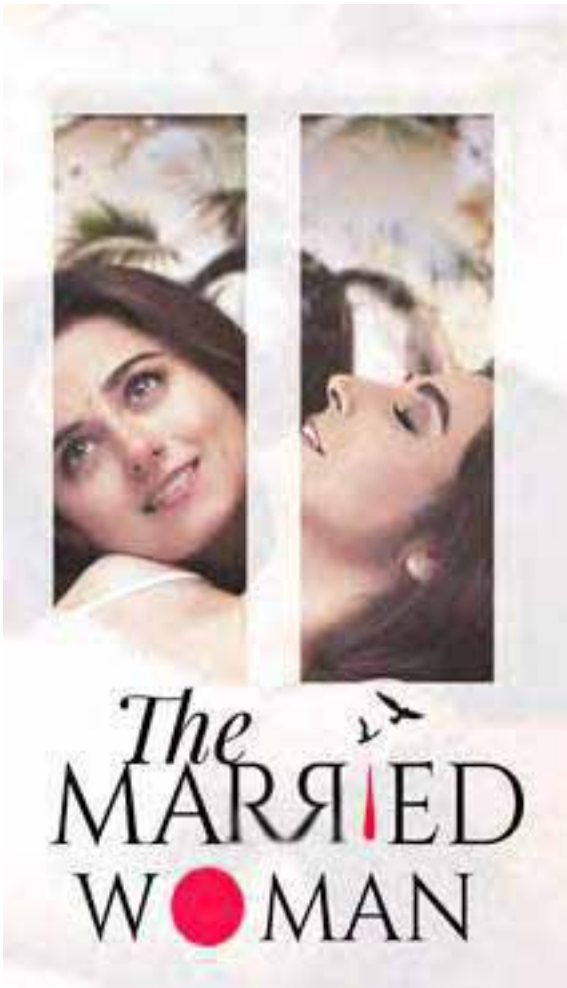
The 31% decline in global box office collection due to theater closures during the lockdown and restricted attendance thereafter was compensated by 31% increase in shift to digital home entertainment. The global home and mobile entertainment industry, which includes digital channels such as video on demand, electronic sell through and subscription streaming along with physical medium such as discs and rentals, increased by 23% in 2020 on year to reach USD68.8 billion, driven by digital. Subsequently, subscription for online video services crossed the 1 billion mark in 2020 by adding an additional 232.1 million subscribers.

Global Pay TV and Online Video subscription trends (in Millions)



Source: Omdia

The subscription TV is expected to have further contracted in 2020 and continue the trend in the near term as the mature market is edging towards saturation, cord cutting and broad-based uptake for subscription-based video on demand (SVOD)platforms. Furthermore, the SVOD segment also benefitted from the well-funded streaming offerings besides increase in



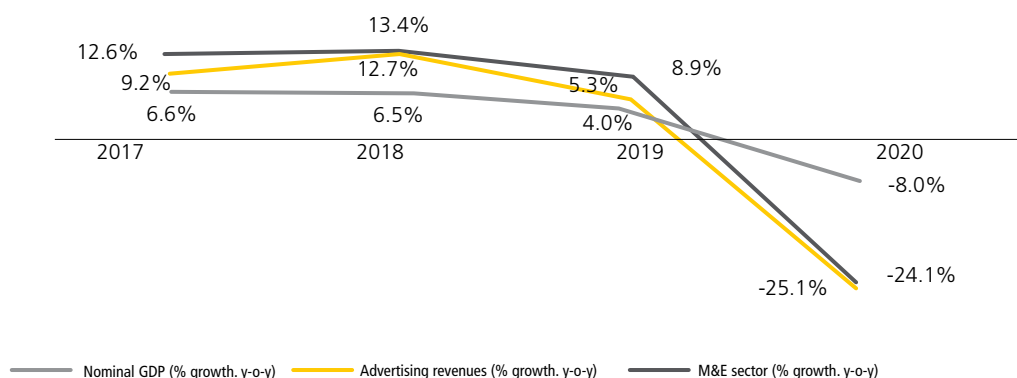
COVID 19 driven consumer demand. Subsequently, the Advertising video on demand (AVOD) has been on a rising trend due to availability of alternate channel for targeting currently underserved market.

Movies were the worst affected in the media and entertainment industry as theatres were shut down for long period of time, blockbuster movies were rescheduled and production were grounded to a halt. However, the segment witnessed structural changes such as experimentation with in-home premium video-on-demand and increased usage of owned and operated SVOD platforms to launch movies.

The disrupted global entertainment industry is likely to witness consolidation and partnerships between large industry players and vertically integrated streaming platforms to achieve operational scale for efficiency gains and attract investments. Nevertheless, the industry is transitioning from traditional business model to new models at a time when uncertainty characterizes the market. Therefore, it is imperative that companies focus on building systemic agility to deal with unforeseen market opportunities and threats.

Indian M&E Industry overview

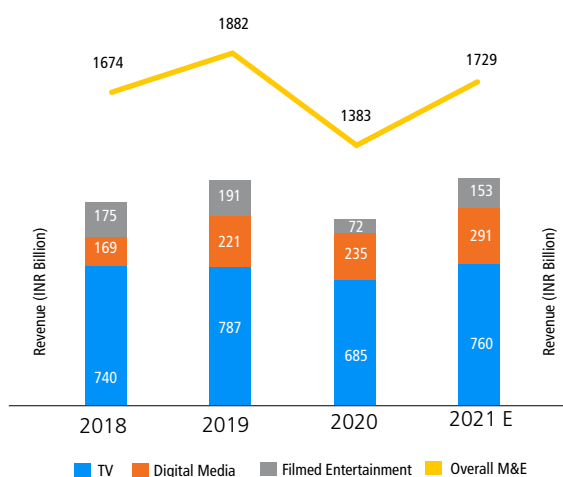
Growth trends in Media and Entertainment industry (YoY, in %)



Source: FICCI EY Report 2021

The Indian Media and Entertainment industry had been recording positive growth rate year on year driven by strong consumer demand and a vibrant economy, albeit the slow down effect in 2019, when Covid 19 pandemic struck early on in FY21. The steep decline in CY2021 led to an estimated erosion of 24% of the market to INR1.38 trillion as compared with 2019. The impact of the pandemic induced lockdown and resultant economic crisis was uneven across the industry with sectors such as filmed entertainment and live events experiencing enormous contraction. Overall, barring digital media and online gaming, the decline was broad based across all segments.

Indian M&E sector



Source: FICCI – EY India Media and Entertainment Industry Report 2021

Note: M&E sector includes TV, Digital media, Filmed Entertainment, Print, Online gaming, Animation and VFX, Live events, OOH, Radio, Music.

Outlook

The media and entertainment industry will continue to adjust business models to cater to a paradigm change in consumer preferences through deep customer understanding and strong engagement. The sector will witness integration of all four formats viz video, experiential, textual and audio to offer differentiated products in an omnichannel driven business model. The industry is also likely to witness consolidation and mergers, especially with the mid and low companies, to maintain a going concern and achieve scale. Operating priorities will be guided by leveraging the end customer data to reveal powerful insights, bringing efficiency in customer acquisition costs through precision monitoring and reducing the turnaround time for new product development. The M&E industry will have to leverage the opportunities in regional markets, growth in digital infrastructure and monetization strategies by investing in content, marketing and technology.

Covid-19 Impact

Pandemic induced lockdown along with ongoing restrictions on mobility and social distancing has had an adverse impact on traditional media such as TV and films, among others. Stressed balance sheet of corporates and reduction in retail footfalls led to decline in ad spends over traditional medium and affected customer engagement.

Consumers on the other hand faced shortage in accessing venues for media and entertainment due to absence of new content and live events even as they were forced to stay indoors. In this scenario, digital medium emerged as an alternate channel to supply curated content using real time analytics for deep consumer engagement. The pandemic accelerated the adoption of over-the-top (OTT) platforms, online gaming, e-commerce, e-learning, e-papers and online news platforms which shifted the advertising base from traditional to digital media. Moreover, bundling packages offered by telecom and broadband service providers, reduced the cost of consumption for consumers which further fueled the race to leverage digital media. While all sectors increased their digital ad spends in CY2020, companies in BFSI, consumer durables, telecom, ecommerce and M&E spent more than 30% of their ad spends on digital.

The digital media grew 6% in CY2020 to reach INR 234.9 billion³ in advertising and subscription revenues ³

as the broadband subscription reached 747 million in the country till December 2020³. Furthermore, the number of smartphone users increased to 448 million in CY20 while average mobile data consumption reached to 15.7 BG per month during the same period.⁵

468 Million

Smartphones users have 725 million data subscription⁵

45%

Indians above 15 years of age have access to a smartphone⁶

67%

Subscriptions were 3G and 4G⁶

37GB

Estimated data consumption per smartphone per month by 2026⁶



⁵ TRAI press release

Indian TV industry

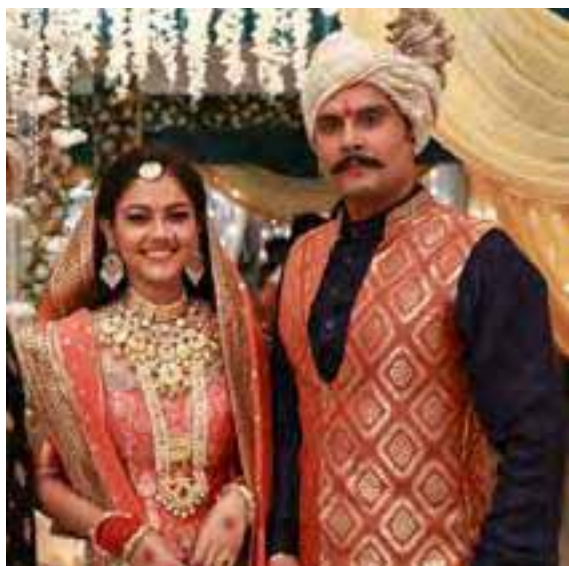
The Indian TV industry declined by 13% in CY2020 settling at INR 685 billion³, led by 21.5% decline in advertising revenues.

There were 909 TV channels in CY2020 of which 64% were free to air channels, a 1 pp increase from 2019. General entertainment channel (GEC) and movies continued to dominate three fourth of the total viewership in CY20.

With respect to distribution network, multiple system operators (MSO) grew by just 4% in CY2020 as compared to 11% in 2019 due to the implementation of NTO2.0 and Covid-19 impact. The Indian market is serviced by four paid and one free DTH provider with four large broadcast networks switching to DD Free Dish during CY2020 to capitalize on advertising revenues.³

The TV average ad insertions and ad volumes made significant recovery in the second half of the year after sequential degrowth witnessed in H12020. The recovery in Q3 and Q4 hovered above corresponding positions in 2019. Though ad volumes fell just 3% in 2020 despite increase in TV viewership, ad rates decreased by 19% due to rate discounting by broadcaster which is indicative of the ad yield pressure in the segment. Ad spends by top 5 category accounted for 80% of the value led by FMCG which contributed 51% of ad spends. The biggest growth came from education and ecommerce category whose ad spends grew by 193% and 95% respectively.³

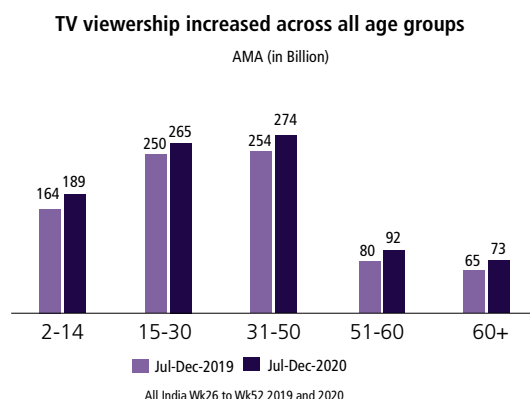
Television subscription revenues in India decreased 7% in 2020, mainly due to a fall in average revenue per unit (ARPU) and reduction in the paid subscriber base by around two million television-homes.



The fall in paid subscriptions can also be attributed to non-renewal of subscription owing to lack of fresh content and live events on major general entertainment channels. The reverse migration of subscribers from urban areas to their hometowns witnessed permanent withdrawal from subscription base.

The demand driver for TV segment within media and entertainment industry can be gauged by the viewership trends which is dominated by general entertainment and movies, better related with escapism, as they account for almost three fourth of viewership share. While TV viewership increased across all age groups, the 15 to 50 age group continue to command maximum eyeballs. During covid 19, viewership also increased among the 2-14 age group, who spent most of their TV watching on general entertainment content followed by movies and kid's content. However, lack of fresh content forced providers to re run old episodes which forced subscribers to switch to alternate mediums.

TV Viewership by age groups



Source: BARC

Outlook

Television segment revenues are estimated to grow at a CAGR of 7% to reach INR 847 billion by 2023 driven by increased base of subscribers, greater penetration of TV's and price competitiveness as against bundled offers in OTT. The growth in connected TV to 40 to 50 million households by 2025 will in all likelihood shift the average consumer preference away from unidirectional TV.

However, monetization may pose a challenge and therefore innovative content monetization models will be required leveraging the advantage of content libraries with large Indian broadcasters. Overall TV connections will keep growing at a healthy pace of over 5% per year to cross 71% of Indian households by 2025 along with rise in bundling packages.

Indian film industry

Film industry revenue across segments (in INR Billions)

	2019	2020	2021E	2023E
Domestic theatricals	115.2	24.9	74.9	130.6
Overseas theatricals	27.0	3.1	16.2	29.2
Broadcast rights	22.1	7.1	18.9	23.4
Digital/OTT rights	19.0	35.4	37.8	52.1
In-cinema advertising	7.7	1.7	5.4	8.3
Ancillary revenue	0.1	0.0	0.1	0.2
Total	191.0	72.2	153.3	243.8

Source: EY FICCI Report 2021

The film industry bore the maximum brunt among all segments of media and entertainment industry as lockdown led to stoppages in shootings and closure of theatres for approximately seven months. Approximately, 441 films were released in CY20 as compared to 1833 in 2019 which drove down the industry by more than half to INR 72.2 billion in CY20 over 2019. The choking of theatrical mediums forced production houses towards direct to digital releases to evacuate pending releases which increased revenues from OTT by 86% on year in CY20, thereby compensating for lost theatrical revenues.

The demarcation in the movie industry is becoming more visible along value and volume dimensions. The OTT format is conducive for low budget, small cast and strong content movies with increased release frequency to cater to the OTT subscribers, mostly residing in tier 2 and tier 3 cities, while big budget movies continue their affinity towards theatre releases.

Filmed entertainment in India is driven by a strong demography with almost 58% of the population between 10-44 years of age and the main target of Indian movie makers, rising income levels across all brackets along with willingness to spend on recreation. Moreover, availability of better infrastructure such as TV, internet, smartphones, electricity at household level also provide the push for more entertainment consumption.⁶

Outlook

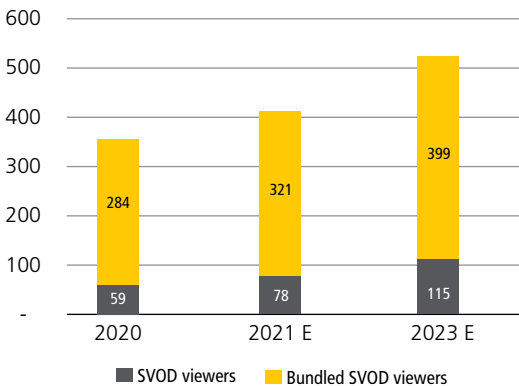
The filmed entertainment will witness a resurgence albeit at a slower pace in the near term but will be conditional on the prevailing circumstances of rising infections and localized lockdowns. A people aggregating industry, the production as well as theatrical release will be regulated by Covid protocols which will drive down volume per session. However, entertainment being a discretionary expenditure, upward pressure on prices is unlikely to happen and therefore the gradual path to profitability. Direct to digital films and online events



is expected to continue for certain categories even as content creation by consumers will drive user base for short format videos.

Subscription based Video On-Demand (SVOD)

Subscription video on demand (SVOD) consumers in India (Millions)



Source: EY FICCI ME India 2021

⁶ <https://www.televisory.com/blogs/-/blogs/indian-movie-theatre-industry>

In CY2020, the paid video subscription and subscribers, excluding the bundling subscriptions, recorded an impressive over 150% growth over 2019 with the former crossing the 50 million mark. The paid subscription market in online video is highly likely to have been driven by release of direct to digital (D2D) films during the pandemic coupled with lack of fresh content on TV during the lockdown, along with pushing live events such as IPL behind paywalls. Consequently, video subscription revenues grew by 50% in CY2020 to INR 42.4 billion even as the percentage of paying subscribers to total OTT consumers remained less than 10% for videos.

The vibrant ecosystem hosts mix of indigenous players such as Alt Balaji, Voot, Zee5, MX Player and Jio Cinema along with international streaming companies such as Netflix, Amazon Prime, Sony Liv, YouTube with Disney partnering with Hotstar to form Disney-Hotstar in late 2019. Around 1200 hours of original content were created for OTT platforms across films and episodic content in CY2020 across 220 titles, a decrease from 385 titles in 2019m due to stoppage of shoots during the pandemic for five months.

Time spent by Indian viewers on online video increased by 30% from 2019 to an average of 10 hours and 54 minutes each week, probably the highest consumption in the world. This could be attributed to availability of more time and fresh content during and after the lockdown especially for the first-time users. The number of video viewers increased by an additional 62 million in 2020 as the total video viewers reached 468 million in 2020, representing almost 96% of the smartphone owners in India.

Outlook

The number of paid video subscribers is expected to breach the 50 million mark by 2023 driven by regional consumption, shared packages, increase in connected TV's and personal devices besides the likelihood of new normal oriented work culture which will increase disposable time for entertainment consumption. Bundling opportunities by telecom and aggregators will drive user base for content consumption as 284 million consumers consumed video content through data bundles in CY2020 in India. The OTT players were estimated to increase spends in original content by 17% over 2019 to release 500 original titles in CY2021, the numbers projected before the onset of second wave in India in April 2021.

Opportunities and threats

- Growth momentum for OTT platforms to continue, with original and regional content leading the rally.
- While Internet penetration, measured by the number of active internet users in the country, is likely to increase by 45% by 2025, usership in rural areas has been registering a faster growth rate than its urban counterpart.
- Mobile devices: Increasing penetration of 4G subscriptions and smartphone subscriptions will establish a widespread digital infrastructure required for personalized entertainment consumption. With the rise in 5G services, given the slew of investments made in recent years by major telecom companies in India, it will lead to more innovative offerings and greater consumer engagement.
- Bundled packages with telecom companies has the potential for widespread acceptability amongst the consumers.

Threats

- Piracy of film and TV content can lead to loss of potential revenue.
- Resurgent covid 19 waves and subsequent regional lockdowns can further hurt the industry particularly the theatrical releases.
- Reduced number of audiences per show in theatres for big budget film, due to social distancing norms can hurt revenue and profits.



Risks and concerns

Risk	Potential Impact	Mitigation measures
Business Continuity Planning (BCP)	Lack of contingency planning could derail the growth process during instances of adverse operating environment such as during pandemic.	The Company is aware of the consequences of future lockdowns and has learnt from its initiatives taken during the pandemic. The company has also taken adequate measures to continue shooting even if a lockdown situation arises in the country during the year.
Financial	Financial mismanagement or negligence could negatively impact business operations, financials and expansion plans of the Company, along with risk of compliance defaults which could dent the brand image.	The Company has a dedicated team of professionals which keeps itself abreast with all the transactions in pursuit of the business including those by external stakeholders which can impact Company's balance sheet. Furthermore, the Company's corporate development processes and investments are based on financial modelling and due diligence.
Risk from loss of viewership	Failure to attract and retain our viewers and subscribers , will adversely impact the business	The Company has consistently registered increased viewership and subscriptions have gone up substantially during the period under review. This is supported by our ability to deliver quality content, at industry best affordable prices and across various formats and genres. This puts a unique value proposition for our consumers thereby increasing customer stickiness.
New age business models and change in competitive offerings	Owing to the intense competitive nature of the industry, evolving technologies for distribution puts a risk to the traditional model and thereby can increase risk for the business.	The Company continuously evaluates different technologies and new age business models. The Alt Balaji platform provides original and diverse entertainment with the help of cutting-edge technology.
Piracy	The rapid adoption of pirated content can severely impact our business	Piracy is one of the biggest threats to the film and entertainment industry. As a proactive company, we have taken a number of measures to reduce the impact of piracy. First, we have employed a number of monitoring and tracking tools to locate and take down any pirated content. Second, we have enforced strong IP and ownership rights via contracts and agreements with different parties to reduce the instances of piracy. To mitigate the risk further, we pre-sell a large portion of the movie's economic rights to recover the production cost of these movies.
Economic Environment risk	Political, economic or other factors that are typically beyond the organization's control may have an adverse effect on the business and results of operations.	The Company maintains a strong vigil of the global events and strives to anticipate the effect of changes in policies thereafter, in the concerned markets, to plan for an effective intervention.

Risk	Potential Impact	Mitigation measures
Shift in consumption pattern	Changes in technology and consumer consumption patterns may affect demand for our entertainment products	The media and entertainment businesses in which we operate is increasingly dependent on our ability to successfully adapt to shifting patterns of content consumption through the adoption and exploitation of new technologies. New technologies affect the demand for our products, the manner in which our products are distributed to consumers, ways we charge for and receive revenue for our entertainment products and the stability of those revenue streams, the sources, and nature of competing content offerings, the time and manner in which consumers acquire and view our entertainment offerings and the options available to advertisers for reaching their desired audiences. The Company has adopted some of the latest technologies to provide its customer with remarkable user experience. Further, we have implemented a cloud-based video management system with a focus on advanced big data and analytical solutions to help gauge the needs of our subscribers and develop content accordingly.

Internal control systems and their adequacy

The Company has in place well-established policies and procedures for internal control of operations and activities. It continuously strives to integrate the entire organization – from strategic support functions to core operational functions. The Company has put in place a set of standards that enables it to implement internal financial control across the organization and ensures that the same are adequate and operating effectively. The findings and recommendations of the statutory and internal auditors are periodically reviewed by the Board, which suggests corrective actions based on them when required. The Audit Committee of the Board of Directors is also active in the system of checks and balances that ensure the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same.



Discussion on financial performance with respect to operational performance

	FY2020-21	FY2019-20	Growth (in %)
Revenue from operations	293.7	573.6	(49)
Gross Margin	32.7	184.2	(82)
EBIDTA	(104)	10.7	(1072)
PBT	(110.4)	(22.2)	(397)
PAT	(118.9)	(59)	(102)

The revenue from operations decreased by 49% during the fiscal 2020-21 due to the impact of Covid 19 on TV and movie business. However, the digital vertical of the company led by strong content and affordable pricing structure remained resilient throughout the year. A strong focus on maintaining liquidity and balance sheet strength through the year, resulted in current cash and cash equivalent balance at Rs 144 crores during the year under review.

	FY2020-21	FY2019-20	Change
Current Ratio	4.32	3.14	38%
Operating Profit Margin (%)	11%	16%	-35%
Return on Net Worth	2.34%	5.47%	-57%

Current Ratio increased by 38% during the fiscal 2020-21 mainly due to reduction in movie advances whereas lower operating margin was on account of lower realization per hour in Television business. The decline in Return on Net Worth was due to lower realization per hour in TV and loss in revenue for one quarter.

BOARD'S REPORT

The Directors take pleasure in presenting the 27th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2021.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

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

(₹ in Lacs)

Particulars	STANDALONE		CONSOLIDATED	
	2020-21	2019-20	2020-21	2019-20
Income from operations	31,578.29	57,662.80	29,370.44	57,355.48
Less: Total expenditure	27,837.55	45,246.42	39,770.36	56,282.10
Operating Profit	3,740.74	12,416.38	(10,399.91)	1,073.38
Less: Interest	151.79	242.44	167.40	266.21
Less Depreciation	2,632.82	3,313.46	2,858.87	3,884.70
Operating Profit after interest and depreciation	956.13	8,860.48	(13,426.18)	(3,077.53)
Add: Other income	1,381.28	605.67	1,343.48	860.70
Profit before exceptional items and tax	2,337.41	9,466.15	(12,082.70)	(2,216.83)
Exceptional Items	1,044.44	-	1,044.44	-
Profit Before Tax	3,381.85	9,466.15	(11,038.26)	(2,216.83)
Less: Provision for taxation	853.62	3,679.21	853.62	3,679.21
Net profit / (loss) after tax	2,528.23	5,786.94	(11,891.88)	(5,896.04)
Other Comprehensive Income	13.33	(9.50)	15.02	5.19
Less: Net loss attributable to Non-controlling Interest	-	-	(6.99)	(18.03)
Net profit attributable to owners of the Company	2,541.56	5,777.44	(11,869.87)	(5,872.82)
Balance of retained earnings	28,747.56	24,077.49	(7,823.89)	(783.85)
Adj on adoption of Ind AS 116/ 115	-	(132.03)	-	(186.38)
Transfer to retained earnings for employee share options (vested)	407.51		407.51	
Sub Total	31,696.63	29,722.90	(19,286.25)	(6,843.05)
Appropriations:				
Share issue expenses	-	-	(0.10)	(7.50)
Conversion of preference shares into equity	-	-	-	2.00
Payment of dividend	-	(809.04)	-	(809.04)
Dividend distribution tax	-	(166.30)	-	(166.30)
Balance carried to balance sheet	31,696.63	28,747.56	(19,286.35)	(7,823.89)

RESULTS OF OPERATIONS

During the year under review, the Standalone Revenue from operations of the Company is ₹ 31,578.29 lacs an decrease of 45.24% over the previous year's ₹ 57,662.80/- Lacs. As per the Consolidated Accounts, the total revenue from operations has decreased by 48.80% from ₹ 57,355.48/- Lacs to ₹ 29,370.44 Lacs during the year. The Company had a Standalone Net profit after tax of ₹ 2,528.23 Lacs during the year as compared to Net profit of ₹ 5,786.94/- Lacs of previous year. Fall in revenue was mainly on account of Pandemic.

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

DIVIDEND

The Directors of the Company are pleased to recommend a Final Dividend of Re 0.20 per Equity Share of the face value of Rs. 2/- each for the financial year ended March 31, 2021. The Final Dividend, subject to the approval of Members at the Annual General Meeting on August 31, 2021 will be paid to the Members whose name appear in the Register of Members, as on Tuesday, August 24, 2021. The total dividend for the financial year will absorb Rs. 202.26/- lacs.

INVESTOR EDUCATION AND PROTECTION FUND

In terms of the applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, ₹ 101,614.80/- of unpaid/unclaimed dividend was 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 ₹ 31,696.63/- 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, 2021 is Rs.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, 34.34% is held by Promoters and Promoter Group, all in dematerialized form and balance of 65.66% 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 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, 2021 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. The Company focuses on creating original and exclusive content for India's Digital Audience.

It is a wholly-owned subsidiary of Balaji Telefilms Limited (BTL). Like previous year ALT Digital

continues to be a material subsidiary of BTL, as its net worth exceeded 10% of the consolidated net-worth of BTL in the immediately preceding accounting year.

3. CHHAYABANI BALAJI ENTERTAINMENT PRIVATE LIMITED (CBEPL)

CBEPL is a Kolkata-based subsidiary of Balaji Telefilms Limited (BTL), which used to produce television and digital content in Bengali. Since the Company was not carrying any business activities and did not have any proposed business plans in future, the shareholders of CBEPL approved voluntary liquidation of the Company during the year under review.

4. MARINATING FILMS PRIVATE LIMITED (MFPL)

MFPL is the creator producer of reality shows and events. During the year under review, MFPL has become wholly owned subsidiary of Balaji Telefilms Limited (BTL).

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, 2021 with respect to ESOP 2017 is available on the website of the Company at [http://www.balajitelefilms.com/pdf/ESOP 2017 Disclosure under SEBI\(SBEB\)%20 Regulations 2014.pdf](http://www.balajitelefilms.com/pdf/ESOP%202017%20Disclosure%20under%20SEBI(SBEB)%20Regulations%202014.pdf). During the year, there has not been any material change in the Company's Employee Stock Option Scheme.

Members seeking to inspect certificate from M/s. Price Waterhouse Chartered Accountants LLP, Statutory Auditors, with respect to the implementation of ESOP Scheme are required to send an email to investor@balajitelefilms.com.

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, 2021 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 forms part of the Annual Report.

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

COVID Impact on Business

The lockdowns and restrictions imposed on various activities due to COVID – 19 pandemic, while being a necessary measure to contain its spread, have also posed an unprecedented challenge to all businesses and the business operations and the Company have also been impacted.

Availability of fresh content is constrained because of stoppage of all the shooting and other allied production activities resulting in revenue loss for the Company. Availability of new digital content is constrained because of stoppage of fresh productions and the Company has managed to release shows that were in inventory. There was no major impact on control environment and operating effectiveness of internal controls as the month end / year end / other controls were operated by way of digital or e-mail sign-offs and online reviews through teleconferencing and Video Conference during the lock down period.

Ability to maintain operations during lockdown

The Company managed to ensure smooth functioning of critical operations by providing necessary digital infrastructure including laptops / desktops, VPN access, video conferencing tools, etc. to allow employees to

operate from home. All on site production remained closed as the Company followed local regulations during the lockdown.

The Company resumed its content production operations as per the directives and permissions of the State Government and other statutory and trade bodies on June 26, 2020, complying with the advisories issued by concerned authorities and following all health and safety measures. Corporate offices were opened as per the directions received from the concerned authorities and were operating at 10% capacity.

Steps taken to ensure smooth functioning of operations post resumption

We have taken the following steps to ensure smooth functioning of operations post conclusion of the lockdown period:

- i. The Company has identified people in each function whose physical presence in office is essential to maintain smooth operations of the Company.
- ii. The Company has taken safety measures such as suspending biometric attendance, making hand sanitizer available at key areas around the office including entry and exit points, ensuring that thermal screening takes place during entry and exit, maintaining social distancing in seating and common areas.
- iii. The Company has prepared a detailed manual capturing the guidelines to be followed on resumption of offices to be shared with all the employees at the time of resumption.
- iv. On the Content Production operations, the Company is adhering to all SOP's as laid out by the State Government and Trade bodies and operating with a reduced staff for the shooting.

Estimation of the future impact of Covid 19 on the operation

Company understands that this is a temporary setback and is confident that the economy and the media and entertainment sector will bounce back soon with rejuvenated demand and advertising spends. Subject to the Covid-19 situation improving in the country and no relapse of a lockdown, the Company anticipates normalcy to start setting in towards the end of Q2 FY2021-22.

The Company sees a positive trend of content aggregators needing more content, allowing the Company to profitably sell its produced content. The

Company continues to evaluate alternate options to monetise its content.

Even though the current situation is very volatile, we are confident about our ability to manage the crisis and come out of it in a strengthened position. The Company has taken various steps to mitigate the adverse impact of Covid-19 on the business which includes reduction in employee costs across all levels for a limited period, waiver of rentals and maintenance charges for the leased properties and other cost optimization across various overheads.

Below are the details of impact of Covid-19 on the Company:-

- Financial resources, profitability and liquidity position:

The Company has sufficient liquidity to fund its businesses and its future commitments.

- The revenue and profitability for the Company for Q1 FY21 was severely impacted for its TV business which mainly comprises of commissioned sales for the leading broadcast companies. As the production process was stopped during the lockdown phase, the Company has not been able to deliver TV series to any of its broadcast companies and correspondingly no revenue has been recognized. Production has resumed effective June 26, 2020 with authorities allowing the production of TV series to resume with strict guidelines. The Company during the lockdown phase also concluded a sale of its 3 library series of its digital content for an OTT platform and its broadcast arm.
- The Company has also implemented stringent cost control measures across the organization to conserve cash to address any evolving situation resulting from the pandemic.
- The Company's Management has done an assessment of the situation, including the liquidity position and the recoverability and carrying value of all its assets and liabilities as at March 31, 2021 and concluded that there were no material adjustments required in the financial statements as on March 31, 2021. However, the impact assessment of COVID-19 is a continuing process given the uncertainty associated with its nature and duration. The Company will continue to monitor any material changes as the situation evolves.
- There is no adverse impact on Capital and Financial Resources of the Company.

- **Internal financial reporting and control:**

The Company has adopted strong and adequate measures along with daily review mechanisms with senior management to effectively manage internal MIS and other processes.

- **Demand for its products / services:**

Content demand has become more strong with the lockdown and gradual unlocking. Company expects demand pre lockdown to continue.

Ding Infinity Private Limited

Ding Infinity Private Limited has become a Subsidiary of Balaji Telefilms Limited w.e.f. May 25, 2021 pursuant to acquisition of 55% stake by the Company.

Appointment of Group Chief Operating Officer

Mr. Zulfiqar Khan was appointed as a Group Chief Operating Officer of the Company w.e.f. June 18, 2021.

Resignation of Group Chief Operating Officer

Mr. Nachiket Pantvaidya has resigned as Group Chief Operating Officer and Chief Executive Officer (ALT Digital) w.e.f. April 30, 2021 to pursue other opportunities. The Board places on record, its appreciation for his inspiring guidance and his contribution to improve the overall functioning of the Company.

Resignation of Group Head Secretarial (KMP)

Mrs. Simmi Singh Bisht has tendered her resignation and she will cease to be Group Head Secretarial of the Company w.e.f. June 20, 2021 to pursue other opportunities. The Board places on record, its appreciation for her inspiring guidance and her contribution to improve the overall functioning of the Company.

DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP'S)

Resignation of Ashutosh Khanna

During the year under review, Mr. Ashutosh Khanna has resigned as an Independent Director of the Company w.e.f. July 22, 2020.

Retirement by rotation and subsequent re-appointment

Mr. Ramesh Sippy, Non-Executive 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 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 brief resume of the Director and other related information has been detailed in the Notice convening the 27th AGM of the Company. The Board recommends his re-appointment as Non-Executive Director of the Company.

Appointment of Independent Directors

Dr. Archana Hingorani

The Members of the Company at the Annual General Meeting held on September 30, 2020 for financial year 2019-20 had approved the appointment of Dr. Archana Hingorani as an Independent Director of the Company.

Mr. Jason Kothari

The Board of Directors had appointed Mr. Jason Kothari as an Additional Director (Non-Executive Independent) Director of the Company vide resolution passed in the Board Meeting held on February 11, 2021 who will hold office upto the date of ensuing AGM and shall not be liable to retire by rotation.

Appropriate resolution for his appointment as Non-Executive Independent Director is being placed for the approval of the Members of the Company at the ensuing AGM. The Board recommends his appointment as Non-Executive Independent 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 and Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Board is of the opinion that the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors.

AUDITORS

STATUTORY AUDIT

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Members at the 23rd Annual General Meeting (AGM) held on August 31, 2017 had

approved the appointment of M/s. Price Water Chartered Accountants LLP for a term of 5 (five) consecutive years, to hold office till the conclusion of the AGM to be held for the financial year 2021-22. M/s. Price Waterhouse Chartered Accountants LLP have confirmed that they are not disqualified from continuing as Auditors of the Company.

While the Statutory Audit Report of M/s Price Waterhouse Chartered Accountants LLP, Chartered Accountants do not contain any qualification, reservation or adverse remarks, the Statutory Auditor in their report on standalone and consolidated financial statement have included Emphasis of Matter drawing Members attention to Note No 40 and Note No 43 of standalone and consolidated Financial Statement respectively, in connection with receivables from one of its co-producer and a film Director.

Statutory Auditor have also included Emphasis of Matter drawing Members attention to Note No 47 and Note No 51 of Standalone and consolidated Financial Statement respectively, in connection with uncertainties and the management's assessment of the financial impact due to the restrictions and other conditions related to the Covid-19 pandemic situation.

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. MMJB & Associates LLP, Company Secretaries as Secretarial Auditors of the Company for the financial year 2021-22.

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. MMJB & Associates LLP, Company Secretaries in Form No. MR-3 for the financial year 2020-21 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 except adverse remark which reads as under:

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. mentioned above except that the composition of the Board was not complied from 1st April 2020 to 27th August, 2020 due to absence of Independent Woman Director as required under Regulation 17(1) of the Listing Regulations. Further, BSE Limited and National Stock Exchange of India Limited has also imposed a penalty of Rs. 8,79,100/- each (Inclusive of Goods and Service Tax) on the Company.

With regards to remark contained in the Secretarial Audit Report, Directors wish to state that:

As the Company was searching for a suitable and reliable candidate to be appointed as a Board Member, it was unable to comply with the requirement to appoint an Independent Woman Director as per Regulation 17 of SEBI (LODR) Regulations, 2015 for the period from April 01, 2020 to August 27, 2020. However, the Company appointed an Independent Woman Director w.e.f. August 28, 2020. Further, the Company has paid penalty imposed by both the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited for the said non-compliance during the year under review.

SECRETARIAL AUDIT REPORT OF UNLISTED MATERIAL SUBSIDIARY

Secretarial Audit Report of ALT Digital Media Entertainment Limited ("Material Unlisted Subsidiary Company") issued by M/s. AVS & Associates., Practicing Company Secretaries in Form No. MR-3 for the financial year 2020-21 is appended as Annexure I to the Board's Report of ALT Digital Media Entertainment Limited.

COMMITTEES OF THE BOARD

In compliance with the requirements of Companies Act, 2013 and Listing Regulations, the Company has in place Board Committees including Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee and Corporate Social Responsibility 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 here with as Annexure III to the Board's Report.

OTHER DISCLOSURES

i) EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return is appended as Annexure IV, which forms part of the Board's Report and a copy of Annual Return is also available on the website of the Company at http://www.balajitelefilms.com/annual_return.php as per Section 92 of the Companies Act, 2013.

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 where in the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as maybe 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-transaction-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 (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. 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 2020-21, 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.

xiv) REMUNERATION OR COMMISSION TO MANAGING DIRECTOR

The Managing Director of the Company has not received any remuneration or commission from any of the subsidiary companies.

xv) SCHEME OR PROVISION OF MONEY FOR THE PURCHASE OF ITS OWN SHARES

The Company does not have any scheme or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/ Directors of the Company.

xvi) REVISION IN FINANCIAL STATEMENTS AND BOARD'S REPORT

During the year under review, there was no revision of financial statement and Board's report of the Company.

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 ₹ 361.80 /- Lacs (Previous Year ₹ 1,753.34 /- Lacs) and the foreign exchange outgo in terms of actual outflows is ₹ 29.34 /- Lacs (Previous Year ₹ 47.85/- 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.

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report as per SEBI Listing Regulations are presented in separate sections forming part of 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 did not exceed 120 days except a gap of 160 days between Board Meetings of February 12, 2020 and July 22, 2020 which was caused

due to COVID-19 pandemic and nationwide lockdown and was in compliance with MCA Circular dated March 24, 2020.

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, 2021, the Board comprised of thirteen Directors, of whom two are Executive Directors, four Non-Executive Non- Independent Directors and seven 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>.

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, 2021, 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, 2021 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 were 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

Place: Mumbai
Date: June 18, 2021

Sd/-
Jeetendra Kapoor
Chairman
(DIN: 00005345)

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)														
Sr. No.	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 (including deferred tax)	Profit & Loss after tax	% of Shareholding
1.	Balaji Motion Pictures Limited	March 31, 2021	N.A.	N.A.	200.00	(577.76)	74.94	452.70	-	122.50	(309.93)	-	(309.93)	100
2.	ALT Digital Media Entertainment Limited	March 31, 2021	N.A.	N.A.	62,005.00	(48,317.70)	39,091.14	25,403.83	2,502.98	6,111.97	(14,619.63)	-	(14,619.63)	100
3.	Marinating Films Private Limited	March 31, 2021	December 24, 2014	N.A.	771.00	(645.25)	310.98	185.23	79.30	-	2.78	-	2.78	100

Note: Since Chhayabani ("CBEPL") Limited was not carrying any business activities and did not have any proposed business plans in future, the shareholders of CBEPL approved voluntary liquidation of the Company during the year under review.

For and on behalf of the Board of Directors

Sd/-
Jeetendra Kapoor
 Chairman
 (DIN: 00005345)

Place: Mumbai
Date: June 18, 2021

FORM NO. MR. 3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2021.

[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 Industrial Estate,
New Link Road – Andheri (West)
Mumbai-400053, Maharashtra, India.

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, 2021 (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, 2021 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 thereunder 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, 2018; **(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 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, 2018; **(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. (hereinafter called the '**Listing Regulation**'))

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. mentioned above except that the composition of the Board was not complied from 1st April 2020 to 27th August, 2020 due to absence of Independent Woman Director as required under Regulation 17(1) of the Listing Regulations. Further, BSE Limited and National Stock Exchange of India Limited has also imposed a penalty of Rs. 8,79,100/- each (Inclusive of Goods and Service Tax) on the Company.

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, except as mentioned above. 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 MMJB & Associates LLP Company Secretaries

Bhavisha Jewani

Designated Partner

FCS No. 8503

CP No. 9346

Peer Review No. L2020MH006700

Date: 18.06.2021

UDIN: F008503C000482394

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 Industrial Estate,
New Link Road – Andheri (West),
Mumbai-400053, Maharashtra, India.

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 MMJB & Associates LLP Company Secretaries

Bhavisha Jewani

Designated Partner

FCS No. 8503

CP No. 9346

Peer Review No. L2020MH006700

UDIN: F008503C000482394

Date: 18.06.2021

ANNEXURE III CSR REPORT

[Pursuant to 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 website at http://www.balajitelefilms.com/corporate-social-responsibility.php
2.	The Composition of the CSR Committee	Mr. Jeetendra Kapoor - Chairman Mrs. Shobha Kapoor - Member Mr. D.G. Rajan- Member Mr. D. K. Vasal - Member Mr. Ahsutosh Khanna - Member (Resigned w.e.f. July 22, 2020)
3.	Average Net Profit of the Company for last three financial years	Rs. 4,636.03 lacs
4.	Prescribed CSR Expenditure (2% of the average net profit of the Company for last three financial years)	Rs. 92.72 lacs
5.	Details of CSR Spent during the financial year a) Total amount to be spent for the financial year. b) Amount unspent, if any. c) Manner in which the amount spent during the financial year	a) ₹ 105.50 Lacs b) NIL c) Refer Annexure A
6.	Reasons for not spending 2% of the average net profit of the last three financial years:	Not Applicable
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

(Amount in ₹)

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 March 31, 2021	Amount spent: Direct or through implementing agency
1.	Animal Welfare	Animal Welfare	Local area	9,87,144	9,87,144	9,87,144	Direct
2.	USM D P Vidyaniidhi Primary School	Children Education	Local area	23,330	23,330	23,330	Direct
3.	Tonian Child Care	Children Education	Local area	5,400	5,400	5,400	Direct
4.	Surya Children Medicare Pvt Ltd	Children Medical aid	Local area	3,00,000	3,00,000	3,00,000	Direct
5.	Surya Bio	Children Medical aid	Local area	3,00,000	3,00,000	3,00,000	Direct
6.	Bai Jerbai Wadia Hospital For Children	Children Medical aid	Local area	1,75,000	1,75,000	1,75,000	Direct
7.	Bal Asha	Children Medical aid	Local area	3,00,000	3,00,000	3,00,000	Direct
8.	Children Medical Aid	Children Medical aid	Local area	19,798	19,798	19,798	Direct
9.	Ketto Foundation	Medical Aid	Local area	1,50,000	1,50,000	1,50,000	Direct
10.	Badar Multispeciality Hospital	Medical Aid	Local area	80,000	80,000	80,000	Direct
11.	Dr. Balabhai Nanavati Hospital	Medical Aid	Local area	1,50,000	1,50,000	1,50,000	Direct
12.	Medical Aid	Medical Aid	Local area	1,15,000	1,15,000	1,15,000	Direct
13.	Bhanumati Trust	Providing aid for Senior citizens	Local area	50,00,000	50,00,000	50,00,000	Direct
14.	Krishna Kala Trust		Local area	20,34,892	20,34,892	20,34,892	Direct
15.	Old Age Home		Local area	4,08,642	4,08,642	4,08,642	Direct
16.	Old Age Home		Local area	26,000	26,000	26,000	Direct
17.	Ketto Foundation	Social Welfare	Local area	2,00,000	2,00,000	2,00,000	Direct
18.	Phool Varsha Foundation	Social Welfare	Local area	1,75,000	1,75,000	1,75,000	Direct
19.	Cuddles Foundation	Social Welfare	Local area	1,00,000	1,00,000	1,00,000	Direct
Total				1,05,50,206	1,05,50,206	1,05,50,206	

For and on behalf of the CSR Committee

Place: Mumbai
Date: June 18, 2021

Sd/-
Shobha Kapoor
Managing Director
(DIN:00005124)

Sd/-
Jeetendra Kapoor
Chairman-CSR Committee
(DIN: 00005345)

The Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company: <http://balajitelefilms.com/corporate-social-responsibility.php>
2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Jeetendra Kapoor	Chairman	4	4
2	Mrs. Shobha Kapoor	Managing Director	4	4
3	Mr. D.G. Rajan	Independent Director	4	0
4	Mr. Ashutosh Khanna*	Independent Director	4	0
5	Mr. D. K. Vasal	Independent Director	4	1

*Mr. Ashutosh Khanna resigned as Member of the Committee w.e.f. July 22, 2020.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <http://balajitelefilms.com/corporate-social-responsibility.php>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): **N.A.**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. In lacs)	Amount required to be set-off for the financial year, if any (Rs. In lacs)
1	2019-20	0.90	0.90
	TOTAL	0.90	0.90

6. Average net profit of the company as per section 135(5): **Rs. 4,636.03 lacs**
7. (a) Two percent of average net profit of the company as per section 135(5): **Rs. 92.72 lacs**
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
 (c) Amount required to be set off for the financial year, if any: **Rs. 0.90 lacs**
 (d) Total CSR obligation for the financial year (7a+7b- 7c): **Rs. 91.82 lacs**
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 105.50 lacs			N.A.		

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Project duration.	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation Direct (Yes/No)	Mode of Implementation-Through Implementing Agency	
				State	District						Name	CSR Registration number.

N.A

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent in the current financial Year (in Rs.).	Mode of Implementation Direct (Yes/No)	Mode of Implementation-Through Implementing Agency	
				State	District			Name	CSR Registration number.

Refer Annexure A on page 70

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **N.A.**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 105.50 lacs**

(g) Excess amount for set off, if any

			(₹ in Lacs)
Sr. No.	Particulars		Amount
(i)	Two percent of average net profit of the company as per section 135(5)		92.72
(ii)	Total amount spent for the Financial Year		105.50
(iii)	Excess amount spent for the financial year [(ii)-(i)]		12.78
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any		0.90
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]		13.68

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.).	Date of transfer.	

N.A.

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project Completed /Ongoing.

N.A

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)**

- (a) Date of creation or acquisition of the capital asset(s). **None**
- (b) Amount of CSR spent for creation or acquisition of capital asset. **NIL**
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. **N.A.**
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). **N.A.**

11. Specify the reason(s), if the company has failed to spent two per cent of the average net profit as per section 135(5): **N.A.**

ANNEXURE IV

EXTRACT OF ANNUAL RETURN

As on financial year ended 31.03.2021

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.	M/s. KFin Technologies Private Limited Selenium Building, Tower-B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032, Telangana Tel: +91 40 6716 2222/ 79611000 Fax: +91-40-23440674 Toll free: 1800-3094-001 Email: einward.ris@kfintech.com Website: www.kfintech.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

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	Wholly – Owned Subsidiary Company	100	2 (87)

*Registered Office at C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai-400053, Maharashtra

Note: Since Chhayabani Balaji Entertainment Private Limited (CBEPL) was not carrying any business activities and did not have any proposed business plans in future, its shareholders approved voluntary liquidation during the year under review.

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

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2020				No. of Shares held at the end of the year i.e. March 31, 2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters & Promoters Group									
(1) Indian									
a) Individual/ HUF	3,47,22,002	0	3,47,22,002	34.33	3,47,32,876	0	3,47,32,876	34.34	0.01
b) Central Govt	0	0	0.00	0	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0.00	0	0	0	0	0.00	0.00
d) Bodies Corporate	0	0	0.00	0	0	0	0	0.00	0.00
e) Banks / FI	0	0	0.00	0	0	0	0	0.00	0.00
f) Any other	0	0	0.00	0	0	0	0	0.00	0.00
Sub total (A) (1)	3,47,22,002	0	3,47,22,002	34.33	3,47,32,876	0	3,47,32,876	34.34	0.01
(2) Foreign									
a) Individuals (NRIs/ Foreign Individuals)	0	0	0.00	0	0	0	0	0.00	0.00
b) Other Individuals	0	0	0.00	0	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0.00	0	0	0	0	0.00	0.00
d) Institutions	0	0	0.00	0	0	0	0	0.00	0.00
e) Qualified Foreign Investor	0	0	0.00	0	0	0	0	0.00	0.00
f) Others	0	0	0.00	0	0	0	0	0.00	0.00
Sub total (A)(2)	0	0	0.00	0	0	0	0	0.00	0.00
Total Shareholding of Promoters A= A(1) + A(2)	3,46,07,830	0	3,46,07,830	34.22	3,47,22,002	0	3,47,22,002	34.33	0.11
B. Public Shareholding									
1. Institutions									
a) Mutual Funds/UTI	5,16,339	0	5,16,339	0.51	0	0	0	0.00	-0.51
b) Banks / FI	8,12,227	0	8,12,227	0.80	0	0	0	0.00	-0.80
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) Foreign Investors	1,86,06,990	0	1,86,06,990	18.40	1,86,72,875	0	1,86,72,875	18.46	0.07
h) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
i) Qualified Foreign	0	0	0	0.00	0	0	0	0.00	0.00
j) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):	1,99,35,556	0	1,99,35,556	19.71	1,86,72,875	0	1,86,72,875	18.46	-1.25
2. Non-Institutions									
a) Bodies Corporate	3,15,91,448	0	3,15,91,448	31.24	3,01,31,889	0	3,01,31,889	29.80	-1.44
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	73,97,567	4,548	74,02,115	7.32	1,01,43,791	4,538	1,01,48,329	10.03	2.72
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	58,85,051	0	58,85,051	5.82	50,27,519	0	50,27,519	4.97	-0.85
c) Others									
HUF	4,69,016	0	4,69,016	0.46	5,60,381	0	5,60,381	0.55	0.09
Foreign Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Directors	22,200	0	22,200	0.02	21,200	0	21,200	0.02	0.00

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2020				No. of Shares held at the end of the year i.e. March 31, 2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Directors and their Relatives	15,170	0	15,170	0.02	15,170	0	15,170	0.02	0.00
Clearing Members	76,093	0	76,093	0.08	3,92,807	0	3,92,807	0.39	0.31
IEPF	44,729	0	44,729	0.04	48,467	0	48,467	0.05	0.00
Non- Resident Indians	3,76,480	0	3,76,480	0.37	3,40,752	0	3,40,752	0.34	-0.04
NRI Non- Repatriation	5,88,983	0	5,88,983	0.58	6,42,206	0	6,42,206	0.64	0.05
Trusts	800	0	800	0.00	800	0	800	0.00	0.00
NBFC	800	0	800	0.00	800	0	800	0.00	0.00
Qualified Foreign Investor	0	0	0	0.00	3,94,372	0	3,94,372	0.39	0.39
Sub-total (B)(2):-	4,64,68,337	4,548	4,64,72,885	45.95	4,77,20,154	4,538	4,77,24,692	47.19	1.24
Total Public Shareholding (B)=(B)(1)+ (B)(2)	6,64,03,893	4,548	6,64,08,441	65.67	6,63,93,029	4,538	6,63,97,567	65.66	-0.01
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	10,11,25,895	4,548	10,11,30,443	100.00	10,11,25,905	4,538	10,11,30,443	100.00	-

Note:

- Due to the time required for transaction to complete and reflect in buyer's account, 10,874 equity shares purchased by Ms. Ekta Kapoor, Promoter Director during the quarter ended March 2020 were captured in shareholding Pattern post March 31, 2020. The change in her shareholding is due to said transaction. She has not purchased any shares during the year under review.

ii) Shareholding of Promoter:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 01, 2020			Shareholding at the end of the year i.e. March 31, 2021			% 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	1,10,08,850	10.89	0	1,10,08,850	10.89	0	0
3	Ms. Ekta Kapoor	1,84,22,380	18.22	0	1,84,33,254	18.23	0	0.01
4	Mr. Tusshar Kapoor	20,30,250	2.01	0	20,30,250	2.01	0	0
Total		3,47,22,002	34.33	0	3,47,32,876	34.34	0	0.01

Note:

- Due to the time required for transaction to complete and reflect in buyer's account, 10,874 equity shares purchased by Ms. Ekta Kapoor, Promoter Director during the quarter ended March 2020 were captured in shareholding Pattern post March 31, 2020. The change in her shareholding is due to said transaction. She has not purchased any shares during the year under review.

iii) Change in Promoters' Shareholding:

Sr. No.	Name of the 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.	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

Sr. No.	Name of the 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. Mrs. Shobha Kapoor					
	At the beginning of the year	1,10,08,850	10.89	1,10,08,850	10.89
	Bought during the year	-	-	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	1,84,22,380	18.22	1,84,22,380	18.22
	Bought during the year	10,874	0.01	1,84,33,254	18.23
	Sold during the year	-	-	1,84,33,254	18.23
	At the end of the year	1,84,33,254	18.23	1,84,33,254	18.23
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

Note:

- Due to the time required for transaction to complete and reflect in buyer's account, 10,874 equity shares purchased by Ms. Ekta Kapoor, Promoter Director during the quarter ended March 2020 were captured in shareholding Pattern post March 31, 2020. The change in her shareholding is due to said transaction. She has not purchased any shares during the year under review.

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on March 31, 2021:

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	-	-	2,52,00,000	24.92
	Sold during the year	-	-	2,52,00,000	24.92
	At the end of the year	2,52,00,000	24.92	2,52,00,000	24.92
2. Gothic corporation					
	At the beginning of the year	48,28,550	4.77	48,28,550	4.77
	Bought during the year	-	-	48,28,550	4.77
	Sold during the year	-	-	48,28,550	4.77
	At the end of the year	48,28,550	4.77	48,28,550	4.77
3. Vanderbilt University - Atyant Capital management					
	At the beginning of the year	45,80,064	4.53	45,80,064	4.53
	Bought during the year	-	-	45,80,064	4.53
	Sold during the year	-	-	45,80,064	4.53
	At the end of the year	45,80,064	4.53	45,80,064	4.53
4. Atyant Capital India fund i					
	At the beginning of the year	40,78,223	4.03	40,78,223	4.03

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
	Bought during the year	-	-	40,78,223	4.03
	Sold during the year	-	-	40,78,223	4.03
	At the end of the year	40,78,223	4.03	40,78,223	4.03
5.	Aadi Financial Advisors llp				
	At the beginning of the year	36,35,000	3.59	36,35,000	3.59
	Bought during the year	-	-	36,35,000	3.59
	Sold during the year	6,65,801	0.65	29,69,199	2.94
	At the end of the year	29,69,199	2.94	29,69,199	2.94
6.	Gothic HSP corporation				
	At the beginning of the year	22,08,291	2.18	22,08,291	2.18
	Bought during the year	-	-	22,08,291	2.18
	Sold during the year	-	-	22,08,291	2.18
	At the end of the year	22,08,291	2.18	22,08,291	2.18
7.	The Duke endowment				
	At the beginning of the year	17,86,420	1.77	17,86,420	1.77
	Bought during the year	-	-	17,86,420	1.77
	Sold during the year	-	-	17,86,420	1.77
	At the end of the year	17,86,420	1.77	17,86,420	1.77
8.	Employees' retirement plan of Duke University				
	At the beginning of the year	10,05,442	0.99	10,05,442	0.99
	Bought during the year	-	-	10,05,442	0.99
	Sold during the year	-	-	10,05,442	0.99
	At the end of the year	10,05,442	0.99	10,05,442	0.99
9.	Dharmesh Anil Mehta				
	At the beginning of the year	6,32,000	0.62	6,32,000	0.62
	Bought during the year	-	-	6,32,000	0.62
	Sold during the year	-	-	6,32,000	0.62
	At the end of the year	6,32,000	0.62	6,32,000	0.62
10.	*Bhimavarapu Sridhar Reddy				
	At the beginning of the year	6,25,470	0.62	6,25,470	0.62
	Bought during the year	2,224	0.00	6,27,694	0.62
	Sold during the year	2,16,499	0.21	4,11,195	0.40
	Bought during the year	20,000	0.01	4,31,195	0.42
	Sold during the year	3,08,393	0.30	1,22,802	0.12
	At the end of the year	1,22,802	0.12	1,22,802	0.12
11.	*Multiplier share and Stock Advisors Private Ltd				
	At the beginning of the year	54,000	0.05	54,000	0.05
	Bought during the year	1,29,850	0.12	1,83,850	0.18
	Sold during the year	2,000	0.00	1,81,850	0.17
	Bought during the year	3,00,000	0.29	4,81,850	0.47
	Sold during the year	5,000	0.00	4,76,850	0.47
	Bought during the year	97,546	0.09	5,74,396	0.57
	At the end of the year	5,74,396	0.57	5,74,396	0.57

*Not in the list of top 10 shareholders as on April 01, 2020. The same has been reflected above since the shareholder was one of the top 10 shareholders as on March 31, 2021.

*Not in the list of top 10 shareholders as on March 31, 2021. The same has been reflected above since the shareholder was one of the top 10 shareholders as on April 01, 2020.

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	1,10,08,850	10.89	1,10,08,850	10.89
	Bought during the year	-	-	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	1,84,22,380	18.22	1,84,22,380	18.22
	Bought during the year	10,874	0.01	1,84,33,254	18.23
	Sold during the year	-	-	1,84,33,254	18.23
	At the end of the year	1,84,33,254	18.22	1,84,33,254	18.23
4. 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
5. Mr. Arun Kumar Purwar					
	At the beginning of the year	36,070	0.04	36,070	0.04
	Bought during the year	-	-	36,070	0.04
	Sold during the year	-	-	36,070	0.04
	At the end of the year	36,070	0.04	36,070	0.04
6. Mr. Ashutosh Khanna					
	At the beginning of the year	1,000	0.00	1,000	0.00
	Bought during the year	21,185	0.02	22,185	0.02
	Sold during the year	22,185	0.02	0	0.00
	At the end of the year	0	0.00	0	0.00

Notes:

- Due to the time required for transaction to complete and reflect in buyer's account, 10,874 equity shares purchased by Ms. Ekta Kapoor, Promoter Director during the quarter ended March 2020 were captured in shareholding Pattern post March 31, 2020. The change in her shareholding is due to said transaction. She has not purchased any shares during the year under review.
- Mr. Arun Kumar Purwar is holding shares along with his relatives. Mr. Purwar is holding 20,900 shares, and his relatives are holding 15,170 shares.
- Directors: Mr. Pradeep Kumar Sarada, Mr. Devender Kumar Vasal, Mr. Virendra Babubhai Dalal, Ms. Archana Hingorani, Mr. Jason Kothari, Mr. Ramesh Sippy Mr. Anshuman Thakur and Ms. Jyoti Deshpande and KMPs: Mr. Sanjay Dwivedi and Mrs. Simmi Singh Bisht did not hold any shares during the financial year 2020-21.
- Mr. Ashutosh Khanna has resigned as Independent Director of the Company w.e.f. July 22, 2020.

V. INDEBTEDNESS

The Company had no indebtedness with respect to Secured or Unsecured Loans or Deposits during the financial year 2020-21.

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		Total Amount
		Mrs. Shobha Kapoor (Managing Director)	Ms. Ekta Kapoor (Joint Managing Director)	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,94,76,546	-	1,94,76,546
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7,62,000	-	7,62,000
	(c) Profits in lieu of salary u/s 17(3) 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.	7,50,000	-	7,50,000
	Total (A)	2,09,88,546	-	2,09,88,546
	Ceiling as per the Act (per annum)	₹ 2,40,00,000/-per Managerial Personnel (Calculated as per Schedule V of Companies, Act, 2013)		

B. Remuneration to Other Directors

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors								Total Amount
		Duraiswamy Gunaseela Rajan	Devender Kumar Vasal	Virendra Babubhai Dalal	Arun Kumar Purwar	Pradeep Kumar Sarda	Ashutosh Khanna	Archana Hingorani	Jason Kothari	
1.	Independent Directors									
	Fee for attending Board and Committee meetings	6,00,000	6,00,000	6,00,000	5,00,000	1,00,000	-	4,00,000	-	28,00,000
	Commission	56,910	56,910	56,910	56,910	56,910	-	33,680	7,640	3,25,870
	Others	-	-	-	-	-	-	-	-	-
	Total (1)	6,56,910	6,56,910	6,56,910	5,56,910	1,56,910	-	4,33,680	7,640	31,25,870
2.	Other Non-Executive Directors									
	Fee for attending Board and Committee meetings	4,00,000	4,00,000	4,00,000	4,00,000					16,00,000
	Commission	19,86,400	56,910	56,910	56,910					21,57,130
	Others	-	-	-	-					-
	Total (2)	23,86,400	4,56,910	4,56,910	4,56,910					37,57,130
	Total (B) (1+2)	30,43,310	11,13,820	11,13,820	10,13,820	1,56,910	-	4,33,680	7,640	68,83,000

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors								Total Amount
		Duraiswamy Gunaseela Rajan	Devender Kumar Vasal	Virendra Babubhai Dalal	Arun Kumar Purwar	Pradeep Kumar Sarda	Ashutosh Khanna	Archana Hingorani	Jason Kothari	
1.	Independent Directors									
	Total Managerial Remuneration (A+B)									2,63,59,546
	Ceiling as per Act (per annum)	₹ 2,40,00,000/-per Managerial Personnel (Calculated as per Schedule V of Companies, Act, 2013)								

Note: 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.

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Sanjay Dwivedi (Group CFO)	Simmi Singh Bisht (Group Head Secretarial)	Total Amount
1	Gross salary			
	a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	1,56,54,108	34,53,996	1,91,08,104
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	79,884	-	79,884
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option (Number of Options)	2,00,000	-	2,00,000
3	Sweat Equity	-	-	-
4	Commission- as 1.06 % of profit	-	-	-
5	Others - Employer's Contribution to Provident Fund.	12,59,250	4,69,308	17,28,558
	Total	1,69,93,242	39,23,304	2,09,16,546

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: June 18, 2021

ANNEXURE V

PARTICULARS OF EMPLOYEES

INFORMATION AS PER RULE 5(1) OF CHAPTER XIII, THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Sr. No	Name of the Director/KMP	Designation	Remuneration of Director/ KMP for the Financial Year 2020-21 (Rs. in crores) (Including perquisite value of ESOPs exercised)	Remuneration of Director/ KMP for the Financial Year 2020-21 (Rs. in crores) (Excluding perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2020-21 (Excluding perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2020-21 (Including perquisite value of ESOPs exercised)	Ratio of Remuneration of each Director to median remuneration (Including perquisite value of ESOPs exercised) of employees for the Financial Year 2020-21
1.	Mr. Jeetendra Kapoor	Chairman	23,86,400	23,86,400	(70%)	(70%)	6.79
2.	Mrs. Shobha Kapoor	Managing Director	2,09,88,546	2,09,88,546	-	-	59.70
3.	Ms. Ekta Kapoor	Joint Managing Director	-	-	-	-	-
4.	Mr. Duraiswamy Gunaseela Rajan	Independent Director	6,56,910	6,56,910	(19%)	(19%)	1.87
5.	Mr. Devender Kumar Vasal	Independent Director	6,56,910	6,56,910	(19%)	(19%)	1.87
6.	Mr. Virendra Babubhai Dalal	Independent Director	6,56,910	6,56,910	(4%)	(4%)	1.87
7.	Mr. Pradeep Kumar Sarda	Independent Director	1,56,910	1,56,910	(50%)	(50%)	0.45
8.	Mr. Arun Kumar Purwar	Independent Director	5,56,910	5,56,910	(22%)	(22%)	1.58
9.	Mr. Ashutosh Khanna	Independent Director	-	-	-	-	-
10.	^ Dr. Archana Hingorani	Independent Director	4,33,680	4,33,680	-	-	1.23
11.	## Mr. Jason Kothari	Independent Director	7,640	7,640	-	-	0.02
12.	Mr. Anshuman Thakur	Non-Executive Director	4,56,910	4,56,910	11%	11%	1.30
13.	Ms. Jyoti Deshpande	Non-Executive Director	4,56,910	4,56,910	(11%)	(11%)	1.30

Sr. No	Name of the Director/KMP	Designation	Remuneration of Director/KMP for the Financial Year 2020-21 (Rs. in crores) (Including perquisite value of ESOPs exercised)	Remuneration of Director/KMP for the Financial Year 2020-21 (Rs. in crores) (Excluding perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2020-21 (Excluding perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2020-21 (Including perquisite value of ESOPs exercised)	Ratio of Remuneration of each Director to median remuneration (Including perquisite value of ESOPs exercised) of employees for the Financial Year 2020-21
14.	Mr. Ramesh Sippy	Non-Executive Director	4,56,910	4,56,910	47%	47%	1.30
15.	Mr. Sanjay Dwivedi	Group Chief Financial Officer	1,69,93,242	1,69,93,242	-	-	48.33
16.	Mrs. Simmi Singh Bisht	Group Head Secretarial	39,23,304	39,23,304	41%	41%	11.16

Note: Includes Employer's Contribution to Provident Fund

^ Dr. Archana Hingorani was appointment as an Independent Director w.e.f. August 28, 2020

Mr. Jason Kothari was appointed as an Additional Director (Non-Executive Independent) Director w.e.f. February 11, 2021

- a) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the above table.** The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the above table.
- b) **The percentage increase in the median remuneration of employees in the Financial Year:** In the Financial year, there was no increase in remuneration.
- c) **The number of permanent employees on the rolls of Company:** There are 93 permanent employees on the rolls of the Company as on 31st March, 2021.
- d) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** In the financial year, there was no increase in remuneration.
- e) **Affirmation that the remuneration is as per the remuneration policy of the Company:** It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

INFORMATION AS PER RULE 5(2) OF CHAPTER XIII, THE 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	72	26	Nov 10, 1994	2,09,88,546	N.A.	Yes	Yes. She is wife of Mr. Jeetendra Kapoor and Mother of Ms. Ekta Kapoor
Ms. Ekta Kapoor	Joint Managing Director	Undergraduate	46	26	Nov 10, 1994	-	N.A.	Yes	Yes. She is daughter of Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor
Mr. Sanjay Dwivedi	Group CFO	C.A.	51	24	Jan 25, 2013	1,69,93,242	Nimbus Communication Ltd (SVPFinance)	No	No
Mr. Nachiket Pantvaidya	Group COO & CEO (Alt Digital)	P.G.D.M	50	25	Dec 01, 2015	2,75,93,166	Sony Entertainment Network (SR EVP & Business Head)	No	No
Mr. Ketan Gupta	COO	Graduate	43	22	May 02, 2018	1,12,34,747	Fox TVSI	No	No

Note:

- Mr. Nachiket Pantvaidya has resigned from the position of Group Chief Operating Officer of the Company and Chief Executive Officer (ALT Digital) w.e.f. April 30, 2021.
- Mr. Ketan Gupta has resigned from the position of Chief Operating Officer of the Company w.e.f. Feb 28th, 2021.

- (ii) **Employees employed for a part of year and were in receipt of remuneration aggregating ₹ 8.5 Lacs or more per month: NA**

For and on behalf of the Board of Directors

Place: Mumbai

Date: June 18, 2021

Sd/-

Jeetendra Kapoor

Chairman

(DIN: 00005345)

ANNEXURE VI

FORM AOC-2

PARTICULARS OF CONTRACTS /ARRANGEMENTS / TRANSACTIONS MADE
WITH RELATED PARTIES

For the financial year ended March 31, 2021

[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, 2021 was not at arm's length basis.

Name(s) of the Related Party and nature of relationship	Designation Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Salient terms of the Contracts/ Arrangements/ Transactions including the value, if any	Justification for entering into such Contracts/ Arrangements/ 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 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 – 400053 to its Subsidiary Companies for usage as its Registered Office without charging of any rent.	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.

Note: Since Chhayabani Balaji Entertainment Private Limited (CBEPL) was not carrying any business activities and did not have any proposed business plans in future, its shareholders approved voluntary liquidation of the company during the year under review.

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, 2021, which were at arm's length basis.

For and on behalf of the Board of Directors

Place: Mumbai
Date: June 18, 2021

Sd/-
Jeetendra Kapoor
Chairman
DIN:00005345

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 in 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 internal and external stakeholders, 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 Managing Director 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, 2021, the Board comprised of thirteen Members, of whom two are Executive Directors, four Non-Executive Non-Independent Directors and seven 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 directorship of more than seven Listed entities and no Independent Director served their directorship in more than seven listed entities.

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 Committee Membership and Chairmanship includes only Audit & Stakeholder Relationship Committee.

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 2020-21 and also the number of Directorships and Committee Memberships/Chairmanships held by them in various Companies as on March 31, 2021 are given below:

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, 2021
	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	5	N.A.	N.A.	1	0	1,10,08,850
Ms. Ekta Kapoor (P, E, NI)	4	2	Absent	5	N.A.	N.A.	1	0	1,84,33,254
Mr. Pradeep Kumar Sarda (N, I)	4	1	Present	1	Mercury Trade Links Limited	Director	3	1	NIL
Mr. Duraiswamy Gunaseela Rajan (N, I)	4	4	Present	6	IFGL Refractories Limited Rubfila International Ltd Digjam Limited	Independent Director	7	5	300
**Mr. Ashutosh Khanna (N, I)	1	0	-	-	-	-	-	-	NIL
***Dr. Archana Hingorani (N, I)	3	3	Present	5	Alembic Pharmaceuticals Limited Grindwell Norton Limited Den Networks Limited 5Paiza Capital Limited	Independent Director	8	2	NIL
Mr. Devender Kumar Vasal (N, I)	4	4	Present	2	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 Jindal Steel and Power Limited IIFL Finance Limited	Independent Director	3	2	^36,070
Mr. Anshuman Thakur (N, NI)	4	4	Present	3	N.A.	N.A.	1	1	NIL
Ms. Jyoti Deshpande (N, NI)	4	4	Present	3	Network18 Media & Investments Limited TV18 Broadcast Limited	Director	0	0	NIL
Mr. Ramesh Sippy (N, NI)	4	4	Present	0	N.A.	N.A.	0	0	NIL
****Mr. Jason Kothari (A,N, I)	0	0	-	1	N.A.	N.A.	1	1	NIL

A= Additional, 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. Ashutosh Khanna resigned from his position as an Independent Director of the Company w.e.f. from July 22, 2020.

***Ms. Archana Hingorani has been appointed as a Non-Executive Independent Director of the Company w.e.f. August 28, 2020.

****Mr. Jason Kothari has been appointed as an Additional Director (Non-Executive Independent) of the Company w.e.f. February 11, 2021.

^Mr. Arun Kumar Purwar is holding shares along with his relatives. Mr. Purwar is holding 20,900 shares, and his relatives are holding 15,170 shares.

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:

Skills / Expertise /Competencies	Jeetendra Kapoor	Shobha Kapoor	Ekta Kapoor	Anshuman Thakur	Arun Kumar Purwar	D. K. Vasal	D.G. Rajan	Jyoti Deshpande	Pradeep Kumar Sarda	Ramesh Gopal Sippy	V. B. Dalal	Archana Hingorani	Jason Kothari
Leadership Leadership experience in leading well-governed and large organizations.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Finance and Accounting Dexterity Understanding of accounting and financial statements, financial management, financial reporting.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Understanding the use of Information Technology in Digital Media and Entertainment Industry Understanding the digital and OTT platform in the industry for its efficient functioning and profitability in the business.	-	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	-	✓
Experience of large Companies Experience of having served in large Companies in diverse industries.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Governance Experience in developing governance practices, maintaining high governance standards with an understanding of changing regulatory framework and protecting the interest of all stakeholders.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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, Mr. Anshuman Thakur and Mr. Ramesh Sippy 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.

During the year under review, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure except for resignation of Mr. Ashutosh Khanna w.e.f. July 22, 2020 for personal reasons. Further Mr. Ashutosh Khanna had confirmed that there are no material reasons other than the one mentioned in the resignation letter.

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 at 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 September 14, 2020 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 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 covers 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 July 22, 2020, September 14, 2020, November 09, 2020 and February 11, 2021.

FAMILIARIZATION PROGRAMME OF DIRECTORS

The Company has a familiarization program 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 Members 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 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; if any
 - 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; if any

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

Name of the Members	Designation	Nature of Membership
Mr. Devender Kumar Vasal	Independent Director	Member
Mr. Virendra Babubhai Dalal	Independent Director	Member

Mrs. Simmi Singh Bisht, Group Head Secretarial of the Company acted as Secretary of the Committee.

Meetings and Attendance

During the year under review, Audit Committee held 4 (four) meetings, the dates being July 22, 2020, September 14, 2020, November 09, 2020 and February 11, 2021. 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	0
Mr. Pradeep Kumar Sarda	4	0
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.

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 in whatever form 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;
- 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. 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

Mrs. Simmi Singh Bisht, Group Head Secretarial of the Company acted as Secretary of the Committee.

*Mr. Ashutosh Khanna has resigned as a Chairman and Member of the Nomination & Remuneration Committee w.e.f. July 22, 2020.

#Mr. D. G. Rajan was appointed as a Chairman and Member of the Nomination & Remuneration Committee w.e.f. September 14, 2020.

Meetings and Attendance

During the year under review, the Nomination & Remuneration Committee held five (5) meetings, the dates being July 22, 2020, September 14, 2020, November 09, 2020, January 08, 2021 and February 11, 2021. 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	5	1
Mr. Ashutosh Khanna	5	0
Mr. Jeetendra Kapoor	5	5

Name of the Members	No. of Meetings	
	Held during the tenure	Attended
Mr. Pradeep Kumar Sarda	5	4
Mr. Devender Kumar Vasal	5	5

Mrs. Simmi Singh Bisht, Group Head Secretarial of the Company acted as Secretary of the Committee.

Nomination & Remuneration Policy

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

Details of the remuneration paid to the Directors of the Company for the year ended March 31, 2021:

Name	Designation	Salary	Perquisites	Sitting Fees	Commission	Employer Contribution to Provident Fund	Total
Mr. Jeetendra Kapoor	Chairman	-	-	4,00,000	19,86,400	-	-
Mrs. Shobha Kapoor	Managing Director	1,94,76,546	7,62,000	-	-	7,50,000	2,09,88,546
Ms. Ekta Kapoor	Joint Managing Director	-	-	-	-	-	-
Mr. Pradeep Kumar Sarda	Independent Director	-	-	1,00,000	56,910	-	-
Mr. Duraiswamy Gunaseela Rajan	Independent Director	-	-	6,00,000	56,910	-	-
*Mr. Ashutosh Khanna	Independent Director	-	-	-	-	-	-
Mr. Devender Kumar Vasal	Independent Director	-	-	6,00,000	56,910	-	-
Mr. Virendra Babubhai Dalal	Independent Director	-	-	6,00,000	56,910	-	-
Mr. Arun Kumar Purwar	Independent Director	-	-	5,00,000	56,910	-	-
Mr. Anshuman Thakur	Non-Executive Director	-	-	4,00,000	56,910	-	-
Ms. Jyoti Deshpande	Non-Executive Director	-	-	4,00,000	56,910	-	-
Mr. Ramesh Sippy	Non-Executive Director	-	-	4,00,000	56,910	-	-

Name	Designation	Salary	Perquisites	Sitting Fees	Commission	Employer Contribution to Provident Fund	Total
**Dr. Archana Hingorani	Independent Director	-	-	4,00,000	33,680	-	-
***Mr. Jason Kothari	Independent Director	-	-	-	7,640	-	-

Note: During the year under review, no 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 Mr. Ramesh Sippy (brother of Mrs. Shobha Kapoor) who are related to each other.

*Mr. Ashutosh Khanna, Independent Director has resigned as an Independent Director of the Company w.e.f. July 22, 2020.

**Dr. Archana Hingorani was appointed as an Independent Director of the Company w.e.f. August 28, 2020.

***Mr. Jason Kothari was appointed as Additional Director (Non-Executive Independent) of the Company w.e.f. February 11, 2021

STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The Committee is entrusted with the following roles 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

Name of the Members	Designation	Nature of Membership
Ms. Ekta Kapoor	Executive Director	Member
Mr. Devender Kumar Vasal	Independent Director	Member

Mrs. Simmi Singh Bisht, Group Head Secretarial of the Company acted as Secretary of the Committee.

Meetings and Attendance

During the year under review, Stakeholder Relationship Committee held 4 (four) meetings, the dates being July 22, 2020, September 14, 2020, November 09, 2020 and February 11, 2021. 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	4
Mr. Devender Kumar Vasal	4	4

Compliance Officer

Mrs. Simmi Singh Bisht, Group Head Secretarial was the Compliance Officer under Listing Regulations during the financial year ended on March 31, 2021.

Shareholder's Complaints during the financial year 2020-21.

Sr. No.	Nature of Complaints	Opening Bal.	Received	Disposed	Pending
1.	Non-receipt of Dividend	0	02	02	0
2.	Non-receipt of Annual Report	0	0	0	0
3.	Letters from Regulatory Authorities (NSE/BSE/ROC)	0	0	0	0

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
**Mr. Devender Kumar Vasal	Independent Director	Member

Mrs. Simmi Singh Bisht, Group Head Secretarial of the Company acted as Secretary of the Committee.

*Mr. Ashutosh Khanna has resigned as a Member of the Corporate Social Responsibility Committee w.e.f. July 22, 2020.

**Mr. Devender Kumar Vasal was appointed as the Member of Corporate Social Responsibility Committee w.e.f. November 09, 2020.

Meetings and Attendance

During the year under review, Corporate Social Responsibility Committee held four (4) meetings, the dates being July 22, 2020, September 14, 2020, November 09, 2020 and February 11, 2021. The details of the attendance thereat are as follows:

Name of the Director	No. of Meetings	
	Held	Attended
Mr. Jeetendra Kapoor	4	4
Mrs. Shobha Kapoor	4	4
Mr. Duraiswamy Gunaseela Rajan	4	0
Mr. Ashutosh Khanna	4	0
Mr. Devender Kumar Vasal	4	1

Corporate Social Responsibility Policy

The Board has approved revised CSR Policy of the Company as formulated and recommended by the CSR Committee pursuant to amendments under the CSR provisions of the Companies Act, 2013 and may be accessed at <http://www.balajitelefilms.com/corporate-social-responsibility.php>

INTERNAL COMPLAINTS COMMITTEE**Terms of Reference**

The Board of Directors in its Board meeting held on June 18, 2021 reconstituted 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 composition of Internal Complaints Committee is as follows:

Name of the Members	Designation	Nature of Membership
*Mrs. Chloe Ferns	Creative Director	Presiding Officer
#Mrs. Divya Dixit	Vice President-Marketing	Presiding Officer
**Ms. Diksha Suvarna	Manager - Finance & Accounts	Member
Mr. Bhargav Vyas	AVP – Finance and Accounts	Member
Ms. Neha Kedia	Vice President – ComplyKaro	External Independent Member

* Mrs. Chloe Ferns has resigned as a Presiding Officer of the Internal Complaints Committee w.e.f. January 31, 2021.

Mrs. Divya Dixit was appointed as a Presiding Officer of the Internal Complaints Committee w.e.f. June 18, 2021. For the period from February 01, 2021 to June 17, 2021, Mrs. Divya Dixit was acting as interim Presiding Officer.

** Ms. Diksha Suvarna was appointed as the Member of the Internal Complaints Committee w.e.f. June 18, 2021.

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

Name of the Members	Designation	Nature of Membership
Mrs. Shobha Kapoor	Managing Director	Chairperson
*Mr. Nachiket Pantvaidya	Group COO and CEO (ALT Balaji)	Member
Mrs. Simmi Singh Bisht	Group Head Secretarial	Member
**Mr. Zulfiqar Khan	Group Chief Operating Officer	Member
Mr. Stephen Daniel	Group Head - HR	Member

* Mr. Nachiket Pantvaidya has resigned as the Member of the Apex Complaints Committee on w.e.f. April 30, 2021.

** Mr. Zulfiqar Khan was appointed as the Member of the Apex Complaints Committee on w.e.f. June 18, 2021.

GENERAL BODY MEETINGS:**Annual General Meeting**

During the preceding three years, except for the last year, the Company's Annual General Meetings were held at "The Club", 197, D. N. Nagar, Andheri (West), Mumbai – 400 053, Maharashtra. In view of the COVID – 19 outbreak, MCA vide circular dated May 05, 2020, and SEBI vide Circular dated May 12, 2020, the Annual General Meeting of the Company for the financial year 2019-20 was held through VC/OAVM at the Registered Office of the Company.

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	Day and Date	Time	Special Resolutions passed
2019-20	Wednesday, September 30, 2020	03:00 P.M.	<ul style="list-style-type: none"> Re-appointment of Mr. Jeetendra Kapoor (DIN: 00005345) as Non- Executive Director of the Company; Continuation of Directorship of Mr. Arun Kumar Purwar (DIN: 00026383) as Non-Executive Independent Director.
2018-19	Friday, August 30, 2019	12:00 Noon	<ul style="list-style-type: none"> Appointment of Mr. Ramesh Gopal Sippy (DIN: 00652881) as Non-Executive Director of the Company; Re-appointment of Mr. Arun Kumar Purwar (DIN: 00026383) as an Independent Director of the Company;

Financial Year	Day and Date	Time	Special Resolutions passed
2017-18	Friday, August 31, 2018	12:00 Noon	<ul style="list-style-type: none"> Continuation of directorship of Mr. Virendra Babubhai Dalal (DIN: 00247971) as Non-Executive Independent Director of the Company; Re-appointment of Mr. Virendra Babubhai Dalal (DIN: 00247971) as an Independent Director of the Company;
			<ul style="list-style-type: none"> 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.

No special resolution was passed by the Company during the financial year 2020-21 through Postal Ballot. No special resolution is proposed to be conducted through Postal Ballot on the date of this 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 Bombay Stock Exchange 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://](http://www.balajitelefilms.com)

www.balajitelefilms.com/outcome-board-meetings-agm-egm.php

ii) Website and News 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 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 at Company's website a <http://www.balajitelefilms.com/related-party-transaction-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 transactions forming part of Form AOC-2.

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, SEBI and other Statutory Authorities on all matters relating to capital markets during the last three years. In the year 2020-21, National Stock Exchange of India & BSE Limited imposed a penalty of ₹ 8,79,100/- each (Inclusive of Goods and Service Tax) for non-compliance of Regulation 17(1) of LODR with respect to appointment of an Independent Woman Director on the Board of the Company from April 01, 2020 to August 27, 2020. No other 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 practicable 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 except appointment of Independent Woman Director on the Board as per Regulation 17 of Listing Regulations for the period from April 01, 2020 to August 27, 2020. In addition, the Company has also adopted the following non-mandatory requirements of Listing Regulations as on March 31, 2021 to the extent mentioned below:

- Modified Opinion(s) in Audit Report: The Auditors have issued an unmodified opinion on the financial statements of the Company.
- 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.

All the complaints are reported through mail to the Head HR of the Company and then forwarded 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 Operating Officer
2. Group Head – Human Resource
3. Group Chief Financial Officer
4. Group Head Legal (if any)

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- 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 2020-21.

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 Un-published 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 Un-published 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 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

Out of the four subsidiaries of the Company, ALT Digital Media Entertainment Limited (ALT Digital) is a material subsidiary. 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-subsiary.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 Mrs. Shobha Kapoor, Managing Director 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 2020-21. The Company does not indulge in commodity hedging activities.

xi) Certificate from Practicing Company Secretary

The Company has obtained a Certificate from M/S. RM SHAH & CO 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 Securities and Exchange Board of India/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 except appointment of Independent Woman Director on the Board as per Regulation 17 of Listing Regulations for the period from April 01, 2020 to August 27, 2020.

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

There has been no fund raising through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A) during the financial year 2020-21.

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 ₹ 62.80

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 2020-21 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.

GENERAL SHAREHOLDER INFORMATION:

1. Annual General Meeting	
Date	August 31, 2021
Time	03.00 P.M.
Venue	Pursuant to MCA Circular dated May 05, 2020 read with circulars dated April 08, 2020, April 13, 2020 and January 13, 2021 and SEBI circular dated May 12, 2020 and January 15, 2021 the Annual General Meeting of the Company will be held through VC/ OAVM and the Registered Office of the Company shall be the deemed venue for this Meeting.
2. Date of Book Closure	
Wednesday, August 25, 2021 to Tuesday, August 31, 2021	
3. Financial Calendar	
Financial Year	April 01, 2021 to March 31, 2022
*Financial reporting for 1st quarter ending 30th June, 2021	Second week of August 2021
*Financial reporting for 2nd quarter ending 30th September, 2021	Second week of November 2021
*Financial reporting for 3rd quarter ending 31st December, 2021	Second week of February 2022
*Financial reporting for the year ending 31st March, 2022	Fourth week of May 2022
*Annual General Meeting for year ending 31st March, 2022	August 2022
*Tentative and subject to change.	

4. Payment of Dividend	On and before September 05, 2021
5. Listing details	
Name of Stock Exchange(s)	Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Tel: +91-22-22721233/34 Fax: +91-22-22721919 National Stock Exchange of India Ltd. Exchange Plaza, 5th floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. Tel: +91-22-26598100/14 Fax: +91-22-26598120
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 Company	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053. Tel: +91-22-40698000, Fax: +91-22-40698181/82 E-mail: investor@balajitelefimls.com Website: www.balajitelefimls.com
7. Share Transfer Agent	KFIN Technologies Private Limited (Company's Registrar and Transfer Agents) Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032 Tel: +91-40-67162222/79611000 Fax No. +91-40-23440674 Toll free: 1800-3094-001 Email: einward.ris@kfintech.com Website: www.kfintech.com
8. Share Transfer System	<p>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 2020-21 and no share transfer pending as on March 31, 2021.</p>
9. Dematerialization of Equity Shares	<p>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 Participants registered with any of these depositories. As on March 31, 2021 about 99.99% comprising 10,11,25,905 Equity Shares were in the dematerialized form.</p>
10. Outstanding GDRs/ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity	<p>The Company did not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments as on March 31, 2021.</p>

11. Stock Market Data relating to Shares listed in India

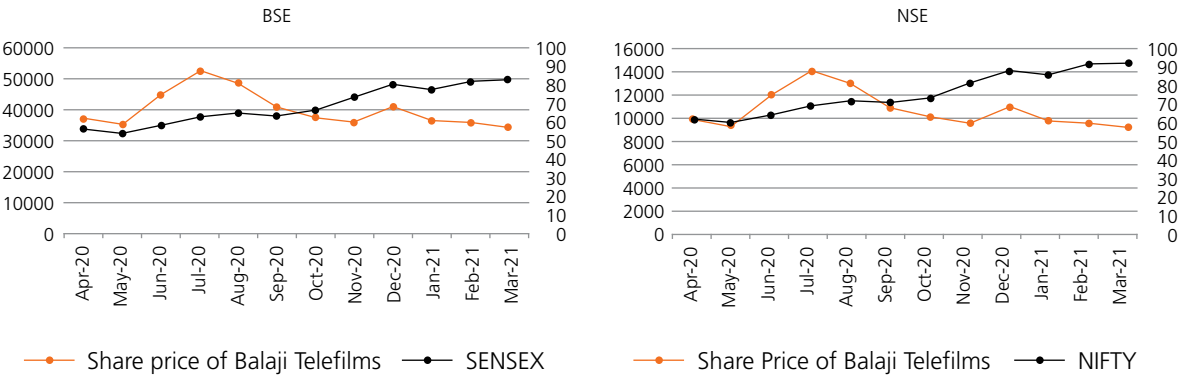
The monthly high and low prices on Bombay Stock Exchange Limited and National Stock Exchange of India Limited as well as the volume of shares traded during the financial year 2020-21 are as below:

MONTH	BSE			NSE		
	HIGH	LOW	NO. OF SHARES TRADED	HIGH	LOW	NO. OF SHARES TRADED
April	61.75	35.85	2,91,033	61.95	35.60	47,76,000
May	69.70	53.15	134,779	67.65	53.20	19,58,000
June	83.00	59.00	3,96,277	83.00	59.00	47,55,000
July	94.95	71.95	9,07,588	94.35	72.00	79,42,000
August	101.70	79.35	9,07,578	101.80	79.05	1,05,22,000
September	84.00	66.40	4,20,797	83.20	66.50	38,31,000
October	71.95	59.70	3,35,080	71.10	60.40	21,55,000
November	65.60	58.85	3,01,390	65.90	57.65	27,93,000
December	74.50	59.40	11,38,370	74.70	59.50	99,34,000
January	71.90	59.15	5,50,432	72.00	59.85	42,34,000
February	64.65	58.20	2,53,031	64.35	58.05	27,82,000
March	69.90	54.40	14,17,554	70.00	54.90	97,08,000

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

12. Stock Performance in comparison to Broad – Based Indices

The chart below shows the comparison of the Company's share price movement on Bombay Stock Exchange Limited and National Stock Exchange of India Limited vis-à-vis the movement of the BSE Sensex and NSE Nifty respectively for the Financial Year March 31, 2021 (based on month end closing);



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, 2021

Description	No. of Shareholders	Shares	% Equity
CLEARING MEMBERS	66	3,92,807	0.39
DIRECTORS	2	21,200	0.02
DIRECTORS AND THEIR RELATIVES	3	15,170	0.02
FOREIGN NATIONALS	1	181	0.00
FOREIGN PORTFOLIO - CORP	7	1,00,14,588	9.90
FOREIGN PORTFOLIO INVESTORS	2	86,58,287	8.56
H U F	549	5,60,381	0.55
I E P F	1	48,467	0.05
BODIES CORPORATES	217	3,01,31,889	29.80
NBFC	1	800	0.00
NON RESIDENT INDIANS	238	3,40,752	0.34
NON RESIDENT INDIAN NON REPATRIABLE	146	6,42,206	0.64
PROMOTERS	4	3,47,32,876	34.34
RESIDENT INDIVIDUALS	27,643	1,51,75,667	15.01
QUALIFIED INSTITUTIONAL BUYER	1	3,94,372	0.39
TRUSTS	2	800	0.00
Grand Total	28,883	10,11,30,443	100.00

15. Distribution of shareholding as on March 31, 2021

Number of Share	No. of Shareholders	% of Total Shareholders	Total Shares	Amount	% to equity
1 - 5000	28,494	98.65	75,88,804	1,51,77,608	7.50
5001 - 10000	197	0.68	14,57,850	29,15,700	1.44
10001 - 20000	89	0.31	12,90,034	25,80,068	1.28
20001 - 30000	35	0.12	8,68,141	17,36,282	0.86
30001 - 40000	9	0.03	3,20,597	6,41,194	0.32
40001 - 50000	12	0.04	5,47,404	10,94,808	0.54
50001 - 100000	12	0.04	8,62,982	17,25,964	0.85
100001 and above	35	0.12	8,81,94,631	17,63,89,262	87.21
TOTAL	28,883	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.

17. Address for Correspondence:**Investors' correspondence & Financial Statements Queries**

Mr. Sanjay Dwivedi

Group Chief Financial Officer

Balaji Telefilms Limited

C-13, Balaji House, Dalia Industrial Estate,

Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053.

Tel: +91-22-40698000

Fax: +91-22-40698181/82

Email: sanjay.dwivedi@balajitelefilms.com

Email: investor@balajitelefilms.com

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

To,
The Board of Directors

BALAJI TELEFILMS LIMITED

We, the undersigned, in our respective capacities as Managing Director 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, 2021 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/-
Shobha Kapoor
Managing Director

Sd/-
Sanjay Dwivedi
Group Chief Financial Officer

Mumbai, June 18, 2021

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, Shobha Kapoor, Managing Director 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, 2021.

Mumbai, June 18, 2021

Sd/-
Shobha Kapoor
Managing Director

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
C-13, Balaji House,
Dalia Industrial Estate,
Opp. Laxmi Indl. Estate,
New Link Road, Andheri-West
Mumbai -400053, Maharashtra.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of BALAJI TELEFILMS LIMITED, (hereinafter referred to as '**the Company**'), having CIN L99999MH1994PLC082802 and having registered office at C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Indl. Estate, New Link Road, Andheri-West Mumbai -400053, Maharashtra, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company	Date of Resignation from Company
1.	EKTA KAPOOR RAVI	00005093	10/11/1994	-
2.	SHOBHA RAVI KAPOOR	00005124	10/11/1994	-
3.	JEETENDRA AMARNATH KAPOOR	00005345	01/02/2000	-
4.	PRADEEP KUMAR SARDA	00021405	17/05/2004	-
5.	ARUN KUMAR PURWAR	00026383	20/05/2015	-
6.	ARCHANA NIRANJAN HINGORANI	00028037	28/08/2020	-
7.	VIRENDRA BABUBHAI DALAL	00247971	12/08/2014	-
8.	DURAIWAMY GUNASEELA RAJAN	00303060	19/07/2010	-
9.	RAMESH GOPAL SIPPY	00652881	01/09/2019	-
10.	JYOTI DESHPANDE	02303283	23/03/2018	-
11.	ANSHUMAN THAKUR	03279460	01/09/2017	-
12.	DEVENDER KUMAR VASAL	06858991	15/05/2014	-
13.	JASON ASHOK KOTHARI	07343314	11/02/2021	-
14.	ASHUTOSH KHANNA	03153990	27/08/2010	22/07/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. 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 RM Shah & Co.

Company Secretaries

Sd/-

CS Rashmi Shah

Proprietor

ACS No.: 24722

C P No: 22489

Place: Mumbai

Date : 04/05/2021

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, 2021 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para 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 and on behalf of
Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Mehul Desai
Partner

Place: Mumbai
Date: June 18, 2021

Membership No: 103211
UDIN: 21103211AAAACB9782

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	L99999MH1994PLC082802
2. Name of the Company	Balaji Telefilms Limited
3. Registered address	C-13 Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri-West Mumbai-400053, Maharashtra, India
4. Website	www.balajitelefilms.com
5. E-mail id	sanjay.dwivedi@balajitelefilms.com
6. Financial Year reported	2020 - 2021
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Motion picture, video and television programme activities - NIC Code 591
8. List three key products/services that the Company manufactures/provides (as in balance sheet)	Sale of service: <ul style="list-style-type: none"> • commissioned television programs, • internet programs • sale & licensing of movies • sale of television programs/movie concept rights • Event Management
9. Total number of locations where business activity is undertaken by the Company	Operations of the Company are carried out in various studios located in Mumbai as the Company is engaged in the business of Media & Entertainment.
10. Markets served by the Company	Local/State/National/International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital	Rs. 20,22,60,886
2. Total Turnover (INR)	Rs. 31,578.29 Lacs
3. Total profit after taxes (INR)	Rs. 2,528.23 Lacs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	4.17%
5. List of activities in which expenditure in 4 above has been incurred	The details forms part of CSR Report appended as Annexure III to Board's Report

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

As on March 31, 2021 the Company has 4 subsidiary companies. Out of the 4 subsidiaries Chhayabani Balaji Entertainment Private Limited is under voluntary Liquidation.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

The Subsidiary Companies participate in the Business Responsibility initiatives to the extent applicable to them.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

The Company's BR Policies/initiatives does not apply to vendors/ suppliers and they are not directly involved with the Business Responsibility initiatives of the Company.

SECTION D: BR INFORMATION

(b) Details of the BR head-

1. Details of Director/Directors responsible for BR-

(a) Details of the Directors responsible for implementation of the BR policy

- **DIN:** 00005124
Name: Mrs. Shobha Kapoor
Designation: Managing Director
- **DIN:** N.A.
Name: Mr. Sanjay Dwivedi
Designation: Group Chief Financial Officer

Sr. No.	Particulars	Details
1.	DIN (if applicable)	00005124
2.	Name	Mrs. Shobha Kapoor
3.	Designation	Managing Director
4.	Telephone Number	022- 40698000
5.	E-mail id	sanjay.dwivedi@balajitelefilms.com

2. Principle-wise [(as per National Voluntary Guidelines (NVGs)] BR Policies

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	N	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policy has been prepared in compliance to the applicable laws and Industry standards.								
4.	Has the policy being approved by the Board?	The policy has been approved by the Board of Directors and signed by Shobha Kapoor, Managing Director of the Company.								
	Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?									
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Yes The policies are available at Company's website at http://www.balajitelefilms.com/pdf/BTL_Policy_Business%20Responsibility%20Report.pdf								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8.	Does the company have in-house structure to implement the policy/ policies.	Managing Director shall have the authority to oversee the implementation of this Policy. The Group Chief Financial Officer shall be responsible for implementing the policy and may take support of such functional heads and internal and external experts, which they may deem fit, for the effective implementation of the Policy.								

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?*	Yes								
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Policies are evaluated by Board of Directors and Senior Management in accordance with applicable laws whenever required.								

** The Whistle Blower Policy overseen by the Audit Committee of the Board of Directors of the Company and Prevention of Sexual Harassment Policy is being overseen by Internal Complaints Committee (ICC) and Apex Committee constituted under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The grievance, if any, arising out of Whistle Blower Policy and Prevention of Sexual Harassment Policy is being redressed by the respective committees which oversee them.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	N.A.								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The assessment of BR performance is done on an ongoing basis by the Managing Director and Senior Management of the Company.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The BR report is available at the website of the Company and may be accessed at the link

http://www.balajitelefilms.com/pdf/BTL_Policy_Business%20Responsibility%20Report.pdf

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company?

The Company has in place Whistle Blower Policy which has adequate control measures in place to address issues relating to ethics, bribery, corruption etc.

Though the Company's policies currently do not apply to external stakeholders, the Company follows zero tolerance on any acts of bribery, corruption etc.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

As mentioned in the Corporate Governance Report, 02 complaints were received from investors during FY 2020-21, of which all 02 have been resolved.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Nil, as the Company is engaged in the business of Media and Entertainment.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

- (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?
- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Significant measures are taken by the Company 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.

Since, the Company is not involved in any manufacturing activity, the reporting on use of energy, water, raw material etc. is not applicable.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If Yes, what percentage of your inputs was sourced sustainably?

The Company maintains healthy relationship with its vendors, suppliers etc.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company endeavours to procure goods and services from local & small producers, including communities surrounding their place of work as far as possible.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company is not involved in any manufacturing activity and hence there is no consequent discharge of waste and effluents.

Principle 3: Businesses should promote the wellbeing of all employees

1. Please indicate the Total number of employees: 92 (excluding Director)
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: 10
3. Please indicate the Number of permanent women employees: 16
4. Please indicate the Number of permanent employees with disabilities: 1
5. Do you have an employee association that is recognized by management?

Yes, Maharashtra Rajyashtriya Kamgar Sangh (INTUC), Mumbai

6. What percentage of your permanent employees is members of this recognized employee association? 45%
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year. NIL
8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? None as the Company had asked its employees to work from home due to ongoing COVID-19 pandemic.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the company mapped its internal and external stakeholders?

The Company has mapped its internal and external stakeholders, the major/key categories include (i) Central and State Government (ii) Regulatory Authorities (iii) Financial Institutions (iv) Banks (v) Employees (vi) Professional Service Providers (vii) Board of Directors and Senior Management (viii) Viewers (ix) Vendors/ Suppliers & Service Providers (x) Industry Associations.

The process of mapping of stakeholders is an ongoing exercise and are updated on regular basis.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company takes conscious efforts to engage with its stakeholders. The details of the engagement with such stakeholders has been laid out in the CSR report of the Company in the Board's Report forming part of Annual Report.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

As a responsible organization, the Company has policy in place to protect and safeguard human rights which is applicable to its subsidiary companies.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaints were reported on violation of any Human rights during the financial year 2020-21.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The Company is conscious for the environmental issues. It encourages its employees, subsidiaries and other associates to safeguard and protect the environment.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Since the Company is not engaged in manufacturing activity, it is a non-pollutant Company. However, it has a deep concern for the protection and sustainability of environment.

3. Does the company identify and assess potential environmental risks?

No, the Company is being in the business of media and entertainment does not involve any manufacturing activity.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No, the Company being in the business of media and entertainment does not involve any manufacturing activity.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

No, the Company being in the business of media and entertainment does not involve any manufacturing activity. However, it ensures that due importance is given to energy efficiency.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

N.A.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- 1. Indian Motion Pictures Producers Association
- 2. Indian Film & TV Producers Council
- 3. The Film & Television Producer Guild of India

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good?

The Company has been active in various business associations and advocates on various issues for better viewer experience.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The details of CSR initiatives taken by the Company during the financial year are appended as Annexure III of Board's report, which form part of this Annual Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?

The details of CSR initiatives taken by the Company during the financial year are appended as Annexure III of Board's report, which form part of this Annual Report.

3. Have you done any impact assessment of your initiative?

Yes

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

The details of CSR initiatives taken by the Company during the financial year are appended as Annexure III of Board's report, which form part of this Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Adequate steps are taken to ensure that community development initiatives of the Company are successfully adopted by the community.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.

Nil

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

N.A.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

None

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

No

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, 2021, 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, 2021, 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.

Emphasis of Matter

4. We draw your attention to the following:
 - (a) Note 47 to the standalone financial statements which explains the uncertainties and the management's assessment of the financial impact due to the restrictions and other conditions related to the Covid-19 pandemic situation, for which a definitive assessment of the impact of the event in the subsequent period is dependent upon circumstances as they evolve.
 - (b) Note 40 to the standalone financial statements regarding receivable amounting to Rs. 1,619 lacs, disclosed under "other non-current assets" of the balance sheet as at March 31, 2021, from one of its co-producers and a film director against whom arbitration proceedings are in progress.

Our opinion is not modified in respect of the above matters.

Key audit matters

5. 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
<p>Assessment of carrying amount of investments in and loans to Subsidiaries</p> <p>(Refer notes 5, 15 and 33 to the standalone financial statements)</p> <p>The carrying amount of the Company's investments in and loans to subsidiaries (Alt Digital Media Entertainment Limited, Balaji Motion Pictures Limited and Marinating Films Private Limited) is Rs. 64,447.13 lacs as at March 31, 2021.</p> <p>The carrying amount of such investments and loans forms 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 in these investments and loans.</p> <p>The Company assesses the carrying amount 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.</p> <p>Based on this, the Company assessed that there is no requirement of considering impairment provision in the carrying amount of its investments in and loans to such subsidiaries at March 31, 2021.</p> <p>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, valuation model and the underlying assumptions such as discount rate and growth rate.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none">• Understanding and evaluating the design and testing the operating effectiveness of the 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;• Assessing Management's forecasts to evaluate whether the forecasts are reasonable in comparison with the past performance and industry trends;• Evaluating the competence, capabilities and objectivity of the independent professional valuer engaged by the Company;• Together with auditor's valuation experts –<ul style="list-style-type: none">• 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 and discount rate;• evaluating the sensitivity analysis in consideration of potential impact of reasonably possible upside or downside changes in the key assumptions. <p>Based on the above procedures performed, the management's assessment of carrying amount of investments in and loans to such subsidiaries, was considered to be appropriate.</p>

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises of Board's Report, Management Discussion & Analysis, Report on Corporate Governance (but does not include the standalone financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report and the Corporate Overview section of the annual report, which is expected to be made available to us after that date.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the Corporate Overview section of the annual report, if we conclude that there is

a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

7. 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 free from material misstatement, whether due to fraud or error.
8. 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

9. 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.

10. 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.

11. 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.

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 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

14. 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.

15. 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 Notes 32 and 40 to the standalone financial statements.

- ii. The Company has long-term contracts as at March 31, 2021 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2021.
 - 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, 2021.
16. 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.
- For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
- Mehul Desai**
Partner
- Place: Mumbai Membership Number: 103211
Date: June 18, 2021 UDIN: 21103211AAAACC6450

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 15(f) of the Independent Auditor's Report of even date to the members of Balaji Telefilms Limited on the standalone financial statements for the year ended March 31, 2021

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, 2021 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 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, 2021, 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. Also, refer paragraph 4(a) of our main audit report.

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

Mehul Desai

Partner

Place: Mumbai

Membership Number: 103211

Date: June 18, 2021

UDIN: 21103211AAAACC6450

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of Balaji Telefilms Limited on the standalone financial statements for the year ended March 31, 2021

- 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(a) on property, plant and equipment to the standalone financial statements, are held in the name of the Company.
- ii. The Company is into the business of making television/internet programs and sale/ licensing of films and accordingly, does not hold inventory (i.e. goods). Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has granted unsecured loans to one company covered in the register maintained under Section 189 of the Act. The Company has not granted any loans to firms, Limited Liability Partnerships or 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, the principal and interest is payable on demand and as per the information and explanations provided to us, the party has paid the principal and interest during the year to the extent demanded by the Company.
- (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 not granted any loans or provided any guarantees or security to the parties covered under Section 185. The Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investments made and guarantees and security provided by 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 provident fund, employees' state insurance, income tax, goods and service tax, cess 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 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, 2021 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Lacs) *	Period to which the amount relates	Forum where the dispute is pending
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	145.50	2012-13 and 2013-14	Joint Commissioner of Sales Tax

*Excludes demand amount for the judgements which have resulted in favour of the Company, but where the department has gone for further appeal.

- 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. Also, refer paragraph 16 of our main audit report.
- 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 related party transactions have been disclosed in the standalone 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

Place: Mumbai

Membership Number: 103211

Date: June 18, 2021

UDIN: 21103211AAAACC6450

STANDALONE BALANCE SHEET

as at March 31, 2021

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4(a)	2,041.83	2,691.95
(b) Right-of-use Asset	4(b)	353.81	2,670.68
(c) Capital work-in-progress	4(a)	-	179.17
(d) Financial Assets			
(i) Investments	5	64,044.47	62,392.21
(ii) Trade receivables	13(ii)	34.56	164.11
(iii) Loans	6	203.08	796.56
(e) Deferred tax assets (net)	8	784.56	723.99
(f) Non-current income tax assets (net)	9	287.97	1,164.29
(g) Other non-current assets	10	4,548.58	3,701.51
Total non-current assets		72,298.86	74,484.47
Current assets			
(a) Inventories	11	3,351.76	2,377.94
(b) Financial assets			
(i) Investments	12	1,716.68	10,046.23
(ii) Trade receivables	13(i)	13,546.31	12,455.40
(iii) Cash and cash equivalents	14(a)	7,272.48	1,382.01
(iv) Bank balances other than (iii) above	14(b)	10.13	10.54
(v) Loans	15	1,342.54	3,081.95
(vi) Other financial assets	7	8,067.92	5,010.00
(c) Contract assets	7(a)	4,210.50	4,899.90
(d) Other current assets	16	7,365.70	7,620.27
Total current assets		46,884.02	46,884.24
Total Assets		1,19,182.88	1,21,368.71
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	2,022.61	2,022.61
(b) Other equity	18	1,06,243.57	1,03,716.53
Total equity		1,08,266.18	1,05,739.14
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4(b)	64.35	685.84
Total non-current liabilities		64.35	685.84
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	19		
(I) total outstanding dues of micro and small enterprises		63.78	46.19
(II) total outstanding dues other than (i) (I) above		9,576.48	9,841.52
(ii) Lease liabilities	4(b)	252.08	2,067.51
(iii) Other financial liabilities	20	10.13	51.10
(b) Provisions	21(i)	10.16	18.25
(c) Other current liabilities	21(ii)	939.72	2,112.44
(d) Current Tax Liabilities (net)	22	-	806.72
Total current liabilities		10,852.35	14,943.73
Total Equity and Liabilities		1,19,182.88	1,21,368.71

The above Standalone Balance Sheet should be read in conjunction with the accompanying notes
This is the Standalone 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: June 18, 2021

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

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

Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date: June 18, 2021

Shobha Kapoor
(Managing Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2021

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
(I) Revenue from operations	23	31,578.29	57,662.80
(II) Other Income	24	1,381.28	605.67
(III) Total income (I+II)		32,959.57	58,268.47
(IV) Expenses			
(a) Cost of Production / Acquisition and Telecast Fees	25(a)	25,318.14	31,940.05
(b) Changes in inventories	25(b)	(973.82)	3,950.20
(c) Marketing and distribution expenses	26	208.87	3,618.48
(d) Employee benefits expense	27	1,012.71	1,389.04
(e) Depreciation and amortisation expense	28	2,632.82	3,313.46
(f) Finance cost	29	151.79	242.44
(g) Other expenses	30	2,271.65	4,348.65
(V) Total expenses		30,622.16	48,802.32
(VI) Profit before exceptional items and tax (III-V)		2,337.41	9,466.15
(VII) Exceptional Items	45	1,044.44	-
(VIII) Profit Before Tax (VI+VII)		3,381.85	9,466.15
(IX) Tax expense:	31		
(a) Current tax:			
Current tax		918.67	2,347.23
(b) Deferred tax:			
Deferred tax		(65.05)	49.21
MAT Credit Utilisation		-	1,282.77
Total tax expense		853.62	3,679.21
(X) Profit for the year (VIII-IX)		2,528.23	5,786.94
(XI) Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the post employment benefit obligations gain/(loss)		17.81	(12.70)
Income tax relating to items that will not be reclassified to profit or loss		(4.48)	3.20
Other comprehensive income for the year, net of tax		13.33	(9.50)
(XII) Total comprehensive income for the year (X+XI)		2,541.56	5,777.44
(XIII) Basic and diluted earnings per share (In ₹)	37	2.50	5.72
(Face value of ₹ 2 each)			

The above Standalone Statement of Profit and Loss should be read in conjunction with the accompanying notes
This is the Standalone 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: June 18, 2021

For and on behalf of the Board of Directors

Jeetendra Kapoor
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(Group Head Secretarial)
Place : Mumbai
Date: June 18, 2021

Shobha Kapoor
(Managing Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

STANDALONE STATEMENT OF CASH FLOWS for the year ended March 31, 2021

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before exceptional items and tax	2,337.41	9,466.15
Adjustments for:		
Depreciation and amortisation expense	2,632.82	3,313.46
Advances written off	25.77	996.63
Interest cost - Leases	81.16	240.24
Interest expenses -others	70.63	1.71
Provision for doubtful debts and advances (net)	-	255.13
Property, plant & equipment and Capital work-in-progress written off	6.00	3.11
Security deposit written off	-	29.15
Net gains on financial assets measured at fair value through profit and loss	(141.77)	(47.83)
Diminution in value of investments / investment written off	-	241.08
Provision for gratuity expenses	10.15	16.70
Advances / creditors written back	(5.98)	(186.69)
Unwinding of discount on security deposit	(74.46)	(68.47)
Bad-debts write-off	314.90	503.79
Unrealised exchange gain	-	(15.70)
Employee share based payment expenses	(28.24)	45.35
Interest income on fixed deposits	(302.97)	(10.41)
Interest income on deferred consideration	(48.98)	(42.14)
Interest income on income-tax refund	(178.35)	(108.84)
Interest income on loan to subsidiary	(175.76)	(68.41)
Gain on lease modification	(36.00)	-
Rent concession	(326.15)	-
Operating profit before working capital changes	4,160.18	14,564.01
Adjustments for:		
(Increase)/decrease in trade receivables	(1,227.28)	(1,965.16)
(Increase)/decrease in other current financial assets	(3,057.50)	(3,468.26)
(Increase)/decrease in other current assets	254.57	(4,799.16)
(Increase)/decrease in contract assets	689.40	(3,144.52)
(Increase)/decrease in other non current financial assets	-	326.00
(Increase)/decrease in current loans	(684.94)	-
(Increase)/decrease in non-current loans	681.20	13.40
(Increase)/decrease in other non current assets	(872.84)	(463.43)
(Increase)/decrease in inventories	(973.82)	3,950.20
Increase/(decrease) in trade payables	(249.08)	2,862.14
Increase/(decrease) in other current financial liabilities	(0.41)	1.28
Increase/(decrease) in other current liabilities	(1,173.15)	803.70
	(6,613.85)	(5,883.81)
Cash (used in) / generated from operations	(2,453.67)	8,680.20
Direct taxes refund /(paid)	195.37	(146.27)
(includes amount received on account of refund of tax penalty, Refer note 45)		
Net cash flow (used in) / generated from operating activities (A)	(2,258.30)	8,533.93
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant and equipment	(165.84)	(1,013.70)
Payments for purchase of current investments	-	(17,842.00)
Proceeds from sale of current investments	8,471.32	29,961.22
Payments for purchase of non current investments	(2,000.00)	(15,050.00)

STANDALONE STATEMENT OF CASH FLOWS for the year ended March 31, 2021

(₹ in Lacs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
Proceeds from sale of non current investments	361.46		1,131.20	
Loans to related parties and employees (net)	2,398.36		(2,784.16)	
Interest income received	681.26		175.16	
Net cash generated from / (used in) investing activities (B)		9,746.56		(5,422.28)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Payment of principal portion of lease liability	(1,413.03)		(2,014.39)	
Interest expenses on lease liability	(81.16)		(240.24)	
Interest expenses (others) paid during the year	(63.04)		-	
Dividend paid to company's shareholders (including DDT)	-		(975.34)	
Net cash (used in) financing activities (C)		(1,557.23)		(3,229.97)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		5,931.03		(118.32)
Cash and cash equivalents at the beginning of the year		1,341.45		1,459.77
Cash and cash equivalents at the end of the year		7,272.48		1,341.45
D. Non-cash financing and investing activities				
Acquisition of Right to use asset		-		1,511.78
De-recognition of Right of use asset on account of lease modification		(673.18)		-

Components of Cash and Cash Equivalents

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents above comprise of		
(a) Cash on hand	23.38	29.13
(b) Balances with banks-		
(i) In current accounts	2,447.26	1,303.13
(ii) In deposit accounts with original maturity of less than three months	4,801.84	49.75
(c) Temporarily overdrawn book balances	-	(40.56)
Cash and cash equivalents at the end of the year	7,272.48	1,341.45

This is the Standalone 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: June 18, 2021

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

Sanjay Dwivedi
(Group CFO)

Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date: June 18, 2021

STANDALONE STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2021

A. Equity share capital (Refer Note 17)

Particulars	(₹ in lacs)
As at April 1, 2019	2,022.61
Changes in equity share capital during the year	-
As at March 31, 2020	2,022.61
As at April 1, 2020	2,022.61
Changes in equity share capital during the year	-
As at March 31, 2021	2,022.61

B. Other Equity (Refer Note 18)

(₹ in Lacs)

Particulars	Reserves and surplus					
	General reserve	Securities premium account	Retained earnings	Capital reserve	Share options outstanding account	Total
As at April 1, 2019	5,133.10	68,749.34	24,077.49	(47.08)	1,057.26	98,970.11
Adjustment consequent to adoption of Ind AS 116	-	-	(132.03)	-	-	(132.03)
Profit for the year	-	-	5,786.94	-	-	5,786.94
Other comprehensive income for the year	-	-	(9.50)	-	-	(9.50)
Total comprehensive income for the year	-	-	5,777.44	-	-	5,777.44
Employee share options expense (Refer note 41)	-	-	-	-	76.35	76.35
Transactions with owners in their capacity as owners:						
Payment of dividends (Refer note 48)	-	-	(809.04)	-	-	(809.04)
Dividend distribution tax (Refer note 48)	-	-	(166.30)	-	-	(166.30)
Balance as at March 31, 2020	5,133.10	68,749.34	28,747.56	(47.08)	1,133.61	1,03,716.53
As at April 1, 2020	5,133.10	68,749.34	28,747.56	(47.08)	1,133.61	1,03,716.53
Profit for the year	-	-	2,528.23	-	-	2,528.23
Other comprehensive income for the year	-	-	13.33	-	-	13.33
Total comprehensive income for the year	-	-	2,541.56	-	-	2,541.56
Transfer to retained earnings for forfeiture of employee share options (vested)	-	-	407.51	-	(407.51)	-
Employee share options expense (Refer note 41)	-	-	-	-	(14.52)	(14.52)
Balance as at March 31, 2021	5,133.10	68,749.34	31,696.63	(47.08)	711.58	1,06,243.57

The above Standalone Statement of Changes in Equity should be read in conjunction with the accompanying notes. This is the Standalone 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: June 18, 2021

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

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Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date: June 18, 2021

Shobha Kapoor
(Managing Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 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 its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

- (ii) 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
- (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, 2020:

1. Definition of Material – amendments to Ind AS 1 and Ind AS 8
2. Definition of a Business – amendments to Ind AS 103
3. COVID-19 related concessions – amendments to Ind AS 116
4. Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107

Other than the amendment to Ind AS 116 on covid-19 related concessions, the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. The impact of Ind AS 116 amendment on the current year financial statements is as disclosed in Note 24 and impact on future periods is not expected to be significant.

(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 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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are 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 Recognition

The Company derives revenue from producing television programs, Internet series, sale or licensing movie rights, delivering events to its customers and service fee for content development. 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 (i.e. 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.

Service Income for Curation of Digital Content is recognised 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.

(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 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 Company, and the amount of the dividend can be measured reliably.

(f) Income Taxes

The income tax expense 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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred 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 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 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

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company except for short term leases and leases of low value assets. Contracts may contain both lease and non-lease components. However, the Company has elected not to separate lease and non-lease components and instead account for these as a single lease components.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivable
- Variable lease payments
- Amount expected to be payable by the Company under residual value guarantee

Lease payments to be made under reasonably certain extension option are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that lessee would have to pay to borrow the fund necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. Finance cost is charged to the Statement of profit and loss over the lease period so as to produce a constant periodical rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct cost and restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

expected inflationary cost increase. 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

Company does not have physical inventory (i.e. goods)

Inventories as disclosed in financial statements comprise of Films and are stated at the lower of cost and net realisable value. Cost is determined on the basis of actual / amortised 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.

Investments in Subsidiaries and associates

The Company accounts for its equity investments in subsidiaries and associates 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 and associates, 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 and associates 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 43 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(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

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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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) 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 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.

(q) 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 THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

- 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.

(r) 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.

(s) 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. 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. 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.

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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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.

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 42.

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.

Determination of Lease Term

In determining the lease term, management considers all facts and circumstances that creates an economic incentive to exercise an extension option, or not to exercise a termination option. Extension option (or period after termination option) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The following factors are normally the most relevant:

1. If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
2. If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate)
3. Otherwise, the Company considers the other factors including historical lease duration and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise it.

The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Impact Assessment due to Covid-19 Pandemic – Refer Note 47

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2021

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

Particulars	Buildings - Freehold	Computers	Plant and machinery - Others	Studios and sets	Vehicles	Furniture and fixtures	Office equipments	Electrical fittings	Leasehold Improvements	Total	Capital work-in-progress
(₹ in Lacs)											
I. Gross Carrying Amount											
Balance as at April 1, 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
Additions	-	1.11	8.35	-	-	3.99	3.52	-	-	16.97	996.72
Write-off	-	-	-	-	-	-	-	-	-	-	(3.11)
Transfer from CWIP	-	-	-	866.90	-	-	-	-	-	866.90	(866.90)
Balance as at March 31, 2020	472.57	1,263.11	2,636.76	8,669.26	1,301.53	340.56	474.89	96.31	454.70	15,709.69	179.17
II. Accumulated Depreciation											
Balance as at April 1, 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)	-
Depreciation expense	(7.92)	(45.37)	(72.11)	(931.23)	(111.65)	(7.46)	(12.67)	(6.26)	-	(1,194.67)	-
Balance as at March 31, 2020	(120.52)	(1,192.79)	(2,206.05)	(7,362.28)	(824.23)	(319.26)	(447.73)	(90.18)	(454.70)	(13,017.74)	-
III. Net Carrying Amount as at March 31, 2020	352.05	70.32	430.71	1,306.98	477.30	21.30	27.16	6.13	-	2,691.95	179.17
I. Gross Carrying Amount											
Balance as at April 1, 2020	472.57	1,263.11	2,636.76	8,669.26	1,301.53	340.56	474.89	96.31	454.70	15,709.69	179.17
Additions	-	3.43	-	-	83.76	8.24	50.84	-	-	146.27	19.57
Write-off	-	-	-	-	-	-	-	-	-	-	(6.00)
Transfer from CWIP	-	-	-	192.74	-	-	-	-	-	192.74	(192.74)
Balance as at March 31, 2021	472.57	1,266.54	2,636.76	8,862.00	1,385.29	348.80	525.73	96.31	454.70	16,048.70	-
II. Accumulated Depreciation											
Balance as at April 1, 2020	(120.52)	(1,192.79)	(2,206.05)	(7,362.28)	(824.23)	(319.26)	(447.73)	(90.18)	(454.70)	(13,017.74)	-
Depreciation expense	(7.92)	(35.21)	(67.16)	(745.81)	(112.74)	(5.96)	(10.48)	(3.85)	-	(989.13)	-
Balance as at March 31, 2021	(128.44)	(1,228.00)	(2,273.21)	(8,108.09)	(936.97)	(325.22)	(458.21)	(94.03)	(454.70)	(14,006.87)	-
III. Net Carrying Amount as at March 31, 2021	344.13	38.54	363.55	753.91	448.32	23.58	67.52	2.28	-	2,041.83	-

Notes

- Building includes ₹ 220.86 lacs (Previous year ₹ 220.86 lacs), being cost of ownership premises in a Co-operative Society including cost of shares of face value of ₹ 0.01 lac received under Bye-laws of the Society.
- Capital work-in-progress as on March 31, 2020 mainly includes under construction TV serial sets.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 4(b): Right-of-use Asset

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Right-of-use Asset		
Premises	353.81	2,670.68
Total	353.81	2,670.68

Note : The Company's significant long term leasing arrangements include Office space and Studio.

(i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to right of use assets:

(₹ in Lacs)

Particulars	Amount
Amount recognised as at April 1, 2019 on adoption of Ind AS 116	3,277.69
Add: Prepaid rent re-classified as at April 1, 2019 on adoption of Ind AS 116	224.66
Add: Additions during the year	1,287.12
Less: Disposals during the year	-
Less: Depreciation during the year	(2,118.79)
Balance as of March 31, 2020	2,670.68
Balance as on April 01, 2020	2,670.68
Add: Additions during the year	-
Less: Disposals during the year	-
Less: Lease modification during the year	(673.18)
Less: Depreciation during the year	(1,643.69)
Balance as of March 31, 2021	353.81

The following is the movement in lease liabilities for the year ended March 31, 2021#

(₹ in Lacs)

Particulars	Amount
Amount recognised as at April 1, 2019 on adoption of Ind AS 116	(3,480.63)
Add: Additions during the year	(1,287.12)
Add: Interest for the year	(240.24)
Less: Lease payments made during the year	2,254.63
Balance as of March 31, 2020	(2,753.35)
Balance as on April 01, 2020	(2,753.35)
Add: Additions during the year	-
Less: Lease modification during the year	697.74
Add: Interest for the year	(81.16)
Less: Lease payments made during the year	1,494.19
Less: Lease concessions received during the year	326.15
Balance as of March 31, 2021	(316.43)

Also, represent net debt reconciliation as per requirements of AS 7 - Statement of Cash Flows.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 4(b): Right-of-use Asset (Contd..)

The following is the break-up of current and non-current lease liabilities as of March 31, 2021:

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Lease liabilities	252.08	2,067.51
Non-current lease liabilities	64.35	685.84
Total	316.43	2,753.35

(ii) Amounts recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amortisation charge on right of use assets (Refer note 28)		
- Premises Studio	1,457.84	1,977.25
- Office Space	185.85	141.54
Total	1,643.69	2,118.79

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expense (included in finance cost) (Refer note 29)		
Interest on lease liability	81.16	240.24
Total	81.16	240.24

The total cash outflow for leases for the year ended March 31, 2021 was ₹ 1,494.19 lacs (for year ended March 31, 2020 : ₹ 2,254.63 lacs)

Note 5 Non-current investments

(₹ in Lacs)

Particulars	As at March 31, 2021		As at March 31, 2020	
(1) Investment in fully paid-up Equity shares (unquoted) (at cost)				
(i) Wholly owned subsidiaries :				
20,00,000 (Previous year 20,00,000) 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 41)	165.65	365.65	137.10	337.10
60,20,50,000 (Previous year 60,00,50,000) Equity shares of ₹10/- each in Alt Digital Media Entertainment Limited	62,005.00		60,005.00	
Add : Capital contribution on account of employee stock option plan (Refer note 41)	324.33	62,329.33	339.16	60,344.16
44,60,000 (Previous year 44,57,550) Equity Shares of ₹10/- each in Marinating Films Private Limited		1,023.99		1,023.99

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 5 Non-current investments (Contd..)

(₹ in Lacs)

Particulars	As at March 31, 2021		As at March 31, 2020	
(ii) Subsidiaries :				
(a) 12,75,000 (Previous year 5,25,000) Equity Shares of ₹10/- each in Chhayabani Balaji Entertainment Private Limited (under liquidation)	240.70		52.50	
Add: Conversion of Preference shares to Equity Shares of ₹10/- each (Previous year 7,50,000)	-		188.20	
Less : Impairment of investments	(240.70)	-	(240.70)	-
(2) Investment in fully paid-up preference shares of subsidiaries (unquoted) (at fair value through profit or loss)				
(i) Subsidiary :				
(a) NIL (Previous year NIL) Preference shares of ₹10/- each in Chhayabani Balaji Entertainment Private limited	-		188.20	
Less : Conversion into Equity Shares	-	-	(188.20)	-
(3) Investment in compulsory convertible debentures of subsidiary (unquoted) (at cost)				
(a) 32,50,000 (Previous year 32,50,000) compulsory convertible debentures of ₹10/- each in Marinating Films Private Limited		325.00		325.00
(4) Investment in Associate (unquoted) (at cost)				
(i) IPB Capital Advisors LLP		0.50		0.50
(5) Investment in Indus Balaji Investor Trust (unquoted) (at fair value through profit or loss)				
(i) NIL (Previous year 19,53,763.97) Class A units of ₹100 each	-		360.89	
(ii) NIL (Previous year 3,428.35) Class B units of ₹100 each	-		0.57	
		-		361.46
Aggregate carrying value of unquoted investments		64,044.47		62,392.21
Aggregate amount of impairment in the value of investments		240.70		240.70

Note 6 Loans (Non-Current)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits	115.58	796.56
Loans to Employees	87.50	-
Total	203.08	796.56

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 6 Loans (Non-Current) (Contd..)

Break-up of security details

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans considered good - Secured	-	-
Loans considered good - Unsecured	203.08	796.56
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	203.08	796.56
Less: Loss allowance	-	-
Total loans	203.08	796.56

Note: Previous year security deposits includes deposits (undiscounted) given to three directors of the company of ₹ 740.00 lacs for the properties taken on lease from them, Current year classified as current as due within 12 months.

Note 7 Other current financial assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered good		
(a) Other Receivables	269.46	1,985.36
(b) Unbilled revenue	7,798.46	3,024.64
Total	8,067.92	5,010.00

Note 7(a) Contract assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Contract assets relating to commissioned television programs and internet programs	4,210.50	4,899.90
Total	4,210.50	4,899.90

Note 8 Deferred tax asset (net)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets		
Lease Liabilities	-	20.80
Depreciation on Property, plant and equipment	749.42	715.01
Loss allowance on financial assets	73.26	74.35
Deferred sales consideration	2.74	6.74
Others	1.50	-
	826.92	816.90
Deferred tax liabilities		
Fair valuation of investments	(32.94)	(92.91)
Lease Liabilities	(9.42)	-
	(42.36)	(92.91)
Deferred tax assets (net)	784.56	723.99

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 8 Deferred tax asset (net) (Contd..)

(i) Movement in deferred tax balances

Particulars	For year ended March 31, 2021			
	Opening Balance	Charged/ (Credited) to profit or loss	Charged/ (Credited) to OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Fair value of investments	92.91	(59.97)	-	32.94
Lease Liabilities	(20.80)	30.22	-	9.42
	72.11	(29.75)	-	42.36
Tax effect of items constituting deferred tax assets				
Depreciation on Property, plant and equipment	715.01	(34.41)	-	749.42
Deferred Sales Consideration	6.74	4.00	-	2.74
Loss allowance on financial assets	74.35	1.09	-	73.26
Others	-	(5.98)	4.48	1.50
	796.10	(35.30)	4.48	826.92
Deferred tax assets (net)	723.99	(65.05)	4.48	784.56

Movement in deferred tax balances

(₹ in Lacs)

Particulars	For Year Ended March 31, 2020				
	Opening Balance	* On Account of adoption of Ind AS 116	Charged/ (Credited) to profit or loss	Charged/ (Credited) to OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities					
Fair value of investments	552.86	-	(459.95)	-	92.91
Security deposits	11.06	-	(11.06)	-	-
	563.92	-	(471.01)	-	92.91
Tax effect of items constituting deferred tax assets					
Lease Liabilities*	-	70.91	50.11	-	20.80
Depreciation on Property, plant and equipment	903.43	-	188.42	-	715.01
Deferred sales consideration	24.08	-	17.34	-	6.74
Loss allowance on financial assets	226.23	-	155.08	(3.20)	74.35
Carried forward tax losses	109.27	-	109.27	-	-
MAT Credit entitlement / (utilisation)	1,282.77	-	1,282.77	-	-
	2,545.78	70.91	1,802.99	(3.20)	816.90
Deferred tax assets (net)	1,981.86	70.91	1,331.98	(3.20)	723.99

*Adjusted to retained earnings as at April 01, 2019

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 9 Non-current income tax assets (Net)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance payment of income-tax (Provision netted off of ₹ 4,308.50 lacs (previous year: ₹ 695.90 lacs))	287.97	1,164.29
Total	287.97	1,164.29

Note 10 Other non-current assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance to vendors (considered good – unsecured) (Refer Note 40)	4,548.58	3,701.51
Total	4,548.58	3,701.51

Note 11 Inventories

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cost or Net realisable value, whichever is lower		
Work in process		
Films	3,351.76	2,377.94
Total	3,351.76	2,377.94

Note 12 Current investments

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in mutual funds (Non trade) (Unquoted) (measured at fair value through profit or loss)	1,716.68	10,046.23
Aggregate amount of unquoted Investments Total	1,716.68	10,046.23

Note 13 Trade receivables

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables from contract with customers - Others	7,408.91	12,261.81
Trade Receivables from contract with customers - Related Party (Refer Note 35)	6,171.96	357.70
Less: Loss allowance	-	-
Total Receivables	13,580.87	12,619.51
13(i) Current portion	13,546.31	12,455.40
13(ii) Non-current portion	34.56	164.11
Break-up of trade receivables		
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	13,580.87	12,619.51
Trade receivables which have significant increase in credit risk	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 13 Trade receivables (Contd..)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables – credit impaired	-	-
Total	13,580.87	12,619.51
Less: Loss allowance	-	-
Total	13,580.87	12,619.51

Note 14 (a) Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Cash on hand	23.38	29.13
(b) Balances with banks-		
(i) In current accounts	2,447.26	1,303.13
(ii) In deposit accounts with original maturity of less than three months	4,801.84	49.75
Total	7,272.48	1,382.01

Note 14(b) Other balances with banks

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unpaid dividend accounts	10.13	10.54
Total	10.13	10.54

Note 15 Loans (Current)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans to subsidiary (Refer Note 35)	403.16	3,081.95
Security deposits	770.63	-
Loans to employees	168.75	-
Less: Loss allowance	-	-
Total	1,342.54	3,081.95

Break-up of security details

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans considered good - Secured	-	-
Loans considered good - Unsecured	1,342.54	3,081.95
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	1,342.54	3,081.95
Less: Loss allowance	-	-
Total loans	1,342.54	3,081.95

Note: Security Deposits includes deposits (undiscounted) given to three directors of the company amounting to ₹ 740.00 lacs for the properties taken on lease from them, Previous year was classified as non-current as due more than 12 months.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 16 Other Current assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(unsecured considered good, unless otherwise stated)		
(a) Prepaid expenses	50.77	30.76
(b) Balances with government authorities	1,055.15	808.83
(c) Advances to vendors	6,152.86	6,676.59
(d) Other Receivables		
- considered good	106.92	104.09
- considered doubtful	255.13	255.13
Less: Provision for doubtful receivable	(255.13)	(255.13)
Total	7,365.70	7,620.27

Note 17 Equity share capital

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Authorised		
15,00,00,000 (Previous Year 15,00,00,000) Equity shares of ₹ 2/- each	3,000.00	3,000.00
3,00,00,000 (Previous year 3,00,00,000) Preference shares of ₹ 2/- each	600.00	600.00
	3,600.00	3,600.00
(b) Issued, Subscribed and fully paid-up		
10,11,30,443 (Previous Year 10,11,30,443) 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, 2021		As at March 31, 2020	
	Number of shares	% of Holding	Number of shares	% of Holding
Reliance Industries Ltd.	2,52,00,000	24.92	2,52,00,000	24.92
Ekta Kapoor [#]	1,84,33,254	18.23	1,84,22,380	18.22
Shobha Kapoor	1,10,08,850	10.89	1,10,08,850	10.89

[#]Ekta Kapoor, Promoter Director of the Company had purchased 1,25,046 equity shares during March 2020 quarter. However, due to time required for transaction to complete and reflect in buyer's account, 10,874 shares have not been captured in shareholding pattern as on March 31, 2020.

- (ii) The reconciliation of the number of shares outstanding is set out below:

Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Equity shares outstanding at the beginning of the year	10,11,30,443	2,022.61	10,11,30,443	2,022.61
Add: Issue of Equity Shares during the year	-	-	-	-
Equity shares outstanding at the end of the year	10,11,30,443	2,022.61	10,11,30,443	2,022.61

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 17 Equity share capital (Contd..)

(iii) Terms and rights attached to equity shares

The company 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 the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

(iv) During the five years immediately preceding March 31, 2021, no shares were bought back and no shares were issued for consideration other than cash nor as bonus shares.

(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. 41.

Note 18 Other equity - Reserves & Surplus

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) General reserve	5,133.10	5,133.10
(b) Securities premium account	68,749.34	68,749.34
(c) Retained earnings	31,696.63	28,747.56
(d) Capital Reserve	(47.08)	(47.08)
(e) Share options outstanding account	711.58	1,133.61
Total	1,06,243.57	1,03,716.53

Note 18(a) Retained earnings

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	28,747.56	24,077.49
Transfer to retained earnings for forfeiture of employee share options (vested)	407.51	-
Adjustment on adoption of Ind AS 116	-	(132.03)
Profit for the year	2,528.23	5,786.94
Items of other comprehensive income recognised directly in retained earnings	13.33	(9.50)
Payment of dividends	-	(809.04)
Dividend distribution tax	-	(166.30)
Balance at the end of the year	31,696.63	28,747.56

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 18(b) Share options outstanding account

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	1,133.61	1,057.26
Transfer to retained earnings for forfeiture of employee share options (vested)	(407.51)	-
Employee share options expense (Refer note 41)	(14.52)	76.35
Balance at the end of the year	711.58	1,133.61

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 :** Securities Premium is created to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.
- C. Capital Reserve :** Capital Reserve, being consideration over net assets taken over, recognised as per the scheme of arrangement sanctioned by National Company Law Tribunal in earlier years.
- 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

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Trade payables- total outstanding dues of micro and small enterprises	63.78	46.19
(b) Trade payables- total outstanding dues other than (a) above	9,576.48	9,841.52
Total	9,640.26	9,887.71

Disclosure required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:-

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid to any supplier as at the end of each accounting year	54.47	44.46
Interest due thereon remaining unpaid to any supplier as at the end of each accounting year	9.31	1.73
Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
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 MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year	7.58	1.73
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

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 THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 20 Other financial liabilities (current)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unpaid dividends (Refer Note below)	10.13	10.54
Temporarily overdrawn book balances	-	40.56
Total	10.13	51.10

Note

As at March 31, 2021, there are no amounts due to be transferred to Investor Education and Protection Fund as required under Section 125 of the Companies Act, 2013.

Note 21(i) Provisions - Current

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity (Refer Note 36(b))	10.16	18.25
Total	10.16	18.25

Note 21(ii) Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Contract liabilities/ advances from customers (Refer below table)	324.86	1,652.45
Statutory liabilities	519.62	434.34
Employee Benefit Payables	95.24	25.65
Total	939.72	2,112.44

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance received for commissioned television programs and internet programs	217.24	173.97
Advance received from Movies related contracts	107.62	1,478.48
Total Contract Liabilities/ advances from customers	324.86	1,652.45

1) Revenue recognised in relation to contract liabilities

The following table shows how much of revenue recognised in current reporting period related to carried forward of contract liabilities

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue recognised that was included in contract liability balance at the beginning of the year		
Commissioned television programs and internet programs	138.00	158.68
Movie related contracts	-	594.80
Total	138.00	753.48

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 22 Current tax liabilities (net)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for tax (net of advance tax of Nil (previous year: ₹ 2,956.56 lacs))	-	806.72
Total	-	806.72

Note 23 Revenue from operations

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Revenue from contracts with customers		
- Sale of service		
Commissioned television programs	18,485.12	30,158.54
Internet programs	7,727.10	8,238.88
Sale and licensing of movies	3,963.83	16,624.77
Sale of television programs/ movies concept rights	14.72	57.47
Event Management	513.20	1,265.00
(b) Other Operating Income		
Facilities / equipment hire Income	20.01	70.69
Compensation on cancellation of movie deal	201.43	-
Service Income for Curation of Digital Content	652.88	1,247.45
Total	31,578.29	57,662.80

Unsatisfied long-term licensing contracts:

The following table shows unsatisfied performance obligations resulting from long-term licensing contracts.

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Aggregate amount of the transaction price allocated to long-term licensing contracts that are fully unsatisfied as at reporting date	4,325.00	1,400.00

Management expects that of the transaction price allocated to the unsatisfied contracts as on March 31, 2021 ₹ 1,925 lacs will be recognised as revenue during the next reporting period and balance ₹ 2,400 lacs in subsequent periods. The amount disclosed above does not include variable consideration which is constrained. All other contracts are for periods of one year or less.

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 24 Other Income

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Interest income		
On fixed deposits with banks	302.97	10.41
On Income-tax refund	178.35	108.84
On loan given to subsidiary company	175.76	68.41

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 24 Other Income (Contd..)

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(b) Unwinding of discount on security deposit	74.46	68.47
(c) Interest income on deferred considerations	48.98	42.14
(d) Net gains on financial assets measured at fair value through profit and loss	141.77	99.74
(e) Insurance claim received	27.74	-
(f) Advances / Creditors written back	5.98	186.69
(g) Net foreign exchange differences	-	20.97
(h) Sale of Export License	63.12	-
(i) Gain on Lease Modification	36.00	-
(j) Rent Concession	326.15	-
Total	1,381.28	605.67

Note 25(a) Cost of Production / Acquisition and Telecast Fees

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Production expenses including purchase of costumes and dresses	1,329.01	2,167.55
Artists, Directors, technicians and Professional Fees	11,811.20	16,603.18
Location hire charges	1,479.85	1,604.51
Shooting and location expenses	4,223.16	4,462.62
Food and refreshment charges	357.50	544.62
Sets & studio maintenance charges	904.76	1,023.55
Uplinking charges	11.45	115.14
Insurance expense	133.83	37.07
Line production cost	2,537.78	1,912.41
Set properties and equipment hire charges	1,907.92	2,437.50
Sound expense	88.71	92.73
Other production expenses	532.97	939.17
Total	25,318.14	31,940.05

Note 25(b) Changes in Inventories :

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balance :		
Films	2,377.94	6,328.14
Closing balance :		
Films	3,351.76	2,377.94
Total changes in inventories	(973.82)	3,950.20

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 26 Marketing and distribution expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Marketing expenses	86.29	1,676.38
Distribution expenses	122.58	1,942.10
Total	208.87	3,618.48

Note 27 Employee benefits expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages*	950.60	1,199.94
Contributions to provident and other funds (Refer Note 36(a))	69.30	119.11
Gratuity (Refer Note 36(b))	10.15	16.70
Staff welfare expenses	10.90	7.94
Employee share based payment expenses (Refer Note no. 41)	(28.24)	45.35
Total	1,012.71	1,389.04

*net of amount cross charged to subsidiary (Refer note 35)

Note 28 Depreciation and amortisation expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of property, plant and equipment (Refer Note 4a)	989.13	1,194.67
Amortisation on Right of use asset (Refer Note 4b)	1,643.69	2,118.79
Total	2,632.82	3,313.46

Note 29 Finance cost

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on lease liability	81.16	240.24
Interest on others	70.63	2.20
Total	151.79	242.44

Note 30 Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Power and fuel	45.92	72.10
Repairs and maintenance - Others	124.47	143.76
Insurance	60.70	58.86
Rates and taxes	157.15	342.70
Communication expenses	43.57	40.24
Legal and professional charges (Refer Note 30.1)	1,064.69	942.33

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 30 Other expenses (Contd..)

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Directors Commission	24.83	95.20
Security and housekeeping expenses	52.97	82.61
Business promotion expenses	39.09	172.75
Travelling and conveyance expenses	47.90	112.37
Donations and contributions	37.20	21.84
Expenditure on corporate social responsibility (Refer Note 30.2)	105.50	54.62
Advances written off (Net of provision - ₹ Nil) (previous year: Net of provision - ₹ 50.92)	25.77	996.63
Provision for doubtful debts and advances	-	255.13
Bad debts written off net (Net of provision - ₹ Nil) (previous year: Net of provision for doubtful debts - ₹ 345.70)	314.90	503.79
Diminution in value of investments	-	240.70
Investment written off	-	0.38
Financial assets measured at fair value through profit and loss	-	51.91
Software expenses	0.76	1.91
Directors sitting fees	44.00	37.75
Property, plant & equipment and Capital work-in-progress written off	6.00	3.11
Miscellaneous expenses	76.23	117.96
Total	2,271.65	4,348.65

Note 30.1 Details of auditors remuneration (Included in legal and professional charges)

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As Auditors :		
Audit fee	41.10	41.10
In respect of other audit services :		
Other services (including certification)	2.50	4.00
Reimbursement of expenses	0.25	0.72
Total	43.85	45.82

Note 30.2 Expenditure on corporate social responsibility

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amounts required to be spent as per section 135 of the Act	92.72	53.72
Amounts spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	105.50	54.62
Total	105.50	54.62

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 31 Tax expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Income tax expense		
Current tax		
Current tax on profits for the year	650.00	2,347.23
Short provision in respect of earlier years	268.67	-
	918.67	2,347.23
Deferred tax		
Decrease/ (increase) in deferred tax assets	(35.30)	520.22
(Decrease)/ increase in deferred tax liabilities	(29.75)	(471.01)
MAT Credit		
MAT Credit utilisation	-	1,282.77
Total deferred tax expense/(benefit)	(65.05)	1,331.98
Income tax expense	853.62	3,679.21

Income Tax Expense for the year can be reconciled to the accounting profit as follows

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before exceptional items and tax	2,337.41	9,466.15
Income Tax calculated at 25.17% (PY:34.94%)	588.33	3,307.85
Tax effect of amounts that are not deductible in determining taxable profit	44.33	20.17
Tax on deductions under chapter VI-A	4.68	(3.82)
Income taxed at lower rates (Long Term Capital Gains)	-	(31.07)
Deferred Tax at the year end recognised at lower tax rates	-	280.89
Others	(52.39)	105.19
Short provision in respect of earlier years	268.67	-
Total	853.62	3,679.21
Income Tax expense recognised in profit & loss	853.62	3,679.21

32 Contingent liabilities (to the extent not provided for)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
In respect of Service Tax Matters (Also Refer note 1 below)	2,943.00	2,943.00
In respect of VAT Matters	145.50	145.50
In respect of Income Tax Matters (Also Refer note 2 below)		
- TDS Matters	218.08	218.08
In respect of Claim against the company not acknowledged as debt	200.01	-

- (1) 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. 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

- (2) Apart from the above, in respect of Income Tax Matters, a search was conducted on the premises of the Company on 30 April 2013. Pursuant to the aforesaid search, block assessment under section 153A of the Income-tax Act, 1961 (Act) was conducted for Assessment Years 2007- 08 to 2012-13. The Company did not appeal against the additions made in the assessment orders for the aforesaid assessment years. However, penalties were levied for the said assessment years, which were challenged by the Company before the Income-tax Appellate Tribunal-Mumbai (ITAT). The Company had accounted for the penalty amount in FY 17-18 as an exceptional item. Subsequently, in the current year, ITAT has deleted the penalty levied and the Income tax department has refunded the penalties amounting to ₹ 1,044.44 lacs along with interest of ₹ 138.33 lacs under the Act to the Company. This has been disclosed under exceptional items in the current year.(Refer note.45)

Subsequently in Feb 2021 -- Income tax department has preferred an appeal before the Hon'ble High Court (HC) Bombay challenging the deletion of penalty by ITAT, the appeal is still in Pre-Admission stage. Considering the department has gone in appeal, the same is disclosed as contingent liability amounting to ₹ 1,182.77 lacs.

- 33** The Company has investments in subsidiaries namely Balaji Motion Pictures Limited (BMPL), ALT Digital Media Entertainment Limited (ALT) and Marinating Films Private Limited (MFPL) aggregating to ₹ 64,043.97 lacs (Previous year ₹ 62,030.25 lacs). Further, the Company has also given loans and advances aggregating to ₹ 403.16 lacs to BMPL (Previous year ₹ 3,081.95 lacs given to BMPL). As per the latest audited balance sheet of BMPL for the year ended March 31, 2021, the accumulated losses have fully eroded the net-worth of the company. As per the latest audited balance sheet of ALT and MFPL the investment is partially eroded as at March 31, 2021. 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 for BMPL, ALT and MFPL has been determined with the assistance of external valuation expert. The company is committed to provide financial support to BMPL, ALT and MFPL for a period of at least 12 months from the date of signature of these financial statements, in such case if assistance is needed.

For Chhayabani Balaji Entertainment Private Limited, in the previous year, the Company had taken an impairment charge of ₹240.70 lacs. Based on the approvals of Company's Board of Directors, Chhayabani Balaji Entertainment Private Limited has filed for liquidation on October 22, 2020.

During the year ended March 31, 2021, the Company considered indicators of impairment for investments in subsidiaries, such as declines in operational performance or changes in the outlook of future profitability or weaker market conditions, among other potential indicators.

The Company estimated the recoverable amount based on the value in use of the underlying businesses. The computation uses cash flow forecasts based on the most recently approved financial budgets and strategic forecasts which covers future projections taking the analysis into perpetuity. Key assumptions for the value in use computations are those regarding the discount rates and growth rates.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

34 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges and under Section 186 (4) of the Companies Act, 2013

Loans and advances in the nature of loans given to subsidiaries :

(₹ in Lacs)

Name of the party	Relationship	Amount outstanding as at March 31, 2021	Maximum balance outstanding during the year
Balaji Motion Pictures Limited	Wholly owned subsidiary	403.16	3,099.95
		(3,081.95)	(3,081.95)

Note:

1. Loan given to BMPL towards Working Capital requirement and is repayable on demand. Interest is charged at 1 years MCLR rate of Company's bankers at the start of the year
2. Figures in Brackets denote last year's figures

35 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 (under liquidation from October 22, 2020)	Subsidiary Company
IPB Capital Advisors LLP	Associate
Mr. Sunil Lulla (from May 25, 2018 to August 14, 2019)	Key management person
Mr. Jeetendra Kapoor	Key management person (Chairman)
Mrs. Shobha Kapoor	Key management person (Executive Director)
Ms. Ekta Kapoor	Key management person (Executive Director)
Mr. Tusshar Kapoor	Relative of key management person
Mr. Anshuman Thakur	Key management person (Non-Executive Director)
Mr. Arun K. Purwar	Key management person (Non-Executive Independent Director)
Mr. D G Rajan	Key management person (Non-Executive Independent Director)
Mr. Ashutosh Khanna (till 22nd July 2020)	Key management person (Non-Executive Independent Director)
Mr. Devender Kumar Vasal	Key management person (Non-Executive Independent Director)
Mr. V B Dalal	Key management person (Non-Executive Independent Director)
Mr. Pradeep Sarda	Key management person (Non-Executive Independent Director)
Ms. Jyoti Deshpande	Key management person (Non-Executive Director)
Mr. Ramesh Sippy (from September 1, 2019)	Key management person (Non-Executive Director)
Dr. Archana Hingorani (from August 28, 2020)	Key management person (Non-Executive Independent Director)
Mr. Jason Kothari (from February 11, 2021)	Key management person (Non-Executive Independent Director)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related Party Transactions (Contd..)

(b) Details of Transactions during the period and balances at the year end

(₹ in Lacs)

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel
Loans given		
Balaji Motion Pictures Limited	211.06	-
	(3,291.69)	(-)
Loans Recovered (including interest)		
Balaji Motion Pictures Limited	3,065.61	-
	(570.28)	(-)
Sale of internet programs and licensing of movies		
Alt Digital Media Entertainment Limited	7,666.94	-
	(8,324.60)	(-)
Reimbursement of Expenses received		
Alt Digital Media Entertainment Limited	166.27	-
	(964.36)	(-)
Interest income on deferred consideration		
Alt Digital Media Entertainment Limited	23.22	-
	(34.81)	(-)
Interest Income on Loan Given		
Balaji Motion Pictures Limited	175.76	-
	(68.41)	(-)
Commission (Distribution expenses) Paid to		
Balaji Motion Pictures Limited	122.50	-
	(615.24)	(-)
Reimbursement of Employee Benefit Expense		
Alt Digital Media Entertainment Limited	442.36	-
	(715.65)	(-)
Reimbursement of Expense		
Alt Digital Media Entertainment Limited	-	-
	(182.90)	(-)
Rent Income		
Balaji Motion Pictures Limited	6.00	-
	(6.00)	(-)
Directors sitting fees		
Mr. Jeetendra Kapoor	-	4.00
	(-)	(4.00)
Mr. Anshuman Thakur	-	4.00
	(-)	(2.00)
Mr. Arun K. Purwar	-	5.00
	(-)	(5.00)
Mr. Ashutosh Khanna	-	-
	(-)	(5.00)
Mr. D.G. Rajan	-	6.00
	(-)	(6.00)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related Party Transactions (Contd..)

(b) Details of Transactions during the period and balances at the year end

(₹ in Lacs)

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel
Mr. Devender Kumar Vasal	-	6.00
	(-)	(6.00)
Ms. Jyoti Deshpande	-	4.00
	(-)	(3.00)
Mr. Pradeep Sarda	-	1.00
	(-)	(1.00)
Mr. V.B. Dalal	-	6.00
	(-)	(4.75)
Mr. Ramesh Sippy	-	4.00
	(-)	(1.00)
Dr. Archana Hingorani	-	4.00
	(-)	(-)
Directors Commission		
Mr. Jeetendra Kapoor	-	19.86
	(-)	(76.16)
Mr. D.G. Rajan	-	0.57
	(-)	(2.12)
Mr. Pradeep Sarda	-	0.57
	(-)	(2.11)
Mr. Ashutosh Khanna	-	-
	(-)	(2.12)
Mr. Devender Kumar Vasal	-	0.57
	(-)	(2.11)
Mr. V.B. Dalal	-	0.57
	(-)	(2.12)
Mr. Arun K. Purwar	-	0.57
	(-)	(2.11)
Ms. Jyoti Deshpande	-	0.57
	(-)	(2.12)
Mr. Anshuman Thakur	-	0.57
	(-)	(2.11)
Mr. Ramesh Sippy	-	0.57
	(-)	(2.12)
Dr. Archana Hingorani	-	0.33
	(-)	(-)
Mr. Jason Kothari	-	0.08
	(-)	(-)
Rent paid		
Mr. Jeetendra Kapoor	-	58.89
	(-)	(58.89)
Mrs. Shobha Kapoor	-	1,248.47
	(-)	(1,599.53)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related Party Transactions (Contd..)

(b) Details of Transactions during the period and balances at the year end

(₹ in Lacs)

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel
Mr. Tusshar Kapoor	-	14.76
	(-)	(14.76)
Ms.Ekta Kapoor	-	200.20
	(-)	(253.47)
Remuneration (Refer note (iii) & (iv) below)		
Mrs. Shobha Kapoor	-	194.77
	(-)	(239.88)
Ms Ekta Kapoor	-	-
	(-)	(239.88)
Mr. Sunil Lulla	-	-
	(-)	(89.23)
Service Income for Curation of Digital Content		
Alt Digital Media Entertainment Limited	652.88	-
	(1,247.45)	(-)
Capital contribution on account of Employee stock option addition/(reversal)		
Alt Digital Media Entertainment Limited	(14.83)	-
	(-30.18)	(-)
Balaji Motion Pictures Limited	28.55	-
	(61.19)	(-)
Investment made		
Chhayabani Balaji Entertainment Limited	-	-
	(50.00)	(-)
Alt Digital Media Entertainment Limited	2,000.00	-
	(15,000.00)	(-)
Impairment made		
Chhayabani Balaji Entertainment Limited	-	-
	(240.70)	(-)
Amount receivable as at March 31, 2021		
Security Deposit amount receivable		
Mrs. Shobha Kapoor *	-	340.00
	(-)	(340.00)
Mr. Jeetendra Kapoor *	-	300.00
	(-)	(300.00)
Mr. Tusshar Kapoor *	-	100.00
	(-)	(100.00)
Mr. Ekta Kapoor *	-	100.00
	(-)	(100.00)
Loans		
Balaji Motion Pictures Limited	403.16	-
	(3,081.95)	(-)
Trade Receivable		
Alt Digital Media Entertainment Limited	6,171.96	-
	(357.70)	(-)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related Party Transactions (Contd..)

(b) Details of Transactions during the period and balances at the year end

(₹ in Lacs)

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel
Other current financial assets (Other Receivable)		
Alt Digital Media Entertainment Limited	1.00	-
	(800.18)	(-)
Marinating Films Private Limited	-	-
	(9.98)	(-)
Unbilled Receivable		
Alt Digital Media Entertainment Limited	7,620.60	-
	(2,492.89)	(-)
Contract Asset		
Alt Digital Media Entertainment Limited	3,610.22	-
	(4,836.65)	(-)
Amount Payable as at March 31, 2021		
Commision payable to Balaji Motion Pictures Limited	25.00	-
	(43.02)	(-)
Amount payable		
Mr. Jeetendra Kapoor	-	19.93
	(-)	(78.00)
Mrs. Shobha Kapoor	-	12.48
	(-)	(12.48)
Mr. Tusshar Kapoor	-	1.70
	(-)	(1.70)
Ms. Ekta Kapoor	-	21.47
	(-)	(22.97)
Mr. D.G. Rajan	-	0.57
	(-)	(2.12)
Mr. Pradeep Sarda	-	0.57
	(-)	(2.11)
Mr. Ashutosh Khanna	-	-
	(-)	(2.12)
Mr. Devender Kumar Vasal	-	0.57
	(-)	(2.11)
Mr. V.B. Dalal	-	0.57
	(-)	(2.12)
Mr. Arun K. Purwar	-	0.57
	(-)	(2.11)
Ms. Jyoti Deshpande	-	0.57
	(-)	(2.12)
Mr. Anshuman Thakur	-	0.57
	(-)	(2.11)
Mr. Ramesh Sippy	-	0.57
	(-)	(2.12)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related Party Transactions (Contd..)

(b) Details of Transactions during the period and balances at the year end

(₹ in Lacs)

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel
Dr. Archana Hingorani	-	0.33
	(-)	(-)
Mr. Jason Kothari	-	0.08
	(-)	(-)
Contract liabilities		
Alt Digital Media Entertainment Limited	209.36	-
	(158.00)	(-)

* - Deposit for leased property

Note

- 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.
- Figures in bracket relate to the previous financial year
- 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 separately and hence not disclosed.
- Includes amount cross charged to subsidiary

36 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 ₹69.30 lacs (Previous Year ₹119.11 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, 2021	March 31, 2020
Discount rate(s)	6.06%	6.24%
Expected rate(s) of salary increase	5.00%	5.00%
Rate of employee turnover	14.50%	16.00%
Mortality Rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

36 Employee Benefits (Contd..)

Defined benefit plans – as per actuarial valuation

(₹ in Lacs)

Particulars	Funded Plan	
	Gratuity	
	March 31, 2021	March 31, 2020
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Actuarial (Gains)/Losses on Obligation for the year	(17.33)	12.36
Return on Plan Assets, Excluding Interest Income	(0.48)	0.34
Change in asset ceiling	-	-
Net amount recognised in Other Comprehensive Income (OCI)	(17.81)	12.70
Expenses recognised in the Statement of Profit or Loss for the current year		
Current Service Cost	9.01	15.48
Net interest cost	1.14	1.22
Expenses Recognized	10.15	16.70
I. Net Asset/(Liability) recognised in the Balance Sheet		
Present value of defined benefit obligation at the end of the year	(148.95)	(150.52)
Fair value of plan assets at the end of the year	138.79	132.28
Surplus/(Deficit)	(10.16)	(18.25)
Net (liability)/ Asset recognized in the Balance sheet	(10.16)	(18.25)
II. Change in the obligation during the year ended		
Present value of defined benefit obligation at the beginning of the year	150.52	113.98
Current Service Cost	9.01	15.48
Interest Cost	9.39	8.71
(Benefit paid from the Fund)	(2.64)	(0.01)
Actuarial (Gains)/ Losses on Obligations - Due to change in demographic assumptions	(1.01)	8.21
Actuarial (Gains)/ Losses on Obligations - Due to change in financial assumptions	(3.46)	4.01
Actuarial (Gains)/ Losses on Obligations- Due to experience	(12.86)	0.14
Present value of defined benefit obligation at the end of the year	148.95	150.52
III. Change in fair value of assets during the year ended 31st March		
Fair value of plan assets at the beginning of the year	132.28	97.99
Interest Income	8.25	7.49
Contributions by the employer	0.42	27.14
(Benefit paid from the Fund)	(2.64)	-
Return on Plan Assets, excluding Interest Income	0.48	(0.34)
Fair value of plan assets at the end of the year	138.79	132.28

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

36 Employee Benefits (Contd..)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Projected Benefit Obligation on Current Assumptions	148.95	150.52
Delta Effect of +1% Change in Rate of Discounting	(6.05)	(5.78)
Delta Effect of -1% Change in Rate of Discounting	6.63	6.30
Delta Effect of +1% Change in Rate of Salary Increase	5.22	4.44
Delta Effect of -1% Change in Rate of Salary Increase	(4.17)	(3.52)
Delta Effect of +1% Change in Rate of Employee Turnover	0.65	0.61
Delta Effect of -1% Change in Rate of Employee Turnover	(0.70)	(0.67)

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 ₹ 24.51 lacs to the gratuity fund during the next financial year. (Previous Year ₹ 27.25 lacs)

Maturity profile of defined benefit obligation (undiscounted):

(₹ in Lacs)

Projected Benefits Payable in future years from Date of Reporting	For the year ended March 31, 2021	For the year ended March 31, 2020
1st Following year	24.51	24.38
2nd Following year	21.07	24.01
3rd Following year	18.89	20.89
4th Following year	16.84	18.44
5th Following year	16.02	16.07
Sum of Years 6 to 10	61.46	58.08
Sum of Years 11 and above	42.66	39.93

Plan Assets

The fair value of Company's gratuity plan asset as of March 31, 2021 by category are as follows:

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Asset category:		
Insurer managed funds	138.79	132.28
	100%	100%

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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

36 Employee Benefits (Contd..)

Plan Assets (Contd..)

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.

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities will increase the present value of the liability requiring higher provision.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality Risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

37 Earning per share

Basic and Diluted earnings per share calculation is as below:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit for the year attributable to equity share holders (₹ in Lacs) (a)	2,528.23	5,786.94
Weighted average number of equity shares outstanding during the year (Nos.) (b)	10,11,30,443	10,11,30,443
Earnings per share - Basic (₹) (a/b)	2.50	5.72
Nominal value of shares (₹)	2	2

As at the year-ends, the stock options granted as referred in Note 41 are not dilutive in nature and accordingly, basic and diluted earning per share is same.

38 Segment Information

The company has presented data relating to its segments in its Consolidated Financial Statements. Accordingly, in terms of paragraph 4 of the Indian Accounting Standard (Ind AS 108) "Operating Segments", no disclosure related to its segments are presented in the Standalone Financial Statements.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

39 Details relating to investment in Limited Liability Partnership (LLP)

Name of the LLP	Names of partners in the LLP	As at March 31, 2021		As at March 31, 2020	
		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	0.50	50.00%	0.50	50.00%
	IP Capital Advisors LLP	0.49	49.00%	0.49	49.00%
	IPM Capital Advisors LLP	0.01	1.00%	0.01	1.00%
		1.00	100%	1.00	100%

40 The Company has advances / receivable from one of its co-producers and a film director, amounting to ₹ 1,619 lacs which are subject to litigation as at March 31, 2021. On the basis of the evaluation carried out by the management, in consultation with the legal counsel, the amounts are considered good and fully recoverable.

41 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.

Additional options were granted at the NRC's meeting held on January 8, 2021, granted 14,00,000 Employee Stock Options ("Options") to the eligible employees of the Company. Each option when exercised would be converted into one equity share of Rs. 2/- each, fully paid up, of the Company. The resolution passed by NRC on January 8, 2021 included a variation in terms of the Scheme. The variation was that all the options granted under the aforesaid grant would vest after completion of 12 months from date of grant.

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 (Tranche 1) 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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

41 Share based payments (Contd..)

The vesting schedule and exercise period of the Options granted on June 20, 2018 (Tranche 2) 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

The vesting schedule and exercise period of the Options granted on January 8, 2021 (Tranche 3) is as follows:

Year	Vesting of options	Vesting dates	Exercise Period up to
1	100%	January 7, 2022	January 07, 2025

During the year ended March 31, 2021 the Company recorded an employee compensation expenses of (₹ 28.24) lacs (previous year ₹ 45.35 lacs) in the statement of profit and loss.

Certain employees of the Subsidiaries are allotted 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, ₹ 489.98 lacs (previous year : ₹ 476.26 lacs) was added to the cost of the investments as a capital contribution at the year end.

Set out below is a summary of options granted under the plan:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Average Exercise price per share option (₹)	Number of options	Average Exercise price per share option (₹)	Number of options
Opening balance	91.34	19,04,932	91.67	31,53,856
Granted during the year	52.01	14,00,000	-	-
Exercised during the year	-	-	-	-
Forfeited/(lapsed) during the year	-	21,28,841	-	12,48,924
Closing balance	84.57	11,76,091	91.34	19,04,932

Number of option exercisable as at March 31, 2021: 5,85,655/- (previous year: 4,76,233/-)

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, 2021	Exercise price (₹)	Share options March 31, 2020
May 19, 2018	May 18, 2024	90.00	5,70,537	90.00	10,54,570
June 20, 2018	June 19, 2024	93.00	4,05,554	93.00	8,50,362
January 08, 2021	January 07, 2025	52.01	2,00,000	-	-
Total			11,76,091		19,04,932

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

41 Share based payments (Contd..)

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) and during the year ended March 31, 2021 was ₹ 34.05 per option for options granted on January 8, 2021 (Tranche 3). 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, 2021 and March 31, 2019 includes:

- 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.
- Exercise price: ₹ 90 (Tranche 1), ₹ 93 (Tranche 2) and ₹ 52.01 (Tranche 3)
- Grant date: May 19, 2018 (Tranche 1), June 20, 2018 (Tranche 2) and January 8, 2021 (Tranche 3)
- Expiry date: May 18, 2024 (Tranche 1), June 19, 2024 (Tranche 2) and January 7, 2025 (Tranche 3)
- Share price at grant date: ₹ 119.80 (Tranche 1), ₹ 123.45 (Tranche 2) and ₹ 69.65 (Tranche 3)
- Expected price volatility of the company's shares: 46.05% (Tranche 1), 45.87% (Tranche 2) and 42.59% (Tranche 3)
- Expected dividend yield: 0.91% (Tranche 1 and 2) and 0.67% (Tranche 3)
- Risk-free interest rate: 7.92% (Tranche 1), 8.05% (Tranche 2) and 4.92% (Tranche 3)

The expected price volatility is based on the historic volatility (based on the remaining life of the options).

42 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) Financial instrument by category

(₹ in Lacs)

Particulars	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Non-current financial assets						
Investments	-	-	-	361.46	-	-
Loans	-	-	203.08	-	-	796.56
Trade receivable	-	-	34.56	-	-	164.11
Current financial assets						
Investments	1,716.68	-	-	10,046.23	-	-
Trade receivables	-	-	13,546.31	-	-	12,455.40
Cash and cash equivalents	-	-	7,272.48	-	-	1,382.01

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

42 FAIR VALUE MEASUREMENTS (Contd..)

(a) Financial instrument by category (Contd..)

(₹ in Lacs)

Particulars	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Other balances with bank	-	-	10.13	-	-	10.54
Loans	-	-	1,342.54	-	-	3,081.95
Other financial assets	-	-	8,067.92	-	-	5,010.00
Total Financial Assets	1,716.68	-	30,477.02	10,407.69	-	22,900.57
Current Financial Liabilities						
Trade payables	-	-	9,640.26	-	-	9,887.71
Other financial liabilities	-	-	10.13	-	-	51.10
Total Financial Liabilities	-	-	9,650.39	-	-	9,938.81

(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, 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial instrument at FVPL				
Mutual Fund	1,716.68	-	-	1,716.68
Total Financial Assets	1,716.68	-	-	1,716.68

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed March 31, 2021	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Loans	-	-	203.08	203.08
Trade receivable	-	-	34.56	34.56
Total Non-current Financial Assets	-	-	237.64	237.64

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

42 FAIR VALUE MEASUREMENTS (Contd..)

(a) Financial instrument by category (Contd..)

(i) Fair Value hierarchy (Contd..)

(₹ in Lacs)

Financial assets and liabilities measured at fair value- recurring fair value measurement March 31, 2020	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial instrument at FVPL				
Investment in trusts	-	-	361.46	361.46
Mutual Fund	10,046.23	-	-	10,046.23
Total Financial Assets	10,046.23	-	361.46	10,407.69

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2020	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Loans	-	-	796.56	796.56
Trade receivable	-	-	164.11	164.11
Total Non-current Financial Assets	-	-	960.67	960.67

The carrying value of current trade receivables, cash and cash equivalents, current loans, other current financial assets, trade payables and other current financial liabilities are considered to be the same as their fair values due to their short term nature. The fair value of non-current financial asset is not materially different than its carrying value.

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. Mutual funds are valued at the closing NAV.

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 THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

42 FAIR VALUE MEASUREMENTS (Contd..)

(a) Financial instrument by category (Contd..)

(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 investee Company (i.e. Trust) is on the basis of the net asset value ('NAV') provided by investee Company.
- 3) 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, 2021

(₹ in Lacs)

Particulars	Investment in unquoted preference shares	Investment in units of trusts
As at March 31, 2019	188.20	1,503.83
Sales	-	(1,090.46)
Converted into Equity shares	(188.20)	-
Gains/(Losses) recognised in profit or loss	-	(51.91)
As at March 31, 2020	-	361.46
Sales	-	(361.46)
As at March 31, 2021	-	-

(iv) Valuation process

For the valuation of financial assets required for financial reporting purposes, which are falling under the Level 3, the fair value of investee Company (trust) is on the basis of the net asset value ('NAV') provided by investee Company. 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.

(v) Fair value of Non-current financial assets measured at amortised cost

(₹ in Lacs)

Particulars	March 31, 2021		March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Non-current financial assets				
Trade receivable	34.56	34.56	164.11	164.11
Loans	203.08	203.08	796.56	796.56

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

43 FINANCIAL RISK MANAGEMENT (Also refer Note 47)

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, 2021 and March 31, 2020 is the carrying value of each class of financial assets as disclosed in note 42.

Security deposits given to lessors

The Company has given security deposit to lessors for premises leased by it as at March 31, 2021 and March 31, 2020. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

Trade receivables, unbilled revenue and contract assets

To measure the expected credit losses, trade receivables, unbilled revenue 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 unbilled revenue and contract assets.

Trade receivables, unbilled revenue 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

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

43 FINANCIAL RISK MANAGEMENT (Also refer Note 47) (Contd..)

Risk management framework (Contd..)

(A) Credit Risk (Contd..)

(i) Credit Risk Management (Contd..)

Trade receivables, unbilled revenue and contract assets (Contd..)

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 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, 2021		March 31, 2020	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivables	13,580.87	-	12,619.51	-
Loans	1,545.62	-	3,878.51	-
Unbilled Revenue	7,798.46	-	3,024.64	-
Contract assets	4,210.50	-	4,899.90	-

The following table summarizes the changes in the Provisions made for the receivables and loans : (₹ in Lacs)

Particulars	Trade receivables		Loans	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Opening balance	-	345.70	-	50.92
Provided during the year	314.90	503.79	-	-
Written off during the year	(314.90)	(849.49)	-	(50.92)
Reversals of provisions	-	-	-	-
Closing balance	-	-	-	-

Of the Trade Receivables balance as at March 31, 2021 of ₹13,580.87 lacs (as at March 31, 2020 of ₹12,619.51 lacs), the top 3 customers of the company represent the balance of ₹11,166.16 lacs as at March 31, 2021 (as at March 31, 2020 of ₹9,151.87 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

43 FINANCIAL RISK MANAGEMENT (Also refer Note 47) (Contd..)

Risk management framework (Contd..)

(B) Liquidity Risk (Contd..)

(i) Maturities of financial liabilities (undiscounted)

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, 2021				
Trade payables	9,640.26	-	-	9,640.26
Lease liabilities	132.81	132.81	65.48	331.10
Other Financial Liabilities	10.13	-	-	10.13
Total financial liabilities	9,783.20	132.81	65.48	9,981.49

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2020				
Trade payables	9,887.71	-	-	9,887.71
Lease liabilities	1,091.40	1,098.98	713.93	2,904.31
Other Financial Liabilities	51.10	-	-	51.10
Total financial liabilities	11,030.21	1,098.98	713.93	12,843.12

(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, 2021 (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, 2021 (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.

Investments are made by the finance team under the policies approved by the Board of Directors. 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.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

43 FINANCIAL RISK MANAGEMENT (Also refer Note 47) (Contd..)

Risk management framework (Contd..)

(c) Price risk (Contd..)

(ii) Sensitivity

(₹ in Lacs)

Particulars	Impact on profit before tax	
	March 31, 2021	March 31, 2020
Net asset value - Increase 5% (March 31, 2020 5%)*	85.83	326.78
Net asset value - Decrease 5% (March 31, 2020 5%)*	(85.83)	(326.78)

Profit before tax for the year would increase/ decrease as a result of gains/ losses on investments classified at fair value through profit or loss.

44 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.

45 Exceptional Items

Exceptional items - In respect of Income Tax Matters, a search was conducted on the premises of the Company on 30 April 2013. Pursuant to the aforesaid search, block assessment under section 153A of the Income-tax Act, 1961 (Act) was conducted for Assessment Years 2007- 08 to 2012-13. The Company did not appeal against the additions made in the assessment orders for the aforesaid assessment years. However, penalties were levied for the said assessment years, which were challenged by the Company before the Income-tax Appellate Tribunal-Mumbai (ITAT). The Company had accounted for the penalty amount in FY 17-18 as an exceptional item. Subsequently, in the current year, ITAT has deleted the penalty levied and the Income tax department has refunded the penalties amounting to ₹ 10,44.44 lacs along with interest under the Act to the Company. This has been disclosed under exceptional items in the current year.

46 As per the Regulation 17 (1) (a) of SEBI (LODR) Regulations, 2015, the Company was required to appoint an independent woman director on the Board of the Company w.e.f. April 01, 2020. However, the Company appointed independent woman director on August 28, 2020. There was non-compliance for the period from April 01, 2020 till the date of appointment. NSE & BSE imposed a penalty aggregating ₹ 17.58 lacs (inclusive of goods and service tax) for the above non-compliance, which has been paid by the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

47 Impact assessment due to Covid-19 pandemic

The COVID-19 pandemic and the resultant lockdown declared by the Government had adversely impacted the entire media and entertainment industry and consequently, the business activities of the Company were also affected for the year ended March 31, 2021. The Company had resumed its operations as per the directives and permissions of the State Government and other statutory and trade bodies on June 26, 2020. The Company's Management has done an assessment of the situation, including the liquidity position and the recoverability and carrying value of all its investments, other assets and liabilities and concluded that there were no material adjustments required as on March 31, 2021. The impact assessment of COVID-19 is a continuing process given the uncertainty associated with its nature and duration. The Company will continue to monitor any material changes as the situation evolves.

48 Dividends

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Equity Shares		
(i) Final Dividend paid Dividend of ₹ 0.40 per fully paid share pertaining to the immediately preceding financial year	-	404.52
(ii) Dividend not recognised at the end of the reporting period	202.26	-
The Company has proposed dividend of ₹ 0.20 per fully paid share for the financial year 2020-21		
(iii) Interim Dividend of ₹0.40 per fully paid-up share for the financial year 2019-20	-	404.52

49 Subsequent to the year end, the Company has invested an amount of ₹ 500 lacs on May 25, 2021 in Ding Infinity Private Limited for 55% stake in the form of Equity Shares. Pursuant to this investment Ding Infinity Private Limited has become a Subsidiary of the Company.

Signatures to note 1 to 49

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

Mehul Desai

Partner

Membership No: 103211

Place : Mumbai

Date: June 18, 2021

For and on behalf of the Board of Directors

Jeetendra Kapoor

(Chairman)

DIN: 00005345

D.G. Rajan

(Audit Committee Chairman)

DIN: 00303060

Simmi Singh Bisht

(Group Head Secretarial)

Place : Mumbai

Date: June 18, 2021

Shobha Kapoor

(Managing Director)

DIN: 00005124

Sanjay Dwivedi

(Group CFO)

Consolidated Financial Statements

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 entity (refer Note 36 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2021, and 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 entity as at March 31, 2021, 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 entity 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 15 of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to the following:
 - (a) Note 51 to the consolidated financial statements which explains the uncertainties and the management's assessment of the financial impact due to the restrictions and other conditions related to the Covid-19 pandemic situation, for which a definitive assessment of the impact of the event in the subsequent period is dependent upon circumstances as they evolve.
 - (b) Note 43 to the consolidated financial statements regarding receivable amounting to ₹ 1,619 lacs, disclosed under "other non-current assets" of the balance sheet as at March 31, 2021, from one of its co-producers and a film director against whom arbitration proceedings are in progress.

Our opinion is not modified in respect of the above matters.

Key audit matters

5. 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.

The following Key Audit Matter has been reproduced from the report on the audit of the standalone financial statements of the Holding Company.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of carrying amount of investments in and loans to Subsidiaries</p> <p>(Refer notes 5, 15 and 33 to the standalone financial statements of the Holding Company)</p> <p>The carrying amount of Company's investments in and loans to subsidiaries (Alt Digital Media Entertainment Limited, Balaji Motion Pictures Limited and Marinating Films Private Limited) is ₹ 64,447.13 lacs as at March 31, 2021.</p> <p>The value of such 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 amount of these investments and loans.</p> <p>The Holding Company assesses the carrying amount 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.</p> <p>Based on this, the Holding Company assessed that there is no requirement of considering impairment provision in the carrying amount of its investments in and loans to such subsidiaries as at March 31, 2021 in the Standalone Financial Statements of the Holding Company.</p> <p>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, valuation model and the underlying assumptions such as discount rate and growth rate.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none">• Understanding and evaluating the design and testing the operating effectiveness of the 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;• Assessing Management's forecasts to evaluate whether the forecasts are reasonable in comparison with the past performance and industry trends;• Evaluating the competence, capabilities and objectivity of the independent professional valuer engaged by the Management;• Together with auditor's valuation experts –• 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 and discount rate;• evaluating the sensitivity analysis in consideration of potential impact of reasonably possible upside or downside changes in the key assumptions. <p>Based on the above procedures performed, the management's assessment of carrying amount of investments in and loans to such subsidiaries, was considered to be appropriate.</p>

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises of Board's Report, Management Discussion & Analysis, Report on Corporate Governance (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report and the Corporate Overview section of the annual report, which is expected to be made available to us after that date.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the Corporate Overview section of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term 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 entity 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 entity 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.
8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate entity are responsible for assessing the ability of the Group

and of its associate entity 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.

9. The respective Board of Directors of the companies included in the Group and of its associate entity are responsible for overseeing the financial reporting process of the Group and of its associate entity.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. 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.
11. 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.
 - 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 entity 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 entity 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 entity 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. We remain solely responsible for our audit opinion.
12. 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.

13. 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.
14. 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

15. The consolidated financial statements include the Group's share of profit after tax of ₹ Nil and total comprehensive income of ₹ Nil for the year ended March 31, 2021 in respect of an associate entity whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this associate entity 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 this associate entity, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements 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 statements certified by the Management.

Report on Other Legal and Regulatory Requirements

16. 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.
- (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 and its subsidiary companies incorporated in India as on March 31, 2021 taken on record by the respective Board of Directors, none of the directors of the Group companies is disqualified as on March 31, 2021 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 entity – Refer Notes 35 and 43 to the consolidated financial statements.
- ii. The Group and its associate entity had long term contracts as at March 31, 2021 for which there were no material foreseeable losses. The Group and its associate entity did not have any derivative contracts as at March 31, 2021.
- 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 incorporated in India.
- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2021.

17. The Group 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.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Mehul Desai

Partner

Place: Mumbai

Membership Number: 103211

Date: June 18, 2021

UDIN: 21103211AAAACE5248

ANNEXURE A

TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 16(f) of the Independent Auditor's Report of even date to the members of Balaji Telefilms Limited on the consolidated financial statements for the year ended March 31, 2021

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. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, 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 associate entity incorporated in India namely IPB Capital Advisors LLP as it is Limited Liability Partnership Firm.

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 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 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 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 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 control 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 control 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, 2021, 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. Also, refer paragraph 4(a) of our main audit report.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Mehul Desai

Partner

Place: Mumbai

Membership Number: 103211

Date: June 18, 2021

UDIN: 21103211AAAACE5248

CONSOLIDATED BALANCE SHEET as at March 31, 2021

₹ in Lacs

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4a	2,095.89	2,790.73
(b) Right of use Asset	4b	472.97	2,883.78
(c) Capital work-in-progress	4a	-	179.17
(d) Goodwill on consolidation	5	146.91	146.91
(e) Other intangible assets	5	1.03	72.03
(f) Financial assets			
(i) Investments	6	1,500.45	361.91
(ii) Loans	7	203.08	796.56
(g) Deferred tax assets (net)	9	784.56	723.99
(h) Non-current income tax assets (net)	10	470.55	1,721.22
(i) Other non-current assets	11	13,642.79	3,701.51
Total non-current assets		19,318.23	13,377.81
Current assets			
(a) Inventories	12	21,933.64	15,577.80
(b) Financial assets			
(i) Investments	13	2,798.96	12,263.98
(ii) Trade receivables	14	11,688.52	17,668.92
(iii) Cash and cash equivalents	15	7,710.59	1,986.29
(iv) Bank balances other than (iii) above	16	10.13	10.54
(v) Loans	17	978.04	35.02
(vi) Other financial assets	8	570.14	6,117.28
(c) Contract assets	8(a)	600.29	63.25
(d) Other current assets	18	11,075.32	21,678.00
Total current assets		57,365.63	75,401.08
Total Assets		76,683.86	88,778.89
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	2,022.61	2,022.61
(b) Other equity	20	55,322.21	67,192.18
Equity attributable to owners of the Company		57,344.82	69,214.79
Non-controlling interests		-	6.99
Total equity		57,344.82	69,221.78
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4b	96.81	833.14
Total non-current liabilities		96.81	833.14
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	21		
(i) total outstanding dues of micro and small enterprises		293.35	68.41
(ii) total outstanding dues other than (i) (i) above		15,716.12	11,824.82
(ii) Lease liabilities	4b	366.92	2,173.58
(iii) Other financial liabilities	22	10.13	51.10
(b) Provisions	23	10.16	18.25
(c) Other current liabilities	24	2,845.55	3,781.09
(d) Current tax liabilities (net)	25	-	806.72
Total current liabilities		19,242.23	18,723.97
Total Equity and Liabilities		76,683.86	88,778.89

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: June 18, 2021

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

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

Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date: June 18, 2021

Shobha Kapoor
(Managing Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2021

₹ in Lacs

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
(I) Revenue from operations	26	29,370.44	57,355.48
(II) Other Income	27	1,343.48	860.70
(III) Total income (I+II)		30,713.92	58,216.18
(IV) Expenses			
(a) Cost of production / Acquisition and Telecast fees	28(a)	27,070.57	34,989.09
(b) Changes in inventories	28(b)	(973.83)	3,950.20
(c) Marketing and Distribution expenses	29	4,687.32	6,055.52
(d) Employee benefits expense	30	2,460.83	3,644.80
(e) Depreciation and amortisation expense	31	2,858.87	3,884.70
(f) Finance costs	32	167.40	266.21
(g) Other expenses	33	6,525.46	7,642.49
(V) Total expenses		42,796.62	60,433.01
(VI) Loss Before Exceptional Items and Tax (III-V)		(12,082.70)	(2,216.83)
(VII) Exceptional Items	49	1,044.44	-
(VIII) Loss before Tax (VI+VII)		(11,038.26)	(2,216.83)
(IX) Tax expense:	34		
(a) Current tax			
Current tax		918.67	2,347.23
(b) Deferred tax			
Deferred tax		(65.05)	49.21
MAT Credit Utilisation		-	1,282.77
Total tax expense		853.62	3,679.21
(X) Loss for the year (VIII - IX)		(11,891.88)	(5,896.04)
(XI) Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the post employment benefit obligations gain / (loss)		19.50	1.99
Income tax on items that may be reclassified to profit or loss		(4.48)	3.20
Total other comprehensive income for the year		15.02	5.19
(XII) Total comprehensive income for the year (X- XI)		(11,876.86)	(5,890.85)
(XIII) Loss for the year attributable to :			
- Owners of the Company		(11,884.89)	(5,878.01)
- Non-controlling interest		(6.99)	(18.03)
(XIV) Other Comprehensive Income for the year attributable to :			
- Owners of the Company		15.02	5.19
- Non-controlling interest		-	-
(XV) Total comprehensive income for year attributable to :			
- Owners of the Company		(11,869.87)	(5,872.82)
- Non-controlling interest		(6.99)	(18.03)
(XVI) Basic and diluted earnings per share (in ₹)	39	(11.75)	(5.81)
(Face value of ₹ 2 each)			

The above Consolidated Statements of Profit and Loss should be read in conjunction with the accompanying notes.
This is the Consolidated Statements 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: June 18, 2021

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

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

Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date: June 18, 2021

Shobha Kapoor
(Managing Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended March 31, 2021

₹ in Lacs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before exceptional items and tax	(12,082.70)	(2,216.83)
Adjustments for:		
Depreciation and amortisation expense	2,858.87	3,884.70
Interest cost - leases	96.77	264.01
Interest expenses -others	70.63	-
Bad debts written off	314.90	504.24
Advances written off	25.77	997.24
Provision for doubtful debts and advances (net)	69.39	430.25
Property, plant & equipment and Capital work-in-progress written off	6.00	19.37
Diminution in value of investments/ investment written off	-	0.38
Security Deposit written off	-	29.15
Net gains on financial assets measured at fair value through profit and loss	(216.53)	(384.89)
Provision for gratuity expenses	18.99	28.03
Amortisation of content	9,409.57	8,720.46
Advances / creditors written back	(5.98)	(202.39)
Unwinding of discount on security deposit	(78.11)	(71.76)
Unrealised exchange gain	(6.48)	(13.62)
Employee share based payment expenses	(14.52)	76.37
Interest income on fixed deposits	(302.97)	(10.41)
Interest income on income-tax refund	(211.43)	(110.36)
Interest income on deferred consideration	(25.76)	(7.33)
Gain on Lease Modification	(36.00)	-
Rent Concession	(375.84)	-
Operating (Loss)/ Profit before working capital changes	(485.43)	11,936.61
Adjustments for:		
(Increase)/decrease in trade receivables	5,633.73	(7,736.74)
(Increase)/decrease in other current financial assets	5,547.55	(4,654.62)
(Increase)/decrease in other current assets	10,602.68	(12,588.90)
(Increase)/decrease in contract assets	(537.03)	619.00
(Increase)/decrease in non-current financial assets	-	326.12
(Increase)/decrease in non-current loans	681.20	(10.60)
(Increase)/decrease in current loans	(684.93)	36.37
(Increase)/decrease in other non-current assets	(9,967.05)	(463.43)
(Increase)/decrease in inventories	(15,765.41)	(4,714.36)
Increase/(decrease) in trade payables	4,125.09	3,033.89
Increase/(decrease) in provisions	(7.58)	(27.76)
Increase/(decrease) in other current financial liabilities	(0.41)	(4.26)
Increase/(decrease) in other current liabilities	(933.60)	1,166.37
Cash (used in) operations	(1,791.19)	(13,082.31)
Direct taxes refund /(paid) (includes amount received on account of refund of tax penalty, Refer note 49)	566.44	(312.61)
Net cash flow (used in) operating activities (A)	(1,224.75)	(13,394.92)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant and equipment	(182.23)	(1,055.92)
Payments for purchase of intangible assets	-	(7.92)
Proceeds from sale of property, plant and equipment	-	0.65
Payments for purchase of current investments	(800.00)	(32,841.86)

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended March 31, 2021

₹ in Lacs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Proceeds from sale of current investments	10,481.55	49,499.98
Payments for purchase of non current investments	(1,500.00)	-
Proceeds from sale of non current investments	361.46	1,131.20
Interest income received	514.40	120.77
Loans to employees (net)	(256.25)	-
Net cash generated from investing activities (B)	8,618.93	16,846.90
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of principal portion of lease liability	(1,469.41)	(2,112.30)
Interest expenses on lease liability	(96.77)	(264.01)
Interest expenses (others) paid during the year	(63.04)	-
Share issue costs	(0.10)	(7.50)
Dividend paid to company's shareholders (including DDT)	-	(975.34)
Proceeds from issue of shares in subsidiary to non-controlling interest	-	50.00
Net cash (used in) financing activities (C)	(1,629.32)	(3,309.15)
Net increase in cash and cash equivalents (A+B+C)	5,764.86	142.83
Cash and cash equivalents at the beginning of the year	1,945.73	1,802.90
Cash and cash equivalents at the end of the year	7,710.59	1,945.73
D. Non-cash financing and investing activities		
Acquisition of right of use assets	-	1,511.78
De-recognition of Right to use asset on account of lease modification	(673.18)	-

Components of cash and cash equivalents

₹ in Lacs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash and cash equivalents above comprise of		
(a) Cash on hand	23.70	29.26
(b) Balances with banks-		
(i) In current accounts	2,885.05	1,907.28
(ii) In deposit accounts with original maturity of less than three months	4,801.84	49.75
(c) Temporarily overdrawn book balances	-	(40.56)
Cash and cash equivalents at the end of the year	7,710.59	1,945.73

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes
This is the Consolidated Statement of Consolidated 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: June 18, 2021

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

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

Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date: June 18, 2021

Shobha Kapoor
(Managing Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2021

A. Equity share capital (Refer note 19)

Particulars	(₹ in Lacs)
As at April 1, 2019	2,022.61
Changes in equity share capital during the year	-
As at March 31, 2020	2,022.61
As at April 1, 2020	2,022.61
Changes in equity share capital during the year	-
As at March 31, 2021	2,022.61

B. Other Equity (Refer note 20)

₹ in Lacs								
Particulars	Attributable to owners of Balaji Telefilms Limited						Non-controlling interest	Total
	Equity component of compound financial instrument	Reserves and surplus				Other equity (Total)		
		General Reserve	Securities Premium Account	Retained earnings	Share options outstanding account			
Balance as at April 1, 2019	66.45	5,133.10	68,749.34	(783.85)	1,057.26	74,222.30	(101.98)	74,120.32
Adjustment consequent to adoption of Ind AS 116	-	-	-	(186.38)	-	(186.38)	-	(186.38)
Loss for the year	-	-	-	(5,878.01)	-	(5,878.01)	(18.03)	(5,896.04)
Other comprehensive income for the year	-	-	-	5.19	-	5.19	-	5.19
Total comprehensive income for the year	-	-	-	(5,872.82)	-	(5,872.82)	(18.03)	(5,890.85)
Employee share options expense (Refer note 45)	-	-	-	-	76.37	76.37	-	76.37
Share issue Expenses	-	-	-	(7.50)	-	(7.50)	-	(7.50)
Transactions with owners in their capacity as owners:								
Payment of dividends (Refer note 52)	-	-	-	(809.04)	-	(809.04)	-	(809.04)
Dividend distribution tax (Refer note 20(a))	-	-	-	(166.30)	-	(166.30)	-	(166.30)
Impact on conversion of preference shares into equity	-	-	-	2.00	-	2.00	-	2.00
Issue of equity shares	-	-	-	-	-	-	50.00	50.00
Conversion of Zero dividend redeemable optionally convertible Preference Shares into Equity shares	(75.00)	-	-	-	-	(75.00)	75.00	-
Impact on conversion of preference shares into equity shares (on Non-controlling interests)	8.55	-	-	-	-	8.55	2.00	10.55
Balance as at March 31, 2020	-	5,133.10	68,749.34	(7,823.89)	1,133.63	67,192.18	6.99	67,199.17

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2021

₹ in Lacs

Particulars	Attributable to owners of Balaji Telefilms Limited						Non-controlling interest	Total
	Equity component of compound financial instrument	Reserves and surplus				Other equity (Total)		
		General Reserve	Securities Premium Account	Retained earnings	Share options outstanding account			
Balance as at April 1, 2020	-	5,133.10	68,749.34	(7,823.89)	1,133.63	67,192.18	6.99	67,199.17
Loss for the year	-	-	-	(11,884.89)	-	(11,884.89)	(6.99)	(11,891.88)
Other comprehensive income for the year	-	-	-	15.02	-	15.02	-	15.02
Total comprehensive income for the year	-	-	-	(11,869.87)	-	(11,869.87)	(6.99)	(11,876.86)
Transfer to retained earnings for forfeiture of employee share options (vested)	-	-	-	407.51	(407.51)	-	-	-
Share issue Expenses	-	-	-	(0.10)	-	(0.10)	-	(0.10)
Balance as at March 31, 2021	-	5,133.10	68,749.34	(19,286.35)	726.12	55,322.21	-	55,322.21

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: June 18, 2021

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

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

Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date: June 18, 2021

Shobha Kapoor
(Managing Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 (the 'Group') and its associate entity has established themselves in the business of television content in India particularly for Hindi language content. The Group has also successfully ventured in the event business, production of films, B2C and B2B digital content business and operates a subscription based video on demand (SVOD) over the top (OTT) platform, distribution 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 criteria 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 its 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, 2020:

1. Definition of Material – amendments to Ind AS 1 and Ind AS 8
2. Definition of a Business – amendments to Ind AS 103
3. COVID-19 related concessions – amendments to Ind AS 116
4. Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107

Other than the amendment to Ind AS 116 on covid- 19 related concessions, the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. The impact of Ind AS 116 amendment on the current year financial statements is as disclosed in Note 27 and impact on future periods is not expected to be significant.

(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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

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.

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, and chief financial officer which assesses the financial performance and position of the Group, and makes strategic decisions. Refer note 41 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.

(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 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, distribution of films, service fees for content development and licensing and subscription of its content to its customers. Some of the contracts

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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 (i.e. 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.

Revenue generated from film distribution is recognized at a point in time as the films are screened.

Revenue generates from the free commercial time is recognised as and when the relevant episodes of the programme (Event) are telecast on broadcasting channels (revenue recognised at a point in time).

Revenue from franchise fees is recognised on sale of franchise rights (revenue recognised at a point in time)

The Group recognises subscription revenue over the subscription period.

The Group recognises revenue from service fee for content development where IP is shared with the customer, as the services are performed.

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 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 for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted

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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 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 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 tax asset is realized or the deferred 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

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group except for short term leases and leases of low value assets. Contracts may contain both lease and non-lease components. However, the Group has elected not to separate lease and non-lease components and instead account for these as a single lease components.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivable
- Variable lease payments
- Amount expected to be payable by the Group under residual value guarantee

Lease payments to be made under reasonably certain extension option are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that lessee would have to pay to borrow the fund necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. Finance cost is charged to the Statement of profit and loss over the lease period so as to produce a constant periodical rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct cost and restoration costs

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Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

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 increase. The respective leased assets are included in the balance sheet based on their nature.

(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

The group do not have physical inventory (i.e. goods)

Inventories comprise of Internet Series, Films, and are stated at the lower of cost and net realizable value.

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 group based on expected pattern of realization of economic benefits.

Original internet series are amortised on an accelerated basis considering the expected pattern of realization of economic benefits and the expected viewing pattern of associated with the content. The amortization begins when the series/ episodes is launched on the group's OTT platform.

For acquired internet series and film rights, amortization is done on straight line basis over the period of the license.

For music, amortization starts when songs are being featured and utilized in Internet series till the end of license period.

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

Classification:

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.

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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.

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.

Investments in equity instruments 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.

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 47 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 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.

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(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.

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

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accumulated amortisation and accumulated impairment, if any.

Goodwill on consolidation is included in intangibles assets. Goodwill is not amortised but it is tested for impairment annually.

(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, 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.

(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.

(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:

- defined benefit plans such as gratuity;
- 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

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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 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
- 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

(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. 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. 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 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.

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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 46.

- Determination of Lease Term

In determining the lease term, management considers all facts and circumstances that creates an economic incentive to exercise an extension option, or not to exercise a termination option. Extension option (or period after termination option) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The following factors are normally the most relevant:

1. If there is significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
2. If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate)
3. Otherwise, the Company considers the other factors including historical lease duration and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Impact Assessment due to Covid-19 Pandemic – Refer Note 51

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Note 4a Property, plant and equipment & Capital Work-in-progress

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
(₹ in Lacs)											
I. Gross Carrying Amount											
Balance as at April 1, 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
Additions	-	43.35	8.35	-	-	3.99	3.52	-	-	59.21	996.72
Write-off	-	5.54	-	37.97	-	-	-	-	-	43.51	(3.11)
Transfer from CWIP	-	-	-	866.90	-	-	-	-	-	866.90	(866.90)
Balance as at March 31, 2020	472.57	1,498.59	2,638.01	8,669.24	1,301.53	346.48	524.11	96.52	512.89	16,059.94	179.17
II. Accumulated Depreciation											
Balance as at April 1, 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)	-
Depreciation expense	(7.92)	(104.86)	(72.22)	(937.60)	(111.65)	(8.05)	(22.72)	(6.28)	(9.19)	(1,280.49)	-
Disposals	-	4.96	-	21.71	-	-	-	-	-	26.67	-
Balance as at March 31, 2020	(120.52)	(1,353.11)	(2,206.55)	(7,362.31)	(824.23)	(321.44)	(478.14)	(90.28)	(512.63)	(13,269.21)	-
III. Net Carrying Amount as at March 31, 2020	352.05	145.48	431.46	1,306.93	477.30	25.04	45.97	6.24	0.26	2,790.73	179.17
I. Gross Carrying Amount											
Balance as at April 1, 2020	472.57	1,498.59	2,638.01	8,669.24	1,301.53	346.48	524.11	96.52	512.89	16,059.94	179.17
Additions	-	16.89	-	-	83.76	8.24	53.77	-	-	162.66	19.57
Written off	-	-	-	-	-	-	-	-	-	-	(6.00)
Transfer from CWIP	-	-	-	192.74	-	-	-	-	-	192.74	(192.74)
Balance as at March 31, 2021	472.57	1,515.48	2,638.01	8,861.98	1,385.29	354.72	577.88	96.52	512.89	16,415.34	-
II. Accumulated Depreciation											
Balance as at April 1, 2020	(120.52)	(1,353.11)	(2,206.55)	(7,362.31)	(824.23)	(321.44)	(478.14)	(90.28)	(512.63)	(13,269.21)	-
Depreciation expense	(7.92)	(85.96)	(67.15)	(745.81)	(112.74)	(6.55)	(19.98)	(3.87)	(0.26)	(1,050.24)	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	(128.44)	(1,439.07)	(2,273.70)	(8,108.12)	(936.97)	(327.99)	(498.12)	(94.15)	(512.89)	(14,319.45)	-
III. Net Carrying Amount as at March 31, 2021	344.13	76.41	364.31	753.86	448.32	26.73	79.76	2.37	-	2,095.89	-

Notes

- 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.
- Capital work-in-progress as on March 2020 mainly includes under construction TV serial sets.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 4b: Right of use Asset

(₹ in Lacs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Right of use Asset		
Premises	472.97	2,883.78
Total	472.97	2,883.78

Note : The Group's significant long term leasing arrangements includes Office space and Studio.

(i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to right of use assets:

(₹ in Lacs)	
Particulars	Amount
Amount recognised as at April 1, 2019 on adoption of Ind AS 116	3,574.62
Add: Prepaid rent re-classified as at April 1, 2019 on adoption of Ind AS 116	224.66
Add: Additions during the year	1,287.12
Add: Reclassified on account of adoption of Ind AS 116	10.37
Less: Depreciation during the year	(2,212.99)
Balance as of March 31, 2020	2,883.78
Balance as on April 01, 2020	2,883.78
Add: Additions during the year	-
Less: Disposals during the year	-
Less: Lease modification during the year	(673.18)
Less: Depreciation during the year	(1,737.63)
Balance as of March 31, 2021	472.97

The following is the movement in lease liabilities for the year ended March 31, 2021 #

(₹ in Lacs)	
Particulars	Amount
Amount recognised as at April 1, 2019 on adoption of Ind AS 116	(3,831.91)
Add: Additions during the year	(1,287.11)
Add: Interest for the year	(264.01)
Less: Lease payments made during the year	2,376.31
Balance as of March 31, 2020	(3,006.72)
Balance as on April 01, 2020	(3,006.72)
Less: Lease modification during the year	697.74
Add: Interest for the year	(96.77)
Less: Lease payments made during the year	1,566.18
Less: Lease payment concessions received during the year	375.84
Balance as of March 31, 2021	(463.73)

Also, represent net debt reconciliation as per requirements of AS 7 - Statement of Cash Flows.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 4b: Right of use Asset (Contd.)

(i) Amounts recognised in balance sheet (Contd..)

The following is the break-up of current and non-current lease liabilities as of March 31, 2021:

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Lease liabilities	366.92	2,173.58
Non-current Lease liabilities	96.81	833.14
Total	463.73	3,006.72

(ii) Amounts recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amortisation charge on right of use assets (Refer note 31)		
Premises		
- Studio	1,457.84	1,977.25
- Office Space	279.79	235.74
Total	1,737.63	2,212.99

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expense (included in finance cost) (Refer note 32)		
Interest on lease liability	96.77	264.01
Total	96.77	264.01

The total cash outflow for leases for the year ended 31 March 2021 was ₹1,566.18 lacs (for the year ended 31 March 2020: ₹2,376.31 lacs)

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, 2019	1,174.21	146.91
Additions	7.92	-
Balance as at March 31, 2020	1,182.13	146.91
II. Accumulated Depreciation		
Balance as at April 1, 2019	(718.88)	-
Amortisation expense	(391.22)	-
Balance as at March 31, 2020	(1,110.10)	-
III. Net Carrying Amount as at March 31, 2020	72.03	146.91

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 5 Intangible assets & Goodwill on consolidation (Contd..)

(₹ in Lacs)

Description of Assets	Other Intangible assets (Computer software)	Goodwill on consolidation
I. Gross Carrying Amount		
Balance as at April 1, 2020	1,182.13	146.91
Additions	-	-
Balance as at March 31, 2021	1,182.13	146.91
II. Accumulated Depreciation		
Balance as at April 1, 2020	(1,110.10)	-
Amortisation expense	(71.00)	-
Balance as at March 31, 2021	(1,181.10)	-
III. Net Carrying Amount as at March 31, 2021	1.03	146.91

Note 6 Non-current investments

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(1) Investment in associate (unquoted) (at cost)		
(i) IPB Capital Advisors LLP	0.45	0.45
Add: Group's share of net loss for the year	- 0.45	- 0.45
(2) Investment in Indus Balaji Investor Trust (unquoted) (at fair value through profit or loss)		
(i) NIL (Previous year 1,953,763.97) Class A units of ₹100 each	-	360.89
(ii) NIL (Previous year 3,428.35) Class B units of ₹100 each	-	0.57
	-	361.46
(3) Investment in fully paid equity shares (unquoted) in B.D Inno Ventures Private Limited (carried at fair value through OCI)		
314 shares (Previous year NIL) of ₹ 10 each	1,500.00 1,500.00	- -
Aggregate carrying value of unquoted investments	1,500.45	361.91
Aggregate amount of impairment in the value of investments	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 7 Loans (Non-current)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits	115.58	796.56
Loans to employees	87.50	-
Total	203.08	796.56
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	203.08	796.56
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	203.08	796.56
Less: Loss allowance	-	-
Total loans	203.08	796.56

Note: Previous year security deposits includes deposits (undiscounted) given to three directors of the company of ₹740.00 lacs for the properties taken on lease from them, Current year classified as current as due within 12 months.

Note 8 Other current financial assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
(a) Receivable from co-distributor	-	2,900.16
(b) Other receivables	269.46	1,173.78
(c) Unbilled revenue	300.68	2,043.34
Total	570.14	6,117.28

Note 8(a) Contract assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Contract assets relating to commissioned television programs	600.29	63.25
Total	600.29	63.25

Note 9 Deferred tax assets (net)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets		
Lease Liabilities	-	20.80
Depreciation on property, plant and equipment	749.42	715.01
Loss allowance on financial assets	73.26	74.35
Deferred sales consideration	2.74	6.74
Others	1.50	-
	826.92	816.90

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 9 Deferred tax assets (net) (Cont.)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities		
Fair valuation of investments	(32.94)	(92.91)
Lease Liabilities	(9.42)	-
	(42.36)	(92.91)
Deferred tax asset (net)	784.56	723.99

Movement in deferred tax balances

(₹ in Lacs)

Particulars	For the Year ended March 31, 2021			
	Opening Balance	Charged/ (Credited) to profit or loss	Charged/ (Credited) to OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Fair value of investments	92.91	(59.97)	-	32.94
Lease Liabilities	(20.80)	30.22	-	9.42
	72.11	(29.75)	-	42.36
Tax effect of items constituting deferred tax assets				
Depreciation on property, plant and equipment	715.01	(34.41)	-	749.42
Deferred Sales Consideration	6.74	4.00	-	2.74
Loss allowance on financial assets	74.35	1.09		73.26
Others	-	(5.98)	4.48	1.50
	796.10	(35.30)	4.48	826.92
Deferred tax asset (net)	723.99	(65.05)	4.48	784.56

(₹ in Lacs)

Particulars	For the Year ended March 31, 2020				
	Opening Balance	On Account of adoption of Ind AS 116*	Charged/ (Credited) to profit or loss	Charged/ (Credited) to OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities					
Fair value of investments	552.86	-	(459.95)	-	92.91
Security deposits	11.06	-	(11.06)	-	-
	563.92		(471.01)		92.91

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 9 Deferred tax assets (net) (Cont.)

(₹ in Lacs)

Particulars	For the Year ended March 31, 2020				
	Opening Balance	On Account of adoption of Ind AS 116*	Charged/ (Credited) to profit or loss	Charged/ (Credited) to OCI	Closing Balance
Tax effect of items constituting deferred tax assets					
Lease Liabilities	-	70.91	50.11	-	20.80
Depreciation on property, plant and equipment	903.43	-	188.42	-	715.01
Deferred Sales Consideration	24.08	-	17.34	-	6.74
Loss allowance on financial assets	226.23	-	155.08	(3.20)	74.35
Carried forward tax losses	109.27	-	109.27	-	-
MAT Credit entitlement / (utilisation)	1,282.77	-	1,282.77	-	-
	2,545.78	70.91	1,802.99	(3.20)	816.90
Deferred tax asset (net)	1,981.86	70.91	1,331.98	(3.20)	723.99

* Adjusted to retained earnings as at April 01, 2019

Note 10 Non-current income tax assets (net)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance payment of income-tax (Provision netted off of ₹4,308.50 lacs (previous year: ₹799.39 lacs))	470.55	1,721.22
Total	470.55	1,721.22

Note 11 Other non-current assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with government authorities	9,094.21	-
Advance to vendors (considered good – unsecured) (Refer note 43)	4,548.58	3,701.51
Total	13,642.79	3,701.51

Note 12 Inventories

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cost or Net realisable value, whichever is lower		
Finished		
Internet series	10,874.35	8,416.10
Work in process		
Films	3,351.76	2,377.94
Internet series	7,707.53	4,783.76
Total	21,933.64	15,577.80

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 13 Current investments (unquoted)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in mutual funds (Non trade) (Unquoted) (measured at fair value through profit and loss)	2,798.96	12,263.98
Aggregate amount of unquoted Investments	2,798.96	12,263.98

Note 14 Trade receivables

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables from contract with customers	11,960.61	17,871.62
Less: Loss allowance	(272.09)	(202.70)
Total Receivables	11,688.52	17,668.92
Break-up of trade receivables		
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	11,960.61	17,871.62
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	11,960.61	17,871.62
Less: Loss allowance	(272.09)	(202.70)
Total	11,688.52	17,668.92

Note 15 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Cash on hand	23.70	29.26
(b) Balances with banks-		
(i) In current accounts	2,885.05	1,907.28
(ii) In deposit accounts with original maturity of less than three months	4,801.84	49.75
Total	7,710.59	1,986.29

Note 16 Other balances with banks

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unpaid dividend accounts	10.13	10.54
Total	10.13	10.54

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 17 Loans (current)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposit	809.29	35.02
Loans to employees	168.75	-
Less : Loss allowance	-	-
Total	978.04	35.02
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	978.04	35.02
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	978.04	35.02
Less: Loss allowance	-	-
Total	978.04	35.02

Note: Security Deposits includes deposits (undiscounted) given to three directors of the group amounting to ₹740.00 lacs for the properties taken on lease from them, Previous year was classified as non-current as due more than 12 months.

Note 18 Other current assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(unsecured considered good, unless otherwise stated)		
Prepaid expenses	57.44	96.71
Balances with government authorities	1,161.05	8,289.24
Advance to vendors	9,061.83	8,710.64
Others receivables		
- considered good	795.00	4,581.41
- considered doubtful	255.13	255.13
Less: Provision for doubtful receivable	(255.13)	(255.13)
Total	11,075.32	21,678.00

Note 19 Equity share capital

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Authorised		
1,50,000,000 (Previous year 1,50,000,000) 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		
1,01,130,443 (Previous year 1,01,130,443) Equity shares of ₹2/- each	2,022.61	2,022.61
Total	2,022.61	2,022.61

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 19 Equity share capital (Cont.)

Notes:

(i) Details of Equity shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Reliance Industries Ltd.	2,52,00,000	24.92	2,52,00,000	24.92
Ekta Kapoor*	1,84,33,254	18.23	1,84,22,380	18.22
Shobha Kapoor	1,10,08,850	10.89	1,10,08,850	10.89

*Ekta Kapoor, Promoter Director of the Holding Company had purchased 1,25,046 equity shares during March 2020 quarter. However, due to time required for transaction to complete and reflect in buyer's account, 10,874 shares have not been captured in shareholding pattern as on March 31, 2020.

(ii) The reconciliation of the number of shares outstanding is set out below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Equity shares outstanding at the beginning of the year	10,11,30,443	2,022.61	10,11,30,443	2,022.61
Add: Issue of Equity Shares during the year	-	-	-	-
Equity shares outstanding at the end of the year	10,11,30,443	2,022.61	10,11,30,443	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 ₹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) During the five years immediately preceding March 31, 2021, no shares were bought back and no shares were issued for consideration other than cash nor as bonus shares.

(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. 45.

Note 20 Other equity - Reserves and Surplus

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) General reserve	5,133.10	5,133.10
(b) Securities premium account	68,749.34	68,749.34
(c) Retained earnings	(19,286.35)	(7,823.89)
(d) Share options outstanding account	726.12	1,133.63
Total	55,322.21	67,192.18

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 20 Other equity - Reserves and Surplus (Cont.)

Note 20(a) Retained earnings

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	(7,823.89)	(783.85)
Adjustment consequent to adoption of Ind AS 116	-	(186.38)
Transfer from Share option outstanding account for forfeiture of employee share option (vested)	407.51	-
Conversion of preference shares into equity	-	2.00
Loss for the year	(11,884.89)	(5,878.01)
Items of other comprehensive income recognised directly in retained earnings	15.02	5.19
Share issue costs	(0.10)	(7.50)
Payment of dividends (Refer note 52)	-	(809.04)
Dividend distribution tax	-	(166.30)
Balance at end of the year	(19,286.35)	(7,823.89)

Note 20(b) Share options outstanding account

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	1,133.63	1,057.26
Add: Additions during the year (Refer Note no 45)	-	76.37
Add: Transfer to retained earnings for forfeiture of employee share options (vested)	(407.51)	-
Balance at the end of the year	726.12	1,133.63

Nature and purpose of reserves :

- General Reserve : General reserve is created out of transfer from retained earnings and is a free reserve.
- Securities Premium Account : Securities 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.
- 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 Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Trade payables: total outstanding dues of micro and small enterprises	293.35	68.41
(b) Trade payables: total outstanding dues other than (a) above	15,716.12	11,824.82
Total	16,009.47	11,893.23

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 21 Trade payables (Cont.)

Disclosure required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:-

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid to any supplier as at the end of each accounting year	246.42	60.83
Interest due thereon remaining unpaid to any supplier as at the end of each accounting year	46.93	7.58
Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
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 MSMED Act, 2006	21.22	-
The amount of interest accrued and remaining unpaid at the end of accounting year	39.35	7.58
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

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 22 Other financial liabilities (current)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unpaid dividends (Refer Note below)	10.13	10.54
Temporarily overdrawn book balances	-	40.56
Total	10.13	51.10

Note

As at March 31, 2021, there are no amounts due to be transferred to Investor Education and Protection Fund as required under Section 125 of the Companies Act, 2013.

Note 23 Provisions - current

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity (Refer Note - 38(b))	10.16	18.25
Total	10.16	18.25

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 24 Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory liabilities	780.67	563.37
Advances from customers / contract liabilities (Refer below table)	1,750.60	3,025.46
Employee benefit payables	314.28	191.27
Others	-	0.99
Total	2,845.55	3,781.09

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance received commissioned television programs and internet programs	1,642.98	1,546.98
Advance received from Movies related contracts	107.62	1,478.48
Advances from customers / contract liabilities	1,750.60	3,025.46

1) Revenue recognised in relation to contract liabilities

The following table shows how much of revenue recognised in current reporting period related to carried forward of contract liabilities

(₹ in Lacs)

Revenue recognised that was included in contract liability balance at the beginning of the period	For the year ended March 31, 2021	For the year ended March 31, 2020
Commissioned television programs and internet programs	-	0.68
Movie related contracts	-	594.80
Total	-	595.48

Note 25 Current tax liabilities (net)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for tax (net of advance tax of Nil (previous year: ₹2,851.55 lacs))	-	806.72
Total	-	806.72

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 26 Revenue from operations

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Revenue from contracts with customers		
- Sale of service		
Commissioned television programs	18,485.12	30,158.54
Subscription income	5,404.75	3,705.06
Licence rights	-	900.00
Licensing of digital content rights	632.92	2,050.20
Service income	20.31	2,333.78
Franchise / Participation fees	-	127.83
Internet programs	60.16	23.79
Sale and licensing of movies	3,963.83	16,574.77
Sale of television programs / movies concept rights	14.72	57.47
Event management	513.20	1,265.00
Film distribution service	-	0.17
Free commercial time	-	29.00
Marketing income	53.99	59.18
(b) Other operating income		
Facilities / equipment hire Income	20.01	70.69
Compensation on cancellation of movie deal	201.43	-
Total	29,370.44	57,355.48

Unsatisfied long-term licensing contracts:

The following table shows unsatisfied performance obligations resulting from long-term licensing contracts.

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Aggregate amount of the transaction price allocated to long-term licensing contracts that are fully unsatisfied as at reporting date	4,325.00	1,400.00

Management expects that of the transaction price allocated to the unsatisfied contracts as on March 31, 2021 ₹1,925 lacs will be recognised as revenue during the next reporting period and balance ₹2,400 lacs in subsequent periods. The amount disclosed above does not include variable consideration which is constrained. All other contracts are for periods of one year or less.

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 CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 27 Other Income

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income		
On fixed deposits with banks	302.97	10.41
On Income-tax Refund	211.43	110.36
Unwinding of discount on security deposit	78.11	71.76
Interest income on deferred considerations	25.76	7.33
Net gains on financial assets measured at fair value through profit and loss	216.53	436.80
Insurance claim received	27.74	-
Advance / Creditors written back	5.98	202.39
Sales of Export License	63.12	-
Net foreign exchange differences	-	20.97
Gain on disposal of Assets	-	0.08
Gain on Lease Modification	36.00	-
Rent Concession	375.84	-
Other Non Operating Income	-	0.60
Total	1,343.48	860.70

Note 28(a) Cost of production / Acquisition and Telecast fees

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amortisation of content	9,409.57	8,720.46
Production expenses including purchase of costumes and dresses	956.00	1,726.97
Artists, Directors, technicians and Professional Fees	8,473.68	13,270.26
Location hire charges	546.74	900.00
Shooting and location expenses	2,679.87	3,394.02
Telecasting fees / purchase of rights	-	900.00
Food and refreshments charges	225.66	416.72
Sets & studio maintenance charges	423.15	707.83
Uplinking charges	11.45	115.14
Insurance expense	86.24	27.62
Dubbing & Subtitling	10.19	86.04
Line production cost	2,537.78	1,912.41
Set properties and equipment hire charges	1,060.40	1,841.54
Sound expense	79.95	92.27
Other production expenses	569.89	877.81
Total	27,070.57	34,989.09

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 28(b) Changes in Inventories

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balance :		
Films and internet series	15,577.80	19,583.91
Closing balance :		
Films and internet series	21,933.64	15,577.80
	(6,355.84)	4,006.11
Changes in inventories subject to amortisation	5,382.01	(55.91)
Net changes in inventories	(973.83)	3,950.20

Note 29 Marketing and distribution expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Marketing expenses	4,687.24	4,728.66
Distribution expenses	0.08	1,326.86
Total	4,687.32	6,055.52

Note 30 Employee Benefits expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages	2,331.49	3,345.84
Contributions to provident and other funds (Refer Note 38(a))	112.01	181.27
Gratuity (Refer Note 38(b))	18.99	28.03
Staff welfare expenses	12.86	13.29
Employee share based payment expenses (Refer Note 45)	(14.52)	76.37
Total	2,460.83	3,644.80

Note 31 Depreciation and amortisation expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of property, plant and equipment (Refer Note 4a)	1,050.24	1,280.49
Amortisation of Intangible assets (Refer Note 5)	71.00	391.22
Depreciation on Right to use asset (Refer Note 4b)	1,737.63	2,212.99
Total	2,858.87	3,884.70

Note 32 Finance costs

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on lease liability	96.77	264.01
Interest on others	70.63	2.20
Total	167.40	266.21

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 33 Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Power and fuel	61.99	93.20
Rent including lease rentals	-	6.71
Repairs and maintenance - Others	135.91	152.24
Insurance	60.70	58.86
Rates and taxes	300.00	485.56
Communication expenses	59.80	58.69
Legal and professional charges (Refer Note 33.1)	2,388.62	2,004.93
Directors Commission	24.83	95.20
Security and housekeeping expenses	52.97	82.61
Business promotion expenses	39.09	172.75
Travelling and conveyance expenses	47.90	126.61
Digital space charges	1,291.48	958.96
Donations and contributions	37.20	21.84
Expenditure on corporate social responsibility (Refer Note 33.2)	105.50	54.62
Advances written off (Net of provision - ₹ Nil) (previous year: Net of provision - ₹ 50.92)	25.77	997.24
Provision for doubtful debts and advances	69.39	430.25
Bad debts written off net (Net of provision - ₹ Nil) (previous year: Net of provision for doubtful debts - ₹ 345.70)	314.90	504.24
Investment written off	-	0.38
Financial assets measured at fair value through profit and loss	-	51.91
Software expenses	236.89	234.92
Directors sitting fees	66.00	62.25
License and hosting fees	685.55	383.06
Sales Commission	379.04	405.47
Property, plant & equipment and Capital work-in-progress written off	6.00	19.37
Miscellaneous expenses	135.93	180.62
Total	6,525.46	7,642.49

Note 33.1 Details of auditors remuneration (included in legal and professional charges)

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As auditors:		
Audit fees	60.30	60.50
In respect of other audit services:		
Other services - Certification	2.50	11.27
Reimbursement of expenses	0.25	0.90
Total	63.05	72.67

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 33.2 Expenditure on corporate social responsibility

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amounts required to be spent as per section 135 of the Act	92.72	53.72
Amounts spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	105.50	54.62
Total	105.50	54.62

Note 34 Tax expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Income tax expense		
Current tax		
Current tax on profits for the year	650.00	2,347.23
Short provision in respect of earlier years	268.67	-
	918.67	2,347.23
Deferred tax		
Decrease/ (increase) in deferred tax assets	(5.08)	520.22
(Decrease)/ increase in deferred tax liabilities	(59.97)	(471.01)
MAT Credit		
MAT Credit utilisation	-	1,282.77
Total deferred tax expense/(benefit)	(65.05)	1,331.98
Income Tax Expense	853.62	3,679.21

Income Tax Expense for the year can be reconciled to the accounting profit as follows

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Loss before exceptional items and tax	(12,082.70)	(2,216.83)
Income Tax calculated at 25.17% (Previous year- 34.944%)	(3,041.22)	(774.65)
Tax effect of amounts that are not deductible in determining taxable profit	44.33	20.17
Tax impact on losses of Subsidiaries for which no deferred tax recognised	3,629.55	3,820.22
Tax impact on temporary differences for which no deferred tax recognised	-	116.41
Tax on deductions under chapter VI-A	4.68	(3.82)
Deferred Tax at the year end recognised at lower tax rates	-	280.89
Income taxed at lower rates (Long Term Capital Gains)	-	(31.07)
Others	(52.39)	251.06
Short provision in respect of earlier years	268.67	-
Total	853.62	3,679.21
Income Tax expense recognised in profit & loss	853.62	3,679.21

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Contingent liabilities (to the extent not provided for)

(₹ in Lacs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
In respect of Service Tax Matters (Also Refer note 1 below)	2,943.00	2,943.00
In respect of VAT Matters	145.50	145.50
In respect of Income Tax Matters(Also Refer note 2 below)	218.08	218.08
In respect of Claim against the company not acknowledged as debt (Also Refer note 3)	200.01	-

- 1) 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. 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.
- 2) Apart from the above, in respect of Income Tax Matters, a search was conducted on the premises of the Group on 30 April 2013. Pursuant to the aforesaid search, block assessment under section 153A of the Income-tax Act, 1961 (Act) was conducted for Assessment Years 2007- 08 to 2012-13. The Group did not appeal against the additions made in the assessment orders for the aforesaid assessment years. However, penalties were levied for the said assessment years, which were challenged by the Group before the Income-tax Appellate Tribunal-Mumbai (ITAT). The Group had accounted for the penalty amount in FY 17-18 as an exceptional item. Subsequently, in the current year, ITAT has deleted the penalty levied and the Income tax department has refunded the penalties amounting to ₹ 1,044.44 lacs along with interest of ₹ 138.33 lacs under the Act to the Company. This has been disclosed under exceptional items in the current year.(Refer note.49) Subsequently in Feb 2021 -- Income tax department has preferred an appeal before the Hon'ble High Court (HC) Bombay challenging the deletion of penalty by ITAT, the appeal is still in Pre-Admission stage. Considering the department has gone in appeal, the same is disclosed as contingent liability amounting to ₹ 1,182.77 lacs.
- 3) Apart from above, Times Internet Limited has filed a suit in the Delhi High Court for specific performance of the content Distribution License. Times Internet has further claimed for damages to the tune of ₹ 3,162.57 lacs. The Group has accordingly filed a written statement denying claim of specific performance and damages and the same is not acknowledged as debt.

36 Interest in other entities

(a) Subsidiaries

The Group's subsidiaries as at March 31, 2021 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, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
Balaji Motion Pictures Limited	India	100%	100%	-	-	Distribution of films
ALT Digital Entertainment Limited	India	100%	100%	-	-	Subscription based sale & licencing of digital content

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

36 Interest in other entities (Contd.)

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, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
Marinating Films Private Limited	India	100%	99.95%	-	0.05%	Event management relating to film and television industry
Chhayabani Balaji Entertainment Private Limited (under liquidation from October 22, 2020)	India	0%	50%	0%	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.

(b) Interest in associate

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.

Name of the entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying value	
					March 31, 2021	March 31, 2020
IPB Capital Advisors LLP	India	50.00%	Associate	Equity method	0.45	0.45

37 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 (under liquidation from October 22, 2020)	Subsidiary Company
IPB Capital Advisors LLP	Associate
Mr. Sunil Lulla (from May 25, 2018 to August 14, 2019)	Key management person
Mr. Jeetendra Kapoor	Key management person (Chairman)
Mrs. Shobha Kapoor	Key management person (Executive Director)
Ms. Ekta Kapoor	Key management person (Executive Director)
Mr. Tusshar Kapoor	Relative of key management person
Mr. Anshuman Thakur	Key management person (Non-Executive Director)
Mr. Arun K. Purwar	Key management person (Non-Executive Independent Director)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

37 Related Party Transactions (Contd.)

Name of the Related Party	Relationship
Mr. D G Rajan	Key management person (Non-Executive Independent Director)
Mr. Ashutosh Khanna (till 22nd July 2020)	Key management person (Non-Executive Independent Director)
Mr. Devender Kumar Vasal	Key management person (Non-Executive Independent Director)
Mr. V B Dalal	Key management person (Non-Executive Independent Director)
Mr. Pradeep Sarda	Key management person (Non-Executive Independent Director)
Ms. Jyoti Deshpande	Key management person (Non-Executive Director)
Mr. Ramesh Sippy (from September 1, 2019)	Key management person (Non-Executive Director)
Dr. Archana Hingorani (from August 28, 2020)	Key management person (Non-Executive Independent Director)
Mr. Jason Kothari (from February 11, 2021)	Key management person (Non-Executive Independent Director)

(b) Details of transactions during the year

Nature of Transactions	(₹ in Lacs)	
	Key Management Person and relative of key management personnel	
Directors sitting fees		
Mr. Jeetendra Kapoor		6.00
		(6.00)
Mr. Anshuman Thakur		4.00
		(2.00)
Mr. Arun Purwar		5.00
		(5.00)
Mr. Ashutosh Khanna		-
		(7.00)
Mr. D.G. Rajan		13.00
		(14.00)
Mr. Devender Kumar Vasal		13.00
		(13.00)
Ms. Jyoti Deshpande		4.00
		(3.00)
Mr. Pradeep Sarda		1.00
		(1.00)
Mr. V.B. Dalal		12.00
		(10.25)
Mr. Ramesh Sippy		4.00
		(1.00)
Dr. Archana Hingorani		4.00
		-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

37 Related Party Transactions (Contd.)

(₹ in Lacs)	
Nature of Transactions	Key Management Person and relative of key management personnel
Directors Commission	
Mr. Jeetendra Kapoor	19.86
	(76.16)
Mr. D.G. Rajan	0.57
	(2.12)
Mr. Pradeep Sarda	0.57
	(2.11)
Mr. Ashutosh Khanna	-
	(2.12)
Mr. Devender Kumar Vasal	0.57
	(2.11)
Mr. V.B. Dalal	0.57
	(2.12)
Mr. Arun Purwar	0.57
	(2.11)
Ms. Jyoti Deshpande	0.57
	(2.12)
Mr. Anshuman Thakur	0.57
	(2.11)
Mr. Ramesh Sippy	0.57
	(2.12)
Dr. Archana Hingorani	0.33
	(-)
Mr. Jason Kothari	0.08
	(-)
Rent paid	
Mr. Jeetendra Kapoor	58.89
	(58.89)
Mrs. Shobha Kapoor	1,248.47
	(1,599.53)
Mr. Tusshar Kapoor	14.76
	(14.76)
Ms. Ekta Kapoor	200.20
	(253.47)
Remuneration (Refer note (iii) below)	
Mrs. Shobha Kapoor	194.77
	(239.88)
Ms. Ekta Kapoor	-
	(239.88)
Mr. Sunil Lulla	-
	(89.23)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

37 Related Party Transactions (Contd.)

(c) Closing balances as at year end

(₹ in Lacs)

Nature of Transactions	Key Management Person and relative of key management personnel
Amount receivable as at March 31, 2021	
Security Deposit amount receivable	
Mrs. Shobha Kapoor *	340.00
	(340.00)
Mr. Jeetendra Kapoor *	300.00
	(300.00)
Mr. Tusshar Kapoor *	100.00
	(100.00)
Ms. Ekta Kapoor *	100.00
	(100.00)
Amount payable	
Mr. Jeetendra Kapoor	19.93
	(78.00)
Mrs. Shobha Kapoor	12.48
	(12.48)
Mr. Tusshar Kapoor	1.70
	(1.70)
Ms. Ekta Kapoor	21.47
	(22.97)
Mr. D.G. Rajan	0.57
	(2.12)
Mr. Pradeep Sarda	0.57
	(2.11)
Mr. Ashutosh Khanna	-
	(2.12)
Mr. Devender Kumar Vasal	0.57
	(2.11)
Mr. V.B. Dalal	0.57
	(2.12)
Mr. Arun Purwar	0.57
	(2.11)
Ms. Jyoti Deshpande	0.57
	(2.12)
Mr. Anshuman Thakur	0.57
	(2.11)
Mr. Ramesh Sippy	0.57
	(2.12)
Dr. Archana Hingorani	0.33
	(-)
Mr. Jason Kothari	0.08
	(-)

* - Deposit for leased property

Note:

- 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.
- Figures in bracket relate to the previous year.
- 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 separately and hence not disclosed.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

38 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 ₹ 112.01 lacs (previous year ₹ 181.27 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, 2021	March 31, 2020
Discount rate(s)	5.18% - 6.93%	5.45% - 6.84%
Expected rate(s) of salary increase	5%	5% - 10%
Rate of Employee Turnover	2% - 25%	2% - 25%
Mortality Rate during employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Defined benefit plans – as per actuarial valuation

(₹ in lacs)

Particulars	Funded Plan	Funded Plan
	Gratuity	Gratuity
	March 31, 2021	March 31, 2020
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Actuarial (Gains)/Losses on Obligation for the year	(17.68)	(2.83)
Return on Plan Assets, Excluding Interest Income	(1.82)	0.84
Total	(19.50)	(1.99)
Net amount recognised in Other Comprehensive Income (OCI)	(19.50)	(1.99)
Expenses recognised in the Statement of Profit or Loss for Current year		
Current Service Cost	18.66	27.11
Net interest cost	0.33	0.92
Total	18.99	28.03
Expense recognised	18.99	28.03

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

38 Employee Benefits (Contd.)

Defined benefit plans – as per actuarial valuation (Contd.)

(₹ in lacs)

Particulars	Funded Plan	Funded Plan
	Gratuity	Gratuity
	March 31, 2021	March 31, 2020
I. Net Asset/(Liability) recognised in the Balance Sheet		
Present value of defined benefit obligation at the end of the year	196.22	185.24
Fair value of plan assets at the end of the year	(203.44)	(191.54)
(Surplus)* / Deficit	(7.22)	(6.30)
Net liability recognized in the Balance sheet		
Current provision (Refer note 23)	10.16	18.25
II. Change in the obligation during the year ended		
Present value of defined benefit obligation at the beginning of the year	185.24	152.54
Current Service Cost	18.66	27.11
Interest Cost	10.86	10.79
(Benefit paid from the Fund)	(0.87)	(2.37)
Actuarial (Gains)/ Losses on Obligations - Due to change in Demographic Assumptions	(0.52)	8.21
Actuarial (Gains)/ Losses on Obligations - Due to change in Financial Assumptions	(7.22)	3.13
Actuarial (Gains)/ Losses on Obligations- Due to experience	(9.93)	(14.17)
Present value of defined benefit obligation at the end of the year	196.22	185.24
III. Change in fair value of assets during the year ended 31st March		
Fair value of plan assets at the beginning of the year	191.54	150.66
Interest Income	10.53	9.87
Contributions by the employer	0.42	34.22
Benefit paid from the Fund	(0.87)	(2.37)
Return on Plan Assets, excluding Interest Income	1.82	(0.84)
Fair value of plan assets at the end of the year	203.44	191.54

***Note:** In two subsidiaries the plan assets are higher than the defined benefit obligation. Further these subsidiaries does not have a right to get refund on any excess contribution made. Accordingly no asset is recognised.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Projected Benefit Obligation on Current Assumptions	196.22	185.24
Delta Effect of +1% Change in Rate of Discounting	(5.24)	(6.97)
Delta Effect of -1% Change in Rate of Discounting	9.49	7.60
Delta Effect of +1% Change in Rate of Salary Increase	4.77	5.70
Delta Effect of -1% Change in Rate of Salary Increase	(5.10)	(4.45)
Delta Effect of +1% Change in Rate of Employee Turnover	0.00	1.31
Delta Effect of -1% Change in Rate of Employee Turnover	(0.36)	(1.41)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

38 Employee Benefits (Contd.)

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 ₹ 25.03 lacs to the gratuity trusts during the next financial year. (Previous Year ₹ 27.25 lacs)

Maturity profile of defined benefit obligation (undiscounted):

(₹ in Lacs)

Projected Benefits Payable in future years from Date of Reporting	For the year ended March 31, 2021	For the year ended March 31, 2020
1st Following year	30.38	25.73
2nd Following year	27.85	27.47
3rd Following year	25.76	25.18
4th Following year	22.82	22.92
5th Following year	23.35	20.15
Sum of Years 6 to 10	108.14	70.01
Sum of Years 11 and above	47.15	46.29

Plan Assets

The fair value of Group's gratuity plan asset as of March 31, 2021 and 2020 by category are as follows:

(₹ in Lacs)

Projected Benefits Payable in future years from Date of Reporting	As at March 31, 2021	As at March 31, 2020
Asset category:		
Deposits with Insurance companies	203.44	191.54
	100%	100%

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.

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

38 Employee Benefits (Contd.)

Interest rate risk : A fall in the discount rate which is linked to the Government Securities will increase the present value of the liability requiring higher provision.

Salary Risk : The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk : The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Investment Risk : The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk : The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality Risk : Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

39 Earning per share

Basic and diluted earnings per share calculation is as below:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Loss for the year attributable to equity share holders (₹ in Lacs)	(11,884.89)	(5,878.01)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	1,01,130,443	1,01,130,443
(c) Earnings per share - Basic and diluted (₹) (a/b)	(11.75)	(5.81)
(d) Nominal value of shares (₹)	2	2

As at the year-ends, the stock options granted as referred in Note 45 are not dilutive in nature and accordingly, basic and diluted earning per share is same.

- 40** 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 in the subsidiaries and the requirement of the Ind AS 12 regarding reasonable certainty, deferred tax asset has not been recognised to the extent of ₹ 12,519.00 lacs (Previous year ₹ 8,859.11 lacs). 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 respective subsidiaries.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

41 Segment Information

The Chief Operating Decision Maker (CODM) of the Group examines the Group's performance from a product offering perspective and 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 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	27,413.03	42,144.86	4,287.76	17,240.18	6,111.97	7,774.91	37,812.76	67,159.95
Less: Inter Segment sale	8,319.82	9,512.54	122.50	665.24	-	(373.31)	8,442.32	9,804.47
Total Revenue	19,093.21	32,632.32	4,165.26	16,574.94	6,111.97	8,148.22	29,370.44	57,355.48
Segment results	4,299.68	8,306.01	1,032.61	5,413.90	(13,584.24)	(9,215.82)	(8,251.95)	4,504.09
Unallocable expenses							(5,174.23)	(7,581.62)
Unallocable income							2,387.92	860.70
Loss before tax							(11,038.26)	(2,216.83)
Tax expense							(853.62)	(3,679.21)
Loss for the year							(11,891.88)	(5,896.04)
Segment assets	12,357.71	18,065.23	13,084.81	16,731.24	38,627.07	37,556.14	64,069.59	72,352.61
Unallocable assets							12,614.27	16,426.28
Total assets							76,683.86	88,778.89
Segment liabilities	8,625.40	12,081.53	1,654.47	2,241.10	8,424.02	3,898.41	18,703.89	18,221.04
Unallocated liabilities							635.15	1,336.07
Total Liabilities							19,339.04	19,557.11
Other Information								
Additions to Non-current assets (allocable)*	19.57	1,005.07	-	-	16.38	50.16	35.95	1,055.23
Additions to Non-current assets (unallocable)*							146.28	8.62
Depreciation / Amortisation (allocable)	794.36	1,457.95	18.61	18.66	226.07	564.15	1,039.04	2,040.76
Depreciation / Amortisation (unallocable)							1,819.83	1,843.94

* Other than financials assets and deferred tax assets

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

(₹ in lacs)

Particulars	Within India		Outside India		Total	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Revenue from operations	29,297.57	55,990.07	72.87	1,365.41	29,370.44	57,355.48
Carrying amount of Non-current assets*	16,830.14	11,495.35	-	-	16,830.14	11,495.35

* Other than financials assets and deferred tax assets.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

41 Segment Information (Contd.)

Information about major customers

During the year 2020-2021, revenue from four customer amounted to more than 10% of the total revenue aggregating to ₹ 21,534.20 lacs

During the year 2019-2020, revenue from three customer amounted to more than 10% of the total revenue aggregating to ₹ 49,001.93 lacs

Relationship between disclosure of disaggregated revenue (Refer note 26) 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	18,485.12	30,158.54	-	-	-	-	18,485.12	30,158.54
Subscription income	-	-	-	-	5,404.75	3,705.06	5,404.75	3,705.06
Licence rights	-	900.00	-	-	-	-	-	900.00
Licensing of digital content rights	-	-	-	-	632.92	2,050.20	632.92	2,050.20
Service income	-	-	-	-	20.31	2,333.78	20.31	2,333.78
Franchise / Participation fees	-	127.83	-	-	-	-	-	127.83
Internet programs	60.16	23.79	-	-	-	-	60.16	23.79
Sale and licensing of movies	-	-	3,963.83	16,574.77	-	-	3,963.83	16,574.77
Sale of television programs / movies concept rights	14.72	57.47	-	-	-	-	14.72	57.47
Event management	513.20	1,265.00	-	-	-	-	513.20	1,265.00
Film distribution service	-	-	-	0.17	-	-	-	0.17
Free commercial time	-	29.00	-	-	-	-	-	29.00
Marketing income	-	-	-	-	53.99	59.18	53.99	59.18
Facilities / equipment hire	-	-	-	-	-	-	-	-
Income	20.01	70.69	-	-	-	-	20.01	70.69
Compensation on cancellation of movie deal	-	-	201.43	-	-	-	201.43	-
Total	19,093.21	32,632.32	4,165.26	16,574.94	6,111.97	8,148.22	29,370.44	57,355.48

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

42 Details relating to investment in Limited Liability Partnership (LLP)

Name of the LLP	Names of partners in the LLP	As at March 31, 2021		As at March 31, 2020	
		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%

43 The Group has advances / receivable from one of its co-producers and a film director, amounting to ₹ 1,619 lacs which are subject to litigation as at March 31, 2021. On the basis of the evaluation carried out by the management, in consultation with the legal counsel, the amounts are considered good and fully recoverable.

44 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, 2021	188.80%	1,08,266.18	-21.26%	2,528.23	88.75%	13.33	-21.40%	2,541.56
March 31, 2020	152.75%	1,05,739.14	-98.15%	5,786.94	-183.04%	(9.50)	-98.07%	5,777.44
Subsidiaries (group's share)								
Balaji Motion Pictures Limited								
March 31, 2021	-0.65%	(377.76)	2.61%	(309.93)	0.00%	-	2.61%	(309.93)
March 31, 2020	-0.13%	(96.38)	-1.86%	109.71	0.00%	-	-1.86%	109.71
ALT Digital Entertainment Limited								
March 31, 2021	23.87%	13,687.30	122.94%	(14,619.63)	11.25%	1.69	123.08%	(14,617.94)
March 31, 2020	38.02%	26,320.17	188.92%	(11,138.96)	283.04%	14.69	188.84%	(11,124.27)
Marinating Films Private Limited								
March 31, 2021	0.22%	125.75	-0.02%	2.78	0.00%	-	-0.02%	2.78
March 31, 2020	0.18%	123.02	1.61%	(95.08)	0.00%	-	1.61%	(95.08)
Chhayabani Balaji Entertainment Private Limited (under liquidation from October 22, 2020)								
March 31, 2021	-	-	-	-	-	-	-	-
March 31, 2020	0.01%	6.94	0.30%	(17.98)	0.00%	-	0.31%	(17.98)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

44 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 (Contd.)

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
Non-controlling interests in all subsidiaries								
March 31, 2021	0.00%	-	0.06%	(6.99)	0.00%	-	0.06%	(6.99)
March 31, 2020	0.01%	6.99	0.31%	(18.03)	0.00%	-	0.31%	(18.03)
Associates								
IPB Capital Advisors LLP								
March 31, 2021	*	0.45	*	-	0.00%	-	*	-
March 31, 2020	*	0.45	*	-	0.00%	-	*	-
Total								
March 31, 2021	212.23%	1,21,701.92	104.32%	(12,405.54)	100.00%	15.02	104.33%	(12,390.52)
March 31, 2020	190.84%	1,32,100.33	91.14%	(5,373.40)	100.00%	5.19	91.14%	(5,368.21)
Adjustment on consolidation								
March 31, 2021	-112.23%	(64,357.10)	-4.32%	513.66	0.00%	-	-4.33%	513.66
March 31, 2020	-90.84%	(62,878.55)	8.86%	(522.64)	0.00%	-	8.87%	(522.64)
Net Total								
March 31, 2021	100%	57,344.82	100%	(11,891.88)	100%	15.02	100%	(11,876.86)
March 31, 2020	100%	69,221.78	100%	(5,896.04)	100%	5.19	100%	(5,890.85)

* Percentage disclosure is below the rounding off norms of the group

45 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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

45 Share based payments (Contd.)

Additional options were granted at the NRC's meeting held on January 8, 2021, granted 14,00,000 Employee Stock Options ("Options") to the eligible employees of the Company. Each option when exercised would be converted into one equity share of ₹ 2/- each, fully paid up, of the Company. The resolution passed by NRC on January 8, 2021 included a variation in terms of the Scheme. The variation was that all the options granted under the aforesaid grant would vest after completion of 12 months from date of grant.

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 (Tranche 1) 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 (Tranche 2) 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

The vesting schedule and exercise period of the Options granted on January 08, 2021 (Tranche 3) is as follows:

Year	Vesting of options	Vesting dates	Exercise Period up to
1	100%	January 07, 2022	January 07, 2025

During the year ended March 31, 2021 the Company recorded an employee compensation expenses of (₹ 14.52) lacs (previous year ₹ 76.37 lacs) in the statement of profit and loss.

Set out below is a summary of options granted under the plan:

Name of the LLP	As at March 31, 2021		As at March 31, 2020	
	Average Exercise price per share option (₹)	Number of options	Average Exercise price per share option (₹)	Number of options
Opening balance	91.34	19,04,932	91.67	3,153,856
Granted during the year	52.01	14,00,000	-	-
Exercised during the year	-	-	-	-
Forfeited/(lapsed) during the year	-	21,28,841	-	1,248,924
Closing balance	84.57	11,76,091	91.34	1,904,932

Number of option exercisable as at March 31, 2021: 5,85,655/- (previous year: 4,76,233/-)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

45 Share based payments (Contd.)

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, 2021	Exercise price (₹)	Share options March 31, 2020
May 19, 2018	May 18, 2024	90.00	570,537	90.00	1,054,570
June 20, 2018	June 19, 2024	93.00	405,554	93.00	850,362
January 08, 2021	January 07, 2025	52.01	200,000	-	-
Total			1,176,091		1,904,932

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) and during the year ended March 31, 2021 was ₹ 34.05 per option for options granted on January 8, 2021 (Tranche 3). 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, 2021 and March 31, 2019 includes:

- 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.
- Exercise price: ₹ 90 (Tranche 1), ₹ 93 (Tranche 2) and ₹ 52.01 (Tranche 3)
- Grant date: May 19, 2018 (Tranche 1), June 20, 2018 (Tranche 2) and January 8, 2021 (Tranche 3)
- Expiry date: May 18, 2024 (Tranche 1), June 19, 2024 (Tranche 2) and January 7, 2025 (Tranche 3)
- Share price at grant date: ₹ 119.80 (Tranche 1), ₹ 123.45 (Tranche 2) and ₹ 69.65 (Tranche 3)
- Expected price volatility of the company's shares: 46.05% (Tranche 1), 45.87% (Tranche 2) and 42.59% (Tranche 3)
- Expected dividend yield: 0.91% (Tranche 1 and 2) and 0.67% (Tranche 3)
- Risk-free interest rate: 7.92% (Tranche 1), 8.05% (Tranche 2) and 4.92% (Tranche 3)

The expected price volatility is based on the historic volatility (based on the remaining life of the options).

Note 46 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 46 FAIR VALUE MEASUREMENTS (Cont.)

(a) Financial instrument by category.

(₹ in Lacs)

Particulars	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Non-current financial assets						
Investments	-	1,500.00	-	361.46	-	-
Loans	-	-	203.08	-	-	796.56
Current financial assets						
Investments	2,798.96	-	-	12,263.98	-	-
Trade receivables	-	-	11,688.52	-	-	17,668.92
Cash and cash equivalents	-	-	7,710.59	-	-	1,986.29
Other balances with bank	-	-	10.13	-	-	10.54
Loans	-	-	978.04	-	-	35.02
Other financial assets	-	-	570.14	-	-	6,117.28
Total Financial Assets	2,798.96	1,500.00	21,160.50	12,625.44	-	26,614.61
Financial Liabilities						
Current financial liabilities						
Trade payables	-	-	16,009.47	-	-	11,893.23
Other financial liabilities	-	-	10.13	-	-	51.10
Total Financial Liabilities	-	-	16,019.60	-	-	11,944.33

(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, 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Funds	2,798.96	-	-	2,798.96
Investments in B.D Inno Ventures Private Limited	-	-	1,500.00	1,500.00
Total Financial Assets	2,798.96	-	1,500.00	4,298.96

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 46 FAIR VALUE MEASUREMENTS (Cont.)

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2021	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Loans	-	-	203.08	203.08
Total Non-current Financial Assets	-	-	203.08	203.08

(₹ in Lacs)

Financial assets and liabilities measured at fair value- recurring fair value measurement March 31, 2020	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in trusts	-	-	361.46	361.46
Mutual Fund	12,263.98	-	-	12,263.98
Total Financial Assets	12,263.98	-	361.46	12,625.44

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2020	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Loans	-	-	796.56	796.56
Total Non Current Financial Assets	-	-	796.56	796.56

The carrying value of the current trade receivables, cash and cash equivalents, other bank balances, current loans, other current financial assets, trade payables and other financial liabilities are considered to be the same as their fair values due to their short term nature. The fair value of non-current financial asset is not materially different than its carrying value.

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. Mutual funds are valued at the closing NAV.

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 CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 46 FAIR VALUE MEASUREMENTS (Cont.)

(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 investee Company (i.e. Trust) is on the basis of NAV provided by investee company.
- 3) 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, 2021

(₹ in Lacs)

Particulars	Investment in units of trusts	Investment in B.D Inno Ventures Private Limited
As at April 1, 2019	1,503.86	-
Sales	(1,090.49)	-
Gains/(Losses) recognised in profit or loss	(51.91)	-
As at March 31, 2020	361.46	-
Acquisitions	-	1,500.00
Sales	(361.46)	-
As at March 31, 2021	-	1,500.00

(iv) Valuation process

For the valuation of financial assets required for financial reporting purposes, which are falling under the Level 3, the fair value of investee Company (trust) is on the basis of the net asset value ('NAV') provided by investee Company. 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.

(v) Fair value of financial assets measured at amortised cost

(₹ in Lacs)

Particulars	March 31, 2021		March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Non Current Financial assets				
Loans	203.08	203.08	796.56	796.56

Note 47 FINANCIAL RISK MANAGEMENT (Also refer note 51)

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 responsible for overseeing the group's risk assessment and management policies and processes.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 47 FINANCIAL RISK MANAGEMENT (Also refer note 51) (Cont.)

(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 counterparties 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, 2021 and March 31, 2020 is the carrying value of each class of financial assets as disclosed in note 46.

Security deposits given to lessors

The group has given security deposit to lessors for premises leased by it as at March 31, 2021 and March 31, 2020. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

Trade receivables, unbilled revenue and Contract assets

To measure the expected credit losses, trade receivables, unbilled revenue 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, unbilled revenue 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 47 FINANCIAL RISK MANAGEMENT (Also refer note 51) (Cont.)

The following table summarizes the Gross carrying amount of the financial assets and provision made: (₹ in Lacs)

Particulars	March 31, 2021		March 31, 2020	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivables	11,960.61	(272.09)	17,871.62	(202.70)
Loans	1,181.12	-	831.58	-
Unbilled Revenue	300.68	-	2,043.34	-
Contract assets	600.29	-	63.25	-

The following table summarizes the changes in the Provisions made for the receivables and loans: (₹ in Lacs)

Particulars	Trade receivables, unbilled & contract assets		Loans	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Opening balance	202.70	425.23	-	50.92
Provided during the year	384.29	679.36	-	-
Written off during the year	(314.90)	(901.89)	-	(50.92)
Closing balance	272.09	202.70	-	-

Of the Trade Receivables balance as at March 31, 2021 of ₹ 11,688.52 lacs (as at March 31, 2020 of ₹ 17,668.92 lacs), the top 3 customers of the group represent the balance of ₹ 10,265.27 lacs as at March 31, 2021 (as at March 31, 2020 of ₹ 14,312.02 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 (undiscounted)

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, 2021				
Trade payables	16,009.47	-	-	16,009.47
Lease liabilities	191.33	191.38	97.94	480.65
Other Financial Liabilities	10.13	-	-	10.13
Total financial liabilities	16,210.93	191.38	97.94	16,500.25

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 47 FINANCIAL RISK MANAGEMENT (Also refer note 51) (Cont.)

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2020				
Trade payables	11,893.23	-	-	11,893.23
Lease liabilities	1,143.36	1,153.09	861.23	3,157.68
Other Financial Liabilities	51.10	-	-	51.10
Total financial liabilities	13,087.69	1,153.09	861.23	15,102.01

(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, 2021, 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 NIL and NIL (March 31, 2020 ₹111.40 lacs and ₹21.64 lacs)

(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, 2021 (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 in one company and classified in the balance sheet as fair value through profit or loss.

Investments are made by the finance team under the policies approved by the Board of Directors. 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 before tax	
	March 31, 2021	March 31, 2020
Net asset value - Increase 5% (March 31, 2020 5%)*	214.95	613.20
Net asset value - Decrease 5% (March 31, 2020 5%)*	(214.95)	(613.20)

Profit before tax for the year would increase/ decrease as a result of gains/ losses on investments classified at fair value through profit or loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 48 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.

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.

Note 49 Exceptional Items

In respect of Income Tax Matters, a search was conducted on the premises of the holding company on 30 April 2013. Pursuant to the aforesaid search, block assessment under section 153A of the Income-tax Act, 1961 (Act) was conducted for Assessment Years 2007- 08 to 2012-13. The holding company did not appeal against the additions made in the assessment orders for the aforesaid assessment years. However, penalties were levied for the said assessment years, which were challenged by the holding company before the Income-tax Appellate Tribunal-Mumbai (ITAT). The holding company had accounted for the penalty amount in FY 17-18 as an exceptional item. Subsequently, in the current year, ITAT has deleted the penalty levied and the Income tax department has refunded the penalties amounting to ₹1,044.44 lacs along with interest under the Act to the holding company. This has been disclosed under exceptional items in the current year.

Note 50 As per the Regulation 17 (1) (a) of SEBI (LODR) Regulations, 2015, the Company was required to appoint an independent woman director on the Board of the Company w.e.f. April 01, 2020. However, the Company appointed independent woman director on August 28, 2020. There was non-compliance for the period from April 01, 2020 till the date of appointment. NSE & BSE imposed a penalty aggregating ₹17.58 lacs (inclusive of goods and service tax) for the above non-compliance, which has been paid by the Company.

Note 51 Impact assessment due to Covid-19 pandemic

The COVID-19 pandemic and the resultant lockdown declared by the Government had adversely impacted the entire media and entertainment industry and consequently, the business activities of the Group were also affected for the year ended March 31, 2021. The Group had resumed its operations for its TV business as per the directives and permissions of the State Government and other statutory and trade bodies on June 26, 2020. The Group's digital business continued to operate throughout the lockdown period however, launch of new shows is effected due to shutdown in production activities during the lockdown phase. The Group's Management has done an assessment of the situation, including the liquidity position and the recoverability and carrying value of all its assets and liabilities and concluded that there were no material adjustments required as on March 31, 2021. The impact assessment of COVID-19 is a continuing process given the uncertainty associated with its nature and duration. The Group will continue to monitor any material changes as the situation evolves.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 52 Dividends

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Equity Shares		
(i) Final Dividend paid Dividend of ₹0.40 per fully paid share pertaining to the immediately preceding financial year	-	404.52
(ii) Dividend not recognised at the end of the reporting period The Company has proposed dividend of ₹0.20 per fully paid share for the financial year 2020-21	202.26	-
(iii) Interim Dividend of ₹0.40 per fully paid-up share for the financial year 2019-2020	-	404.52

53 Subsequent to the year end, the Group has invested an amount of ₹500 lacs on May 25, 2021 in Ding Infinity Private Limited for 55% stake in the form of Equity Shares. Pursuant to this investment Ding Infinity Private Limited has become Subsidiary of Balaji Telefilms Limited.

Signatures to notes 1 to 53

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

Mehul Desai
Partner
Membership No: 103211

Place : Mumbai
Date: June 18, 2021

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

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

Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date: June 18, 2021

Shobha Kapoor
(Managing Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

BOARD'S REPORT

The Directors present the 15th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2021.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

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

(₹ in Lacs)		
Particulars	2020-21	2019-20
Income		
Revenue from operations	122.50	615.41
Other Income	1.01	-
Total	123.51	615.41
Expenditure	257.68	437.30
Profit/(Loss) before depreciation, interest & tax	(134.17)	178.11
Finance costs	175.76	68.40
Depreciation and amortization	-	-
(Loss)/Profit before tax	(309.93)	109.71
Provision for taxation	-	-
(Loss)/Profit after tax	(309.93)	109.71
Balance brought forward from previous year	(433.48)	(543.19)
Other comprehensive income for the year	-	-
Balance carried to the balance sheet	(743.41)	(433.48)

RESULTS OF OPERATIONS

During the year under review, your Company has achieved a turnover of ₹ 122.50 Lacs as against ₹ 615.41 Lacs during the previous fiscal. In the current financial year, the Company has reported (Loss) of (₹ 309.93) Lacs as against Profit of ₹ 109.71 Lacs in the previous fiscal.

DIVIDEND

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 of the Company.

BORROWINGS

The Company has borrowings of ₹ 403.16 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, 2021 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, 2021 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

IMPACT OF COVID-19

The COVID-19 pandemic and the resultant lockdown declared by the Government from time to time has adversely impacted the entire media and entertainment industry and consequently, the business activities of the Company are also affected. The Company has resumed its operations as per the directives and permissions of the State Government and other statutory and trade bodies. The resumption of business has been undertaken with the required precautions stipulated by the authorities.

The Company's Management has done an assessment of the situation, including the liquidity position and the recoverability and carrying value of all its assets and liabilities as at March 31, 2021 and concluded that there were no material adjustments required in the financial statements as on March 31, 2021. However, the impact assessment of COVID-19 is a continuing process given the uncertainty associated with its nature and duration. The Company will continue to monitor any material changes as the situation evolves.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

Retirement 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.

Resignation of Non-Executive Director

Mr. Ashutosh Khanna, Non-Executive Director of the Company stepped down from the Board w.e.f. July 22, 2020 due to personal reasons. The Board places on record, its appreciation for his inspiring guidance and his contribution to improve the overall functioning of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

Since there are no Independent Directors on the Board of the Company as on March 31, 2021, there was no requirement to receive Independence declaration under Section 149(7) of the Companies Act, 2013.

AUDITORS

STATUTORY AUDIT

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Members at the 11th Annual General Meeting (AGM) held on August 31, 2017 had approved the appointment of M/s. Price Water Chartered Accountants LLP for a term of 5 (five) consecutive years, to hold office till the conclusion of the AGM to be held for the financial year 2021-22 of the Company. M/s. Price Waterhouse Chartered Accountants LLP have confirmed that they are not disqualified from continuing as Auditors of the Company.

Statutory Auditor have included Emphasis of Matter drawing Members attention to Note No 30 of Financial Statement, in connection with uncertainties and the management's assessment of the financial impact due to the restrictions and other conditions related to the Covid-19 pandemic situation.

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 AND POLICIES

i) BOARD MEETINGS

During the year under review, 4 (four) Meetings of the Board of Directors were held on, July 22, 2020, September 14, 2020, November 09, 2020 & February 11, 2021. The intervening gap between two Board Meetings did not exceed 120 days except a gap of 160 days between Board Meetings of February 12, 2020 and July 22, 2020 which was caused due to COVID-19 pandemic and nationwide lockdown and was in compliance with MCA Circular dated March 24, 2020.

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 COMMITTEES

The provisions of Section 177, 178 & 135 of the Companies Act, 2013 with respect to constitution of Audit Committee, Nomination and Remuneration

Committee and Corporate Social Responsibility Committee are not applicable to the Company.

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

The provisions of Section 135 of the Companies Act, 2013 relating to formulation of Corporate Social Responsibility Policy are not applicable to the Company. However, the Corporate Social Responsibility Policy adopted by the Board of Balaji Telefilms Limited (Holding Company) is applicable to all its subsidiaries.

OTHER DISCLOSURES

i) EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return is appended as Annexure I, which forms part of the Board's Report and a copy of Annual Return is also available on the website of the Company at <http://www.balajitelefilms.com/investor-relations.php> as per Section 92 of the Companies Act, 2013.

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 instance of fraud 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 behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has a Whistle Blower Policy wherein the employees are free to report violation 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.

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 2020-21, 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 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

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 and Non-Executive Director. 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, and Non-Executive 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, 2021, 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, 2021 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: June 18, 2021

ANNEXURE I

EXTRACT OF ANNUAL RETURN

As on financial year ended 31.03.2021

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)

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, 2020				No. of Shares held at the end of the year i.e. March 31, 2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual /HUF	6*	0	6	0.0003	6*	0	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	19,99,994	0	19,99,994	99.9997	19,99,994	0	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)	20,00,000	0	20,00,000	100.00	20,00,000	0	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)	20,00,000	0	20,00,000	100.00	20,00,000	0	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) FIs	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 Investors	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 ₹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)	20,00,000	0	20,00,000	100.00	20,00,000	0	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, 2020			Shareholding at the end of the year i.e. March 31, 2021			% 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

iii) Change in Promoters' Shareholding:

There are no changes in Promoters' Shareholding during the financial year 2020-21.

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 the Director/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

Notes:

*Shares are held jointly with Balaji Telefilms Limited.

1. Mr. Duraiswamy Gunaseela Rajan, Non-Executive Director and Ms. Neha Shah, Key Managerial Personnel did not hold any shares during the financial year 2020-21.
2. Mr. Ashutosh Khanna, Non-Executive Director of the Company has resigned w.e.f. July 22, 2020 and did not hold any shares till the date of his resignation.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(₹ in Lacs)

Particulars of Remuneration	Secured Loans excluding deposits	Unsecured Loans from Holding Company	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	3,020.38	-	3,020.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	61.57	-	61.57
Total (i+ii+iii)	-	3,081.95	-	3,081.95
Change in Indebtedness during the financial year				
Addition	-	211.06	-	211.06
Interest for the year	-	175.76	-	175.76
Reduction	-	3,065.61	-	3,065.61
Net Change	-	(2,678.79)	-	(2,678.79)
Indebtedness at the end of the financial year				
i) Principal Amount	-	365.78	-	365.78
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	37.38	-	37.38
Total (i+ ii+ iii)	-	403.16	-	403.16

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
	Non-Executive Directors	Jeetendra Kapoor	Shobha Kapoor	Ekta Kapoor	Duraiswamy Gunaseela Rajan	Ashutosh Khanna	
1.	Fee for attending Board and Committee Meetings	2.0	-	-	1.0	Nil	3.0
	Commission	-	-	-	-	-	-
	Others	-	-	-	-	-	-
	Total	2.0	-	-	1.0	-	3.0
	Total Managerial Remuneration						3.0
	Ceiling as per the Act (per annum)				N.A		

Note: Mr. Ashutosh Khanna, Non-Executive Director of the Company has resigned w.e.f. July 22, 2020.

C. Remuneration to Key Managerial Personnel other than MD/Manager:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Ms. Neha Shah Company Secretary	
1.	Gross salary	5.63	5.63
	(a) Salary as per the 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 Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission- as % of profit	-	-
5.	Others – Provident Fund and Reimbursements	0.29	0.29
	Total	5.92	5.92

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: June 18, 2021

Financial Statements

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, 2021, 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, 2021 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.

Emphasis of Matter

4. We draw your attention to Note 30 to the financial statements which explains the uncertainties and the management's assessment of the financial impact due to the restrictions and other conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact of the event in the subsequent period is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board'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

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 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.

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.

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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, 2021 which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2021.
 - 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, 2021.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.
13. The Company has not paid/ provided for managerial remuneration during the year. Accordingly, reporting under Section 197 (16) of the Act is not applicable to the Company.

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

Ali Akbar

Partner

Membership

Number: 117839

Place: Mumbai

Date: June 18, 2021

UDIN: 21117839AAAAAZ3133

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 12(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, 2021

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, 2021 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 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, 2021, 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. Also refer paragraph 4 of our main audit report.

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

Ali Akbar

Partner

Membership

Number: 117839

Place: Mumbai

Date: June 18, 2021 UDIN: 21117839AAAAAZ3133

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 11 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, 2021

- 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 the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said 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 of the Act. 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 provident fund and income tax, though there has been a slight delay in few cases and is regular in depositing undisputed statutory dues, including profession tax, employees' state insurance, service tax, cess and 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 not paid/ provided for managerial remuneration during the year. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company. Also refer paragraph 13 of our main audit report.
- 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 Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. Further the Company is not required to constitute Audit Committee under Section 177 of the Act, and accordingly, to the extent, the provision 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

Ali Akbar

Partner

Membership

Number: 117839

Place: Mumbai

Date: June 18, 2021

UDIN: 21117839AAAAAZ3133

BALANCE SHEET as at March 31, 2021

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Income tax asset	4	26.10	47.22
Total Non-current assets		26.10	47.22
Current assets			
(a) Financial assets			
(i) Trade receivables	5	-	43.02
(ii) Loans	6	0.20	0.20
(iii) Cash and cash equivalents	7	23.64	25.86
(iv) Other financial assets	8	25.00	2,901.48
Total current assets		48.84	2,970.56
Total Assets		74.94	3,017.78
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9	200.00	200.00
(b) Other equity	10	(577.76)	(296.38)
Total equity		(377.76)	(96.38)
Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	11	403.16	3,081.95
(ii) Trade payables	12		
(i) total outstanding dues of micro and small enterprises		-	-
(ii) total outstanding dues other than (i) (i) above		7.75	4.71
(b) Other current liabilities	13	41.79	27.50
Total current liabilities		452.70	3,114.16
Total Equity and Liabilities		74.94	3,017.78

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

For and on behalf of the Board of Directors

Ali Akbar
Partner
Membership No: 117839

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Director)
DIN: 00005124

Place : Mumbai
Date: June 18, 2021

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date: June 18, 2021

Neha Shah
(Company Secretary)

STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2021

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
(I) Revenue from operations	14	122.50	615.41
(II) Other Income	15	1.01	-
(III) Total income		123.51	615.41
(IV) Expenses			
(a) Employee benefit expense	16	220.94	420.18
(b) Finance costs	17	175.76	68.40
(c) Other expenses	18	36.74	17.12
(V) Total expenses		433.44	505.70
(VI) (Loss) / Profit before tax (III-V)		(309.93)	109.71
(VII) Tax expense			
(a) Current tax		-	-
(b) Deferred tax		-	-
Total tax expense		-	-
(VIII) (Loss) / Profit for the year (VI-VII)		(309.93)	109.71
(IX) Other comprehensive income			
Items that will not be reclassified to statement of profit or loss		-	-
Total other comprehensive income for the year (net of tax)		-	-
(X) Total comprehensive income for the year (VIII+IX)		(309.93)	109.71
(XI) Basic and diluted (loss)/earnings per share (In ₹)	20	(15.50)	5.49
(Face value of ₹ 10 each)			

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

For and on behalf of the Board of Directors

Ali Akbar
Partner
Membership No: 117839

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Director)
DIN: 00005124

Place : Mumbai
Date: June 18, 2021

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date: June 18, 2021

Neha Shah
(Company Secretary)

STATEMENT OF CASH FLOWS

for the year ended March 31, 2021

(₹ in Lacs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
A. Cash Flow from Operating Activities				
(Loss)/Profit before tax from operations		(309.93)		109.71
Adjustments for:				
Finance costs	175.76		68.40	
Employee stock option expenses	28.55	204.31	61.19	129.59
Operating profit before working capital changes		(105.62)		239.30
Decrease/(Increase) in Trade Receivables	43.02		(43.02)	
Decrease/(Increase) in Other Financial Assets	2,876.48		(2,901.48)	
Decrease in Other Current Assets	-		1.46	
Increase in Trade payables	3.04		2.17	
Increase/(Decrease) Other current liabilities	14.29	2,936.83	(11.65)	(2,952.52)
Cash flow generated from/(used in) Operating Activities		2,831.21		(2,713.22)
Income taxes Refund/(Paid)		21.12		(31.21)
Net cash flow generated from/(used in) Operating Activities (A)		2,852.33		(2,744.43)
B. Cash Flow from Investing Activities				
Net cash flow from investing activities (B)		-		-
C. Cash Flow from Financing Activities				
Proceeds from current borrowings	211.06		3,291.69	
Repayment of current borrowings	(3,065.61)		(570.27)	
Net cash (used in)/generated from Financing Activities (C)		(2,854.55)		2,721.42
Net (Decrease) in Cash and cash equivalents (A+B+C)		(2.22)		(23.01)
Cash and cash equivalents at the beginning of the year (Refer note 7)		25.86		48.87
Cash and cash equivalents at the end of the year (Refer note 7)		23.64		25.86

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

For and on behalf of the Board of Directors

Ali Akbar
Partner
Membership No: 117839

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Director)
DIN: 00005124

Place : Mumbai
Date: June 18, 2021

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date: June 18, 2021

Neha Shah
(Company Secretary)

STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2021

A. Equity Share Capital

Particulars	(₹ in lacs)
Balance as at April 1, 2019	200.00
Changes in equity share capital during the year	-
Balance as at March 31, 2020	200.00
Balance as at April 1, 2020	200.00
Changes in equity share capital during the year	-
Balance as at March 31, 2021	200.00

B. Other Equity

(₹ in Lacs)

Particulars	Reserves and surplus		Total
	Retained earnings (Deficit in statement of profit and loss)	Share options outstanding account	
Balance as at April 1, 2019	(543.19)	75.91	(467.28)
Profit for the year	109.71	-	109.71
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	109.71	-	109.71
Employee stock option expenses (Refer note 29)	-	61.19	61.19
Balance as at March 31, 2020	(433.48)	137.10	(296.38)
Balance as at April 1, 2020	(433.48)	137.10	(296.38)
(Loss) for the year	(309.93)	-	(309.93)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	(309.93)	-	(309.93)
Employee stock option expenses (Refer note 29)	-	28.55	28.55
Balance as at March 31, 2021	(743.41)	165.65	(577.76)

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

For and on behalf of the Board of Directors

Ali Akbar
Partner
Membership No: 117839

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Director)
DIN: 00005124

Place : Mumbai
Date: June 18, 2021

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date: June 18, 2021

Neha Shah
(Company Secretary)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

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 its 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) 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 23.

(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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

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.

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

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivable
- Variable lease payments
- Amount expected to be payable by the group under residual value guarantee

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct cost and restoration costs

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(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.

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

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.

(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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

(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 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 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

(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 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:

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 THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 4 Non-current tax asset

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance payment of income- tax	26.10	47.22
Total	26.10	47.22

Note 5 Trade receivables

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables from contract with customers	-	-
Trade receivables from contract with customers - Related Parties (Refer Note 19)	-	43.02
Less : Loss allowance	-	-
Total	-	43.02
Current portion	-	43.02
Non- current portion	-	-

Break-up of security details

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	-	43.02
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	-	43.02
Loss allowance	-	-
Total trade receivable	-	43.02

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 Loans

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current loans		
Security Deposit	0.20	0.20
Less : Loss allowance	-	-
Total	0.20	0.20

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 6 Loans (Contd..)

Break-up of security details

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans considered good - Secured	-	-
Loans considered good - Unsecured	0.20	0.20
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	0.20	0.20
Loss allowance	-	-
Total	0.20	0.20

Note 7 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Cash on hand	0.01	0.01
(b) Balances with banks		
In current accounts	23.63	25.85
Total	23.64	25.86

(Note 1 :- There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior periods.)

Note 8 Other financial assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Other advances	-	2,900.16
Other receivables	-	1.32
Unbilled revenue	25.00	-
Total	25.00	2,901.48

Note 9 Equity share capital

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
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 FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 9 Equity share capital (Contd..)

Notes :

- (i) Shares held by holding company / ultimate holding company :

Particulars	As at March 31, 2021	As at March 31, 2020
	No. of shares	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:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% of holding	No. of shares	% of holding
Balaji Telefilms Limited (including nominee shareholders)	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, 2021		As at March 31, 2020	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Equity shares outstanding at the beginning of the year	20,00,000	200.00	20,00,000	200.00
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, 2021.

Note 10 Other Equity - Reserves & Surplus

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Retained earnings/(Deficit in statement of profit and loss)	(743.41)	(433.48)
(ii) Share options outstanding account	165.65	137.10
Total	(577.76)	(296.38)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 10 Other Equity - Reserves & Surplus (Contd..)

- (i) Retained earnings/(Deficit in statement of profit and loss)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	(433.48)	(543.19)
(Loss)/Profit for the year	(309.93)	109.71
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(309.93)	109.71
Balance at the end of the year	(743.41)	(433.48)

- (ii) Share options outstanding account

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	137.10	75.91
Add : Additions during the year (Refer note 29)	28.55	61.19
Balance at the end of the year	165.65	137.10

Nature and purpose of reserves :

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 Scheme.

Note 11 Current borrowings

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans from holding company (Unsecured)	403.16	3,081.95
Total	403.16	3,081.95

Note: Loan is taken from Holding Company, basis Simple interest on reducing balance and is repayable on demand. Interest charged in Current year - 7.95% (Previous year - 8.75%) basis Company's bankers MCLR at the start of Financial year.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2021

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents	23.64	25.86
Current borrowings	(403.16)	(3,081.95)
Net debt	(379.52)	(3,056.09)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 11 Current borrowings (Contd..)

(₹ in Lacs)

Particulars	Other Assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Borrowings	
Net debt as at March 31, 2019	48.87	(292.13)	(243.26)
Cash flows (net)	(23.01)	(2,721.42)	(2,744.43)
Interest expense	-	(68.40)	(68.40)
Net debt as at March 31, 2020	25.86	(3,081.95)	(3,056.09)
Cash flows (net)	(2.22)	2,854.55	2,852.33
Interest expense	-	(175.76)	(175.76)
Net debt as at March 31, 2021	23.64	(403.16)	(379.52)

Note 12 Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables : due to micro and small enterprises	-	-
Trade payables : others	7.75	4.71
Trade payables : Related Parties	-	-
Total	7.75	4.71

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.

Note 13 Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Employee benefits payable	11.24	11.48
Statutory liabilities	30.55	16.02
Total	41.79	27.50

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 14 Revenue from operations

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from contracts with customers		
- Sale of Services		
Film distribution service	122.50	615.41
Total	122.50	615.41

Unsatisfied long term contracts :

As on March 31, 2021, 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.

Note 15 Other income

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on Income Tax Refund	1.01	-
Total	1.01	-

Note 16 Employee benefit expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages	188.40	352.54
Contributions to provident fund (Refer note 25)	3.99	6.45
Employee stock options expenses (Refer note 29)	28.55	61.19
Total	220.94	420.18

Note 17 Finance costs

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on borrowings (Refer Note 19)	175.76	68.40
Total	175.76	68.40

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 18 Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent including lease rentals	6.00	6.00
Legal and professional charges (Refer note 18.1)	25.09	14.93
Directors sitting fees	3.00	6.00
Rates and taxes (Refer note 18.2)	0.49	(17.93)
Miscellaneous expenses	2.16	8.12
Total	36.74	17.12

Note 18.1 Details of auditors remuneration (included in Legal and Professional charges)

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As Auditors :		
Audit fee	2.50	2.50
In other capacities :		
Other services - Certification	-	1.00
Reimbursement of expenses	-	0.05
Total	2.50	3.55

Note 18.2 Rates and taxes

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rates and taxes	0.49	6.41
Write back of Excess GST Credit in books	-	(24.34)
Total	0.49	(17.93)

19 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 (till 21st October, 2020)
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. D G Rajan	Key management person
Mr. Ashutosh Khanna	Key management person (till 22nd July, 2020)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

19 Related Party Disclosures (Contd..)

(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	211.06	-	-
	(3,291.69)	(-)	(-)
Loan Repaid (Including Interest)			
Balaji Telefilms Limited	3,065.61	-	-
	(570.27)	(-)	(-)
Interest Expense			
Balaji Telefilms Limited	175.76	-	-
	(68.40)	(-)	(-)
Contributed equity on account of Employee stock options			
Balaji Telefilms Limited	28.55	-	-
	(61.19)	(-)	(-)
Distribution Commission Income			
Balaji Telefilms Limited	122.50	-	-
	(615.24)	(-)	(-)
Rent Paid			
Balaji Telefilms Limited	6.00	-	-
	(6.00)	(-)	(-)
Directors sitting fees			
Mr. D G Rajan	-	1.00	-
	(-)	(2.00)	(-)
Mr. Ashutosh Khanna	-	-	-
	(-)	(2.00)	(-)
Mr. Jeetendra Kapoor	-	2.00	-
	(-)	(2.00)	(-)

(c) Closing balances as at year end

(₹ in Lacs)

Nature of Transactions	Holding Company	Key Management Person	Fellow Subsidiary
Current borrowings			
Balaji Telefilms Limited	403.16	-	-
	(3,081.95)	(-)	(-)
Unbilled revenue			
Balaji Telefilms Limited	25.00	-	-
	(-)	(-)	(-)
Account receivable			
Balaji Telefilms Limited	-	-	-
	(43.02)	(-)	(-)

Note :

- i) Figures in bracket relate to the previous financial year

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

20 Earnings 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 :

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Basic and diluted earnings per share		
(Loss)/Profit for the year attributable to equity shareholders (A) (₹ in Lacs)	(309.93)	109.71
Weighted average number of equity shares outstanding during the year (Nos.) (B)	20,00,000	20,00,000
(Loss)/Earnings per share - Basic and diluted (₹) (A/B)	(15.50)	5.49
Nominal value of shares (₹)	10	10

- 21** 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 ₹ 136 lacs (previous year ₹ 58 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.

22 Lease Transactions

Amount of lease rentals charged to the statement profit and loss is ₹ 6 lacs (previous year ₹ 6 lacs). The company does not have any non-cancellable leases as on March 31, 2021. As evaluated by the Company there is no underlying identified asset in view of substantive substitution right with the lessor.

23 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 ₹ 122.50 lacs is derived from single customer of the company in the year ended March 31, 2021.

Revenue of ₹ 615.24 lacs is derived from single customer of the company in the year ended March 31, 2020.

- 24** As at March 31, 2021 the Company has accumulated losses of ₹ 743.41 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, 2021 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 its financial obligations as they fall due for payment for at least 12 months from the date of signatures of these financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

25 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 ₹ 3.99 lacs (previous year ₹ 6.45 lacs)

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:

Particulars	Valuation as at	
	March 31, 2021	March 31, 2020
Discount rate(s)	6.93%	6.84%
Expected rate(s) of salary increase	5.00%	0% for next 1 Year, 5% p.a thereafter, starting from 2 Year
Rate of Employee Turnover	2.00%	2.00%
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, 2021

(₹ in Lacs)

Particulars	Funded Plan	
	Gratuity	
	March 31, 2021	March 31, 2020
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Actuarial (Gains)/Losses on Obligation for the year	0.01	0.53
Return on Plan Assets, Excluding Interest Income	1.06	0.09
Total	1.07	0.63
Net amount recognised in Other Comprehensive Income (OCI) (Refer note below)	-	-
Expenses recognised in the Statement of Profit or Loss for current year (Refer note below)		
Current Service Cost	2.23	1.74
Net interest cost	(0.54)	(0.73)
Total	1.69	1.01
Expenses Recognized	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

25 Employee Benefits

b) Defined Benefit Plans (Contd..)

Defined benefit plans – as per actuarial valuation on March 31, 2021 (Contd..)

(₹ in Lacs)

Particulars	Funded Plan	
	Gratuity	
	March 31, 2021	March 31, 2020
I. Net Asset/(Liability) recognised in the Balance Sheet (Refer note below)		
Present value of defined benefit obligation at the end of the year	(13.68)	(10.71)
Fair value of plan assets at the end of the year	18.86	18.65
Surplus/(Deficit)	5.19	7.94
Net Asset recognized in the Balance sheet	-	-
II. Change in the present value of defined benefit obligation during the year ended 31st March		
Present value of defined benefit obligation at the beginning of the year	10.71	7.83
Expenses Recognised in Profit and Loss Account		
- Current Service Cost	2.23	1.74
- Interest Cost	0.73	0.60
Actuarial (Gains)/ Losses on Obligations - Due to change in Demographic Assumptions	-	(1.60)
Actuarial (Gains)/ Losses on Obligations - Due to change in Financial Assumptions	0.48	0.66
Actuarial (Gains)/ Losses on Obligations- Due to experience	(0.47)	1.48
Present value of defined benefit obligation at the end of the year	13.68	10.71
III. Change in fair value of assets during the year ended 31st March		
Fair value of plan assets at the beginning of the year	18.64	17.41
Interest Income	1.28	1.33
Return on Plan Assets, excluding Interest Income	(1.06)	(0.09)
Fair value of plan assets at the end of the year	18.86	18.64

Note : Since the plan assets are contributed to the insurer managed fund, the Company does not have a right to get a refund on any excess contribution made. Accordingly, no asset and expense is recognised.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Projected Benefit Obligation on Current Assumptions	13.68	10.71
Delta Effect of +1% Change in Rate of Discounting	(1.68)	(1.38)
Delta Effect of -1% Change in Rate of Discounting	2.01	1.66
Delta Effect of +1% Change in Rate of Salary Increase	1.57	1.53

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

25 Employee Benefits

b) Defined Benefit Plans (Contd..)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is: (Contd..)
(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Delta Effect of -1% Change in Rate of Salary Increase	(1.73)	(1.33)
Delta Effect of +1% Change in Rate of Employee Turnover	0.28	0.22
Delta Effect of -1% Change in Rate of Employee Turnover	(0.32)	(0.26)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as 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.

Maturity profile of defined benefit obligation:

(₹ in Lacs)

Projected Benefits Payable in future years from Date of Reporting	For the year ended March 31, 2021	For the year ended March 31, 2020
1st Following year	0.30	0.26
2nd Following year	0.33	0.26
3rd Following year	0.43	0.28
4th Following year	0.45	0.35
5th Following year	0.46	0.36
Sum of Years 6 to 10	2.63	2.03
Sum of Years 11 and above	34.99	28.87

Plan Assets

The fair value of Company's gratuity plan asset as of March 31, 2021 and 2020 by category are as follows:

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Asset category:		
Deposits with Insurance companies	18.86	18.64
	100%	100%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

25 Employee Benefits

b) Defined Benefit Plans (Contd..)

Plan Assets (Contd..)

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.

26 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.

Financial instrument by category.

(₹ in Lacs)

Particulars	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Current financial assets						
Trade receivables	-	-	-	-	-	43.02
Cash and cash equivalents	-	-	23.64	-	-	25.86
Loans	-	-	0.20	-	-	0.20
Other financial assets	-	-	25.00	-	-	2,901.48
Total Financial Assets	-	-	48.84	-	-	2,970.56
Financial Liabilities						
Borrowings	-	-	403.16	-	-	3,081.95
Trade payables	-	-	7.75	-	-	4.71
Total Financial Liabilities	-	-	410.91	-	-	3,086.66

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

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, loans, Other financial assets, trade payables and borrowings are considered to be the same as their fair values due to their short term nature.

27 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.

28 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. 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

28 Financial Risk Management (Contd..)

Risk management framework (Contd..)

(A) Credit Risk (Contd..)

(i) Credit Risk Management (Contd..)

The Company's maximum exposure to credit risk as at March 31, 2021 and March 31, 2020 is the carrying value of each class of financial assets as disclosed in note 26

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, 2021				
Borrowings	403.16	-	-	403.16
Trade payables	7.75	-	-	7.75
Total financial liabilities	410.91	-	-	410.91

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2020				
Borrowings	3,081.95	-	-	3,081.95
Trade payables	4.71	-	-	4.71
Total financial liabilities	3,086.66	-	-	3,086.66

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

28 Financial Risk Management (Contd..)

Risk management framework (Contd..)

(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, 2021 (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, 2021 (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, 2021 (Previous year Nil).

29 Share Based Payments

Certain employees of the Company are allotted 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, An 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, 2019	2,30,510
Granted during the year	-
Exercised during the year	-
Forfeited during the year	-
Closing Balance - March 31, 2020	2,30,510
Opening Balance - April 01, 2020	2,30,510
Granted during the year	-
Exercised during the year	-
Forfeited during the year	-
Closing Balance - March 31, 2021	2,30,510

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

29 Share Based Payments (Contd..)

(ii) Expense arising from share based payment transaction

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Employee Stock Option Expenses	28.55	61.19

30 The COVID-19 pandemic and the resultant lockdown declared by the Government from time to time has adversely impacted the entire media and entertainment industry and consequently, the business activities of the Company are also affected. The Company has resumed its operations as per the directives and permissions of the State Government and other statutory and trade bodies. The resumption of business has been undertaken with the required precautions stipulated by the authorities.

The Company's Management has done an assessment of the situation, including the liquidity position and the recoverability and carrying value of all its assets and liabilities as at March 31, 2021 and concluded that there were no material adjustments required in the financial statements as on March 31, 2021. However, the impact assessment of COVID-19 is a continuing process given the uncertainty associated with its nature and duration. The Company will continue to monitor any material changes as the situation evolves.

Signatures to notes 1 to 30

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

Ali Akbar
Partner
Membership No: 117839

Place : Mumbai
Date: June 18, 2021

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date: June 18, 2021

Shobha Kapoor
(Director)
DIN: 00005124

Neha Shah
(Company Secretary)

ALT DIGITAL MEDIA ENTERTAINMENT LIMITED

BOARD'S REPORT

The Directors present the 6th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2021.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

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

(₹ in Lacs)

Particulars	2020-21	2019-20
Income from operations	6,111.97	7,774.91
Less: Total expenditure	20,620.65	18,626.37
Operating Profit	(14,508.68)	(10,851.46)
Less: Interest	38.83	58.58
Less: Depreciation	226.07	564.15
Operating Profit after interest and depreciation	(14,773.58)	(11,474.19)
Add: Other Income	153.95	335.23
Less: Exceptional Items	-	-
Profit Before Tax	(14,619.63)	(11,138.96)
Less: Provision for taxation	-	-
Net Profit / (Loss) after tax	(14,619.63)	(11,138.96)
Other Comprehensive Income	1.69	14.69
Balance brought forward from previous year	(34,023.99)	(22,837.87)
Adj for Ind AS 116/ 115	-	(54.35)
Appropriations	-	-
Disposable Profits	-	-
Less: Interim Dividend	-	-
Less: Payment of Dividend	-	-
Less: Corporate Dividend Tax	-	-
Less: Transfer to General Reserve	-	-
Less: Share Issue Cost	(0.10)	(7.50)
Balance carried to the Balance Sheet	(48,642.03)	(34,023.99)

RESULTS OF OPERATIONS

During the year under review, the Company has reported loss of Rs. 14,617.94 lacs as against loss of Rs. 11,124.27 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 2,00,00,000 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, 2021 is ₹ 6,20,05,00,000 (Rupees Six Hundred and Twenty 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, 2021, 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.

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

IMPACT OF COVID-19

The COVID-19 pandemic and the resultant lockdown declared by the Government from time to time has adversely impacted the entire media and entertainment industry and consequently, the business activities of the Company are also affected. The Company has resumed its operations as per the directives and permissions of the State Government and other statutory and trade bodies. The resumption of business has been undertaken with the required precautions stipulated by the authorities.

The Company's Management has done an assessment of the situation, including the liquidity position and the recoverability and carrying value of all its assets and liabilities as at March 31, 2021 and concluded that there were no material adjustments required in the financial statements as on March 31, 2021. However, the impact assessment of COVID-19 is a continuing process given the uncertainty associated with its nature and duration.

The Company will continue to monitor any material changes as the situation evolves.

Resignation of Chief Executive Officer

Mr. Nachiket Pantvaidya, Chief Executive Officer of the Company has resigned w.e.f. April 30, 2021, to pursue other opportunities. The Board places on record, its appreciation for his inspiring guidance and his contribution to improve the overall functioning of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

Re-appointment of Independent Directors

The first term of office of Mr. Duraiswamy Gunaseela Rajan and Mr. Devender Kumar Vasal as Independent Directors will cease on August 30, 2021. Appropriate Resolution was passed by the members of the Company in the AGM held for the financial year 2019-20 for their re-appointment as Independent Directors of the Company for second term of 5 (five) consecutive years w.e.f. August 31, 2021.

The Board is of the opinion that both Independent Directors appointed during the year hold highest standards of integrity and possess requisite expertise and experience required to fulfil their duties as Independent Directors.

Appointment and Resignation of Company Secretary

During the year under review, Ms. Karuna Naik, has resigned from the position of Company Secretary, KMP of the Company w.e.f. November 14, 2020. Ms. Jaya Bharani was appointed as the Company Secretary, KMP of the Company w.e.f. November 15, 2020 pursuant to the provisions of Section 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Retirement by rotation and subsequent re-appointment

Ms. Ekta Kapoor, Managing 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(s) 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 Managing 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.

AUDITORS

STATUTORY AUDIT

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Members at the 2nd Annual General Meeting (AGM) held on August 31, 2017 had approved the appointment of M/s. Price Water Chartered Accountants LLP for a term of 5 (five) consecutive years, to hold office till the conclusion of the AGM to be held for the financial year 2021-22 of the Company. M/s. Price Waterhouse Chartered Accountants LLP have confirmed that they are not disqualified from continuing as Auditors of the Company.

Statutory Auditor have included Emphasis of Matter drawing Members attention to Note No 39 of Financial Statement, in connection with uncertainties and the management's assessment of the financial impact due to the restrictions and other conditions related to the Covid-19 pandemic situation

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 Companies Act, 2013 read with the 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 2021-22.

AUDIT REPORTS

- The Report given by the Auditors on the financial statement 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 MR-3 for the financial year 2020-21 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 July 22, 2020, September 14, 2020, November 09, 2020 & February 11, 2021. The intervening gap between two Board Meetings did not exceed 120 days except a gap of 160 days between Board Meetings of February 12, 2020 and July 22, 2020 which was caused due to COVID-19 pandemic and nationwide lockdown and was in compliance with MCA Circular dated March 24, 2020.

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

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:

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

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) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with the provisions of Section 135 of the Companies Act, 2013, Corporate Social Responsibility Committee of the Company comprises of:

Name of the Members	Designation	Nature of Membership
Mrs. Shobha Kapoor	Non- Executive Director	Chairperson
Ms. Ekta Kapoor	Managing Director	Member
Mr. Duraiswamy Gunaseela Rajan	Independent Director	Member

The Holding Company i.e. Balaji Telefilms Limited has Corporate Social Responsibility Policy which is applicable to all subsidiaries which can be accessed at <http://www.balajitelefilms.com/corporate-social-responsibility.php>

v) 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.

vi) 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.

OTHER DISCLOSURES

i) EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return 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/investorRelations> as per Section 92 of the Companies Act, 2013.

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 behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. 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 workgroups. 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 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 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 2020-21, 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

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 are Rs. 13.73 Lacs (Previous Year Rs. 55.52 lakhs) and the foreign exchange outgo is Rs. 590.87 Lacs (Previous Year Rs. 566.91 Lacs).

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 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 Independent Directors and Non-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, 2021, 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 as on March 31, 2021 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, 2021 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 were 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: June 18, 2021

ANNEXURE I

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2021

[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, 2021 ('**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, 2021 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, 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**);
 - (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 to the extent applicable;
 - (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, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following law applicable specifically to the Company to the extent applicable:
- The Information Technology Act, 2000 read with the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021

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 2,00,00,000 (Two Crore) equity shares at face value of Rs.10/- each aggregating to Rs. 20,00,00,000/- (Rupees Twenty Crores Only) on right basis.

For **AVS & Associates**
Company Secretaries

SD/-
Vijay Yadav
Partner

Membership No: A39251

CP No: 16806

Place: Kalyan, Thane

Date: 18/06/2021

UDIN: A039251C000485994

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 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.
7. Due to lockdown in the state because of COVID-19, we were not able to personally visit the office of the company for verification of documents physically and hence obtained all the documents, details, information in electronic mode and taken necessary explanations, clarifications and representations either telephonically or electronically whenever required.

For **AVS & Associates**
Company Secretaries

SD/
Vijay Yadav
Partner

Membership No: A39251
CP No: 16806

UDIN: A039251C000485994

Place: Kalyan, Thane
Date: 18/06/2021

ANNEXURE II

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2021

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 Email: jaya.bharani@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)

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

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2020				No. of Shares held at the end of the year i.e. March 31, 2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	18,006*	0	18,006	0.003	18,006*	0	18,006	0.003	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 Corp.	60,00,31,994	0	60,00,31,994	99.997	62,00,31,994	0	62,00,31,994	99.997	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)	60,00,50,000	0	60,00,50,000	100.00	62,00,50,000	0	62,00,50,000	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)	60,00,50,000	0	60,00,50,000	100.00	62,00,50,000	0	62,00,50,000	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
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	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 Corp.	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 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)	60,00,50,000	0	60,00,50,000	100.00	62,00,50,000	0	62,00,50,000	100.00	0

Note: * Shares are held in the capacity of nominee shareholder on behalf of Balaji Telefilms Limited.

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 01, 2020			Shareholding at the end of the year i.e. March 31, 2021			% 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	60,00,31,994	99.997	0	62,00,31,994	99.997	0	0
2	Jeetendra Kapoor as a nominee of Balaji Telefilms Limited	3,001	0.0005	0	3,001	0.0005	0	0
3	Shobha Kapoor as a nominee of Balaji Telefilms Limited	3,001	0.0005	0	3,001	0.0005	0	0
4	Ekta Kapoor as a nominee of Balaji Telefilms Limited	3,001	0.0005	0	3,001	0.0005	0	0
5	Tushar Kapoor as a nominee of Balaji Telefilms Limited	3,001	0.0005	0	3,001	0.0005	0	0
6	Deepoo Vaswani as a nominee of Balaji Telefilms Limited	3,001	0.0005	0	3,001	0.0005	0	0
7	Ramesh Sippy as a nominee of Balaji Telefilms Limited	3,001	0.0005	0	3,001	0.0005	0	0
Total		60,00,50,000	100	0	62,00,50,000	100	0	0

Note: Increase in paid up share capital of the Company did not result in change in percentage of shareholding of shareholders.

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. Balaji Telefilms Limited					
	At the beginning of the year	60,00,31,994	99.997	60,00,31,994	99.997
	Right issue on October 06, 2020	2,00,00,000	*3.23	62,00,31,994	99.997
	Sold during the year	0	0	62,00,31,994	99.997
	At the end of the year	62,00,31,994	99.997	62,00,31,994	99.997
2. Jeetendra Kapoor as a nominee of Balaji Telefilms Limited					
	At the beginning of the year	3,001	0.0005	3,001	0.0005
	Bought during the year	-	-	3,001	0.0005
	Sold during the year	-	-	3,001	0.0005
	At the end of the year	3,001	0.0005	3,001	0.0005
3. Shobha Kapoor as a nominee of Balaji Telefilms Limited					
	At the beginning of the year	3,001	0.0005	3,001	0.0005
	Bought during the year	-	-	3,001	0.0005
	Sold during the year	-	-	3,001	0.0005
	At the end of the year	3,001	0.0005	3,001	0.0005
4. Ekta Kapoor as a nominee of Balaji Telefilms Limited					
	At the beginning of the year	3,001	0.0005	3,001	0.0005
	Bought during the year	-	-	3,001	0.0005
	Sold during the year	-	-	3,001	0.0005
	At the end of the year	3,001	0.0005	3,001	0.0005

iii) Change in Promoters' Shareholding: (Contd..)

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	
5.	Tusshar Kapoor as a nominee of Balaji Telefilms Limited					
	At the beginning of the year	3,001	0.0005	3,001	0.0005	
	Bought during the year	-	-	3,001	0.0005	
	Sold during the year	-	-	3,001	0.0005	
	At the end of the year	3,001	0.0005	3,001	0.0005	
6.	Deepoo Vaswani as a nominee of Balaji Telefilms Limited					
	At the beginning of the year	3,001	0.0005	3,001	0.0005	
	Bought during the year	-	-	3,001	0.0005	
	Sold during the year	-	-	3,001	0.0005	
	At the end of the year	3,001	0.0005	3,001	0.0005	
7.	Ramesh Sippy as a nominee of Balaji Telefilms Limited					
	At the beginning of the year	3,001	0.0005	3,001	0.0005	
	Bought during the year	-	-	3,001	0.0005	
	Sold during the year	-	-	3,001	0.0005	
	At the end of the year	3,001	0.0005	3,001	0.0005	

* Percentage calculated on the paid-up share capital (62,00,50,000 shares)

Note: Increase in paid up share capital of the Company did not result in change in percentage of shareholding of shareholders.

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	0.0005	3,001	0.0005
	Bought during the year	-	-	3,001	0.0005
	Sold during the year	-	-	3,001	0.0005
	At the end of the year	3,001	0.0005	3,001	0.0005
2.	Ekta Kapoor *				
	At the beginning of the year	3,001	0.0005	3,001	0.0005
	Bought during the year	-	-	3,001	0.0005
	Sold during the year	-	-	3,001	0.0005
	At the end of the year	3,001	0.0005	3,001	0.0005

Note:

* Shares are held in the capacity of nominee shareholder on behalf of Balaji Telefilms Limited.

1. Increase in paid up share capital of the Company did not result in change in percentage of shareholding of shareholders.
2. Directors: Mr. Duraiswamy Gunaseela Rajan, Mr. Devender Kumar Vasal, Mr. Virendra Babubhai Dalal and KMPs: Mr. Sanjay Dwivedi, Mr. Nachiket Pantvaideya and Ms. Jaya Bharani did not hold any shares during the financial year 2020-21.

V. INDEBTEDNESS

The Company had no indebtedness with respect to Secured or Unsecured Loans or Deposits during the financial year 2020-21.

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 2020-21.

B. Remuneration to other Directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Duraiswamy Gunaseela Rajan	Devender Kumar Vasal	Virendra Babubhai Dalal	
1	Independent Directors				
	Fee for attending Board and Committee meetings	6.0	6.0	6.0	18.00
	Commission	-	-	-	-
	Others	-	-	-	-
	Total (1)	6.0	6.0	6.0	18.00
2	Other Non- Executive Directors	Shobha Kapoor			
	Fee for attending Board and Committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others	-	-	-	-
	Total (2)	-	-	-	-
	Total (1+2)	6.0	6.0	6.0	18.00
	Ceiling as per Act (per annum)	N.A.			

Note:

The Independent Directors have been paid only sitting fees for attending the Board/Committee meetings of the Company which is excluded under Sec 197 of the Companies Act, 2013.

C. Remuneration to Key Managerial Personnel other than MD / Manager/ WTD

(₹ in Lacs)

Sr. No.	Remuneration to Key Managerial Personnel other than MD / Manager/ WTD	Key Managerial Personnel				Total Amount
		Mr. Nachiket Pantvaidya [Group Chief Operating Officer & Chief Executive Officer (Alt)]	Ms. Karuna Naik (Company Secretary till November 14, 2020)	Ms. Jaya Bharani (Company Secretary from November 15, 2020)	Mr. Sanjay Dwivedi (Group Chief Financial Officer)	
1	Gross salary	-	2.72	1.23	-	3.95
	(a) Salary	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-

Sr. No.	Remuneration to Key Managerial Personnel other than MD / Manager/ WTD	Key Managerial Personnel				Total Amount
		Mr. Nachiket Pantvaidya [Group Chief Operating Officer & Chief Executive Officer (Alt)]	Ms. Karuna Naik (Company Secretary till November 14, 2020)	Ms. Jaya Bharani (Company Secretary from November 15, 2020)	Mr. Sanjay Dwivedi (Group Chief Financial Officer)	
4	Commission - as % of profit	-	-	-	-	-
5	Others Provident Fund and other allowances	-	0.14	0.07	-	0.21
	Total	-	2.86	1.30	-	4.16

Note:

1. The above figures does not include remuneration paid to Group COO & CEO (ALT) and Group CFO as the same is not directly paid by the Company and is paid to Parent Company by way of Cross Charge.
2. Ms. Karuna Naik, Company Secretary of the Company resigned w.e.f. November 14, 2020 and Ms. Jaya Bharani was appointed as the Company Secretary of the Company w.e.f. November 15, 2020.

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, if any, during the year.

For and on behalf of the Board of Directors

Sd/-

Shobha Kapoor

Chairperson

DIN: 00005124

Place: Mumbai

Date: June 18, 2021

ANNEXURE III

PARTICULARS OF CONTRACT/ARRANGEMENTS MADE WITH RELATED PARTIES

FORM NO. AOC-2 - PARTICULARS OF CONTRACT/ARRANGEMENTS MADE WITH RELATED PARTIES

As on financial year ended March 31, 2021

[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, 2021 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 - 400053 by the Company as its Registered Office without payment of any rent.	On-going	-	In order to curtail the expenses and to maximize profits, the Company has entered into arrangement with the 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, 2021, 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: June 18, 2021

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, 2021, 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, 2021, 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.

Emphasis of Matter

4. We draw your attention to Note 38 to the financial statements which explains the uncertainties and the management's assessment of the financial impact due to the restrictions and other conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact of the event in the subsequent period is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board'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

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 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.

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.

Report on other legal and regulatory requirements

12. 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.
13. As required by Section 143(3) of the Act, we report that:
- 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.
 - 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.
 - 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.
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- 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".
 - 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:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37 to the financial statements.
 - The Company has long term contracts as at March 31, 2021 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2021.
 - 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, 2021.
 - The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.
14. The Company has not paid/provided for managerial remuneration during the year. Accordingly, reporting under Section 197 (16) of the Act is not applicable to the Company.

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

Ali Akbar
Partner

Place: Mumbai Membership Number: 117839
Date: June 18, 2021 UDIN: 21117839AAAAAY6970

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 13(f) of the Independent Auditor's Report of even date to the members of Alt Digital Media Entertainment Limited on the financial statements for the year ended March 31, 2021

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, 2021 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 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, 2021, 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. Also refer paragraph 4 of our main audit report.

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

Ali Akbar

Partner

Place: Mumbai
Date: June 18, 2021

Membership Number: 117839
UDIN: 21117839AAAAAY6970

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Alt Digital Media Entertainment Limited on the financial statements for the year ended March 31, 2021

- 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 Company is into the business of providing digital content through mobile application platform, its inventory comprises of digital programs and film rights and accordingly, does not hold inventory (i.e. goods) in physical form. Therefore, the provisions of Clause 3(ii) of the said 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. In our opinion, and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185. The Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investments made and guarantees and security provided by the Company.
 - v. The Company has not accepted any deposits from the public within the meaning of Section 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 provident fund, profession tax and 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, cess 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 borrowing 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 explanation 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 during the year. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company. Also refer paragraph 14 of our main audit report.
 - 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 provision of clause 3(xvi) of the order are not applicable to the Company.

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

Ali Akbar
Partner

Place: Mumbai Membership Number: 117839
Date: June 18, 2021 UDIN: 21117839AAAAAY6970

BALANCE SHEET

as at March 31, 2021

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4.1	52.60	97.33
(b) Intangible assets	4.2	1.03	72.03
(c) Right of use Asset	5	119.16	213.10
(d) Financial assets			
(i) Investments	8	1,500.00	-
(e) Income tax assets (net)	6	58.62	395.53
(f) Other non-current assets	13	9,094.21	-
Total Non-Current Assets		10,825.62	777.99
Current assets			
(a) Inventories	7	19,045.95	14,194.49
(b) Financial assets			
(i) Investments	8	1,002.98	2,143.62
(ii) Trade receivables	9	4,065.06	5,407.11
(iii) Cash and cash equivalents	10	401.07	544.20
(iv) Loans	11	38.46	34.82
(v) Other financial assets	12	122.82	1,511.59
(c) Other current assets	13	3,589.18	13,936.93
Total Current Assets		28,265.52	37,772.76
Total Assets		39,091.14	38,550.75
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	62,005.00	60,005.00
(b) Other equity	15	(48,317.70)	(33,684.83)
Total Equity		13,687.30	26,320.17
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(I) Total outstanding dues of micro and small enterprises	17	-	-
(II) Total outstanding dues other than (i) (I) above	17	34.56	164.11
(ii) Lease Liability	5	32.46	147.30
Total Non-Current Liabilities		67.02	311.41
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(I) Total outstanding dues of micro and small enterprises	17	229.57	22.22
(II) Total outstanding dues other than (i) (I) above	17	23,092.47	10,167.13
(ii) Lease Liability	5	114.84	106.07
(b) Other current liabilities	18	1,899.94	1,623.74
Total Current Liabilities		25,336.82	11,919.16
Total Equity and Liabilities		39,091.14	38,550.75

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

For and on behalf of the Board of Directors

Ali Akbar
Partner
Membership No: 117839

Shobha Kapoor
(Chairperson)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : June 18, 2021

Jaya Bharani
(Company Secretary)

Place : Mumbai
Date : June 18, 2021

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2021

(₹ in Lacs)

Particulars	Note No.	Year ended March 31, 2021	Year ended March 31, 2020
(I) Revenue from operations	19	6,111.97	7,774.91
(II) Other income	20	153.95	335.23
(III) Total income (I+II)		6,265.92	8,110.14
(IV) Expenses			
(a) Direct cost	21	10,585.88	10,416.04
(b) Employee benefits expense	22	799.65	1,050.78
(c) Depreciation and amortization expense	23	226.07	564.15
(d) Finance cost	24	38.83	58.58
(e) Marketing expenses	25	4,600.95	3,043.68
(f) Other expenses	26	4,634.17	4,115.86
(V) Total expenses		20,885.55	19,249.10
(VI) (Loss) before tax (III-V)		(14,619.63)	(11,138.96)
(VII) Income Tax expense			
(a) Current tax		-	-
(b) Deferred tax	16	-	-
Total tax expenses/(credit)		-	-
(VIII) (Loss) for the year (VI-VII)		(14,619.63)	(11,138.96)
(IX) Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		1.69	14.69
Income tax relating to above item		-	-
Total other comprehensive income for the year		1.69	14.69
(X) Total comprehensive income for the year (VIII+IX)		(14,617.94)	(11,124.27)
(XI) Basic and diluted earnings/(loss) per share (in ₹)	29	(2.40)	(2.02)
(Face Value of ₹ 10 each)			

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

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

For and on behalf of the Board of Directors

Ali Akbar
Partner
Membership No: 117839

Shobha Kapoor
(Chairperson)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : June 18, 2021

Jaya Bharani
(Company Secretary)

Place : Mumbai
Date : June 18, 2021

STATEMENT OF CASH FLOW

for the year ended March 31, 2021

(₹ in Lacs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
A. Cash Flow from Operating Activities				
Loss before tax		(14,619.63)		(11,138.96)
Adjustment for:				
Employee share based payment expense	(14.83)		(30.18)	
Provision for bad and doubtful debts	69.39		58.93	
Loss on fair valuation of current investments	45.18		711.18	
Lease rent concession	(49.69)		-	
(Profit) on sale of fixed asstes	-		(0.08)	
Provision for gratuity expenses	8.84		11.33	
Foreign exchange (gain)/loss (Net)	(6.48)		6.36	
Amortisation of Inventory	9,922.81		9,082.55	
Unwinding of discount on security deposit	(3.65)		(3.29)	
Profit on sale of current investments (non-trade) (net)	(114.77)		(1,043.04)	
Depreciation and amortisation	226.07		564.15	
Interest on Lease rentals	15.61		23.77	
Interest on deferred payment	23.22		34.81	
Operating loss before working capital changes		(4,497.93)		(1,722.47)
Decrease/(Increase) in trade receivables	1,279.14		(4,939.80)	
(Increase) in Inventory	(14,774.27)		(10,861.09)	
Decrease/(Increase) in other current financial assets	1,388.77		(1,458.61)	
Decrease /(Increase) in other current assets	10,347.75		(7,492.29)	
Decrease in loans	0.01		15.66	
Increase in trade payables	13,003.12		7,129.10	
(Increase) in other non- current assets	(9,094.21)		-	
(Decrease) in other financial liabilities	-		(5.54)	
Increase in other current liabilities	269.05		454.94	
Cash from operations	2,419.36		(17,157.63)	
Income taxes Refund /(paid)	336.91		(134.06)	
Net cash used in operating activities		(1,741.66)		(19,014.16)
B. Cash Flow from Investing Activities				
Proceeds from sale of investments	2,010.23		19,538.75	
Payment for purchase of investments	(2,300.00)		(15,000.00)	
Payment for Intangible assets	-		(7.92)	
Payment for Property, plant and equipment	(16.38)		(42.23)	
Proceeds from sale of Property, plant and equipment	-		0.65	
Net cash flow (used in)/from investing activities		(306.15)		4,489.25

STATEMENT OF CASH FLOW

for the year ended March 31, 2021

(₹ in Lacs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
C. Cash Flow from Financing Activities				
Proceeds from issue of Equity Share Capital	2,000.00		15,000.00	
Share issue costs	(0.10)		(7.50)	
Payment of principal portion of lease liability	(56.38)		(97.91)	
Interest expenses on lease liability	(15.61)		(23.77)	
Finance cost	(23.22)		(34.81)	
Net cash flow from financing activities		1,904.69		14,836.01
Net increase/(decrease) in cash and cash equivalents		(143.13)		311.10
Cash and cash equivalents at the beginning of the financial year (Refer Note 10)		544.20		233.10
Cash and cash equivalents at the end of the financial year (Refer Note 10)		401.07		544.20

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

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

For and on behalf of the Board of Directors

Ali Akbar
Partner
Membership No: 117839

Shobha Kapoor
(Chairperson)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : June 18, 2021

Jaya Bharani
(Company Secretary)

Place : Mumbai
Date : June 18, 2021

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2021

A. Equity share capital

Particulars	(₹ in lacs)
As at March 31, 2019	45,005.00
Changes in equity share capital during the year	15,000.00
As at March 31, 2020	60,005.00
Changes in equity share capital during the year	2,000.00
As at March 31, 2021	62,005.00

B. Other Equity

Particulars	Reserves and surplus	Share options outstanding account	Total
	Retained earnings/ (Deficit in statement of Profit and Loss)		
As at April 1, 2019	(22,837.87)	369.34	(22,468.53)
Adjustment consequent to adoption of Ind AS 116	(54.35)	-	(54.35)
Share Issue costs	(7.50)		(7.50)
Loss for the year	(11,138.96)		(11,138.96)
Other comprehensive income for the year	14.69		14.69
Employee stock option expense (Refer note 33)	-	(30.18)	(30.18)
As at March 31, 2020	(34,023.99)	339.16	(33,684.83)
As at April 1, 2020	(34,023.99)	339.16	(33,684.83)
Share Issue costs	(0.10)		(0.10)
Loss for the year	(14,619.63)		(14,619.63)
Other comprehensive income for the year	1.69		1.69
Employee stock option expense (Refer note 33)	-	(14.83)	(14.83)
As at March 31, 2021	(48,642.03)	324.33	(48,317.70)

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 in our report of even date

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

For and on behalf of the Board of Directors

Ali Akbar
Partner
Membership No: 117839

Shobha Kapoor
(Chairperson)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : June 18, 2021

Jaya Bharani
(Company Secretary)

Place : Mumbai
Date : June 18, 2021

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 its 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, 2020:

- COVID-19 related concessions – amendments to Ind AS 116

The amendment listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the future periods.

(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 31.

(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, subscription and service fee for content development from its customers. Some of the contracts include

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 Company recognises revenue from service fee for content development where IP is shared with the customer, as the services are performed.

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 company 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.

(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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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 are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivable
- Variable lease payments
- Amount expected to be payable by the company under residual value guarantee

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct cost and restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(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 produce/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.

Original web series are amortised on an accelerated basis considering the expected pattern of realisation of economic benefits and the expected viewing pattern associated with the content. The amortization begins when the series/episode is launched on the company's OTT platform.

For acquired web series and film rights, amortization is done on straight line basis over the period of the license.

For music, amortization starts when songs are being featured and utilized in web series till the end of license period.

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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(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.

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 35 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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.

(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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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.

(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:

- defined benefit plans such as gratuity;
- 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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

present value of the defined benefit 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 the statement of Profit and 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.

(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 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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

of these estimates and judgments is included below 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 Defined Benefit Obligation:

The Company's obligation on account of gratuity is determined based on actuarial valuation. 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 28.

- 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 of pattern of amortization of original web series:

The company periodically reviews the expected pattern of realization of economic benefits relating to original web series taking into account the to date and future expected viewing patterns. This reassessment may result in change in amortization of content in future periods on a prospective basis.

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 THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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, 2019	189.21	5.92	49.22	0.21	58.19	302.75
Additions	42.23	-	-	-	-	42.23
Disposals	5.54	-	-	-	-	5.54
Balance as at March 31, 2020	225.90	5.92	49.22	0.21	58.19	339.44
II. Accumulated Depreciation						
Balance as at April 1, 2019	(97.56)	(1.59)	(20.36)	(0.09)	(48.74)	(168.34)
Depreciation expense	(58.87)	(0.59)	(10.05)	(0.02)	(9.19)	(78.73)
Disposals	4.96	-	-	-	-	4.96
Balance as at March 31, 2020	(151.47)	(2.18)	(30.41)	(0.11)	(57.93)	(242.11)
III. Net Carrying Amount as at March 31, 2020	74.43	3.74	18.81	0.10	0.26	97.33

(₹ 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, 2020	225.90	5.92	49.22	0.21	58.19	339.44
Additions	13.46	-	2.93	-	-	16.38
Disposals	-	-	-	-	-	-
Balance as at March 31, 2021	239.36	5.92	52.15	0.21	58.19	355.82
II. Accumulated Depreciation						
Balance as at April 1, 2020	(151.47)	(2.18)	(30.41)	(0.11)	(57.93)	(242.11)
Depreciation expense	(50.75)	(0.59)	(9.50)	(0.02)	(0.26)	(61.13)
Disposals	-	-	-	-	-	-
Balance as at March 31, 2021	(202.22)	(2.77)	(39.91)	(0.13)	(58.19)	(303.23)
III. Net Carrying Amount as at March 31, 2021	37.15	3.15	12.23	0.08	(0.00)	52.60

Note 4.2 Intangible Assets

(₹ in Lacs)

Description of Assets	Computer Software	Total
I. Gross Carrying Amount		
Balance as at April 1, 2019	1,174.21	1,174.21
Additions	7.92	7.92
Disposals	-	-
Balance as at March 31, 2020	1,182.13	1,182.13
II. Accumulated Amortisation		
Balance as at April 1, 2019	(718.88)	(718.88)
Amortisation expense	(391.22)	(391.22)
Disposals	-	-
Balance as at March 31, 2020	(1,110.10)	(1,110.10)
III. Net Carrying Amount as at March 31, 2020	72.03	72.03

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 4.2 Intangible Assets (Contd..)

(₹ in Lacs)

Description of Assets	Computer Software	Total
I. Gross Carrying Amount		
Balance as at April 1, 2020	1,182.13	1,182.13
Additions	-	-
Disposals	-	-
Balance as at March 31, 2021	1,182.13	1,182.13
II. Accumulated Amortisation		
Balance as at April 1, 2020	(1,110.10)	(1,110.10)
Amortisation expense	(71.00)	(71.00)
Disposals	-	-
Balance as at March 31, 2021	(1,181.10)	(1,181.10)
III. Net Carrying Amount as at March 31, 2021	1.03	1.03

Note 5 Leases

This note provides information for leases where company is a lessee. The company leases office premises with a lease term of 6 to 7 years.

(i) The Balance Sheet shows following amounts relating to leases :

Right of use Asset

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Leasehold Premises	119.16	213.10
Total	119.16	213.10

Lease Liability

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current	114.84	106.07
Non-current	32.46	147.30
Total	147.30	253.37

(ii) Amount recognised in the statement of Profit and Loss

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Amortisation on right of use assets (Refer note 23)	93.94	94.20
Interest on Lease liabilities (Refer note 24)	15.61	23.77
Expenses relating to short term leases (Refer note 26)	-	0.71
Total	109.55	118.68

Total cash outflow for leases for the year ended March 31, 2021 was ₹ 71.99 lacs.(March 31, 2020 ₹ 121.68 lacs)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 6 Income tax assets (net)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Tax deducted at source	58.62	395.53
Total	58.62	395.53

Note 7 Inventories

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unamortised digital programs / film rights	11,338.42	9,410.73
Digital programs pending completion	7,707.53	4,783.76
Total	19,045.95	14,194.49

Note 8 Non-Current investments

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in fully paid equity shares (unquoted) (314 shares) in B.D Inno Ventures Pvt Ltd (carried at fair value through OCI). (Refer note 39)	1,500.00	-
Total	1,500.00	-

Current investments

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in mutual funds (Non Trade) (Unquoted) (Carried at fair value through Profit & Loss)	1,002.98	2,143.62
Total	1,002.98	2,143.62

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total investments		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	2,502.98	2,143.62
Aggregate amount of impairment in the value of investments	-	-
Total	2,502.98	2,143.62

Note 9 Trade receivables

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables from contract with customers	4,193.38	5,466.04
Less: Loss Allowance	(128.32)	(58.93)
Total	4,065.06	5,407.11

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 9 Trade receivables (Contd..)

Break-up of security details

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	4,193.38	5,466.04
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	-	-
Total	4,193.38	5,466.04
Loss allowance	(128.32)	(58.93)
Total	4,065.06	5,407.11

Note 10 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents:		
Cash on hand	0.31	-
Bank balances:		
- In current accounts	400.76	544.20
Total	401.07	544.20

Note 11 Loans

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current financial assets		
Security Deposits	38.46	34.82
Total	38.46	34.82

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	38.46	34.82
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Less: Loss allowance	-	-
Total	38.46	34.82

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 12 Other current financial assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good)		
Unbilled Revenue	122.82	1,511.59
Total	122.82	1,511.59

Note 13 Other non- current assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with government authorities	9,094.21	-
Total	9,094.21	-

Other current assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	6.67	65.95
Balances with government authorities	-	7,367.17
Advance to suppliers	2,894.43	2,026.49
Other receivables	688.08	4,477.32
Total	3,589.18	13,936.93

Note 14 Equity Share capital

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Authorised		
1,00,00,00,000 (Previous year 1,00,00,00,000) Equity shares of ₹ 10/- each	1,00,000.00	1,00,000.00
2,00,000 (Previous year 2,00,000) Preference shares of ₹ 10/- each	20.00	20.00
	1,00,020.00	1,00,020.00
(b) Issued subscribed and paid-up		
62,00,50,000 (Previous year 60,00,50,000) Equity shares of ₹ 10/- each, Fully paid-up	62,005.00	60,005.00
Total	62,005.00	60,005.00

Authorised Equity Share Capital Movement

Particulars	Number of shares	Amount (₹ in lacs)
As at 31 March 2019	1,00,00,00,000.00	1,00,000.00
Increase during the year	-	-
As at 31 March 2020	1,00,00,00,000.00	1,00,000.00
Increase during the year	-	-
As at 31 March 2021	1,00,00,00,000.00	1,00,000.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 14 Equity Share capital (Contd..)

Authorised Equity Share Capital Movement (Contd..)

Notes :

(i) Shares held by holding company/ultimate holding company

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
	No. of shares	No. of shares
Balaji Telefilms Limited (immediate and ultimate holding company)	62,00,50,000	60,00,50,000

(ii) Details of Equity shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Balaji Telefilms Limited	62,00,50,000	100%	60,00,50,000	100%

(iii) The reconciliation of the number of shares outstanding is set out below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	(₹ in Lacs)	No. of Shares	(₹ in Lacs)
Equity shares outstanding at the beginning of the year	60,00,50,000	60,005.00	45,00,50,000	45,005.00
Add: Issue of Equity Shares during the year	2,00,00,000	2,000.00	15,00,00,000	15,000.00
Equity shares outstanding at the end of the year	62,00,50,000	62,005.00	60,00,50,000	60,005.00

(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, 2021.

Note 15 Other Equity

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Retained Earnings	(48,642.03)	(34,023.99)
Share options outstanding account	324.33	339.16
Total	(48,317.70)	(33,684.83)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 15 Other Equity (Contd..)

Note 15.1 Retained earnings

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	(34,023.99)	(22,837.87)
Adjustment consequent to adoption of Ind AS 116	-	(54.35)
Share Issue Costs	(0.10)	(7.50)
Loss for the year	(14,619.63)	(11,138.96)
Other comprehensive income for the year (net of tax)	1.69	14.69
Balance at the year end	(48,642.03)	(34,023.99)

Note 15.2 Share options outstanding account

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	339.16	369.34
Add: Additions during the year (Refer note 33)	(14.83)	(30.18)
Balance at the year end	324.33	339.16

Note 16 Deferred tax liability (Refer Note 30)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax asset	(12.14)	(29.35)
Deferred tax liability	12.14	29.35
Total	-	-

(₹ in Lacs)

Particulars	For Year Ended March 31, 2021		
	Opening Balance	Charged/ (Credited) to Profit or Loss	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>			
Fair value of investments	20.76	(11.37)	9.39
Deferred payment to trade payable	8.59	(5.84)	2.75
	29.35	(17.21)	12.14
<u>Tax effect of items constituting deferred tax assets</u>			
Carried forward tax losses	29.35	17.21	12.14
	29.35	17.21	12.14
Net Tax Asset/(Liabilities)	0.00	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 16 Deferred tax liability (Refer Note 30) (Contd..)

(₹ in Lacs)

Particulars	For Year Ended March 31, 2020		
	Opening Balance	Charged/ (Credited) to Profit or Loss	Closing Balance
Tax effect of items constituting deferred tax liabilities			
Fair value of investments	206.39	(185.63)	20.76
Deferred payment to trade payable	17.92	(9.33)	8.59
	224.31	(194.96)	29.35
Tax effect of items constituting deferred tax assets			
Carried forward tax losses	224.31	194.96	29.35
	224.31	194.96	29.35
Net Tax Asset/(Liabilities)	-	-	-

Note 17 Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current		
(a) Trade payables: micro and small enterprises	-	-
(b) Trade payables: others	-	-
(b) Trade payables to related parties (Refer Note 27)	34.56	164.11
Total	34.56	164.11

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
(a) Trade payables: micro and small enterprises	229.57	22.22
(b) Trade payables: others	6,147.22	1,999.08
(c) Trade payables to related parties (Refer Note 27)	16,945.25	8,168.05
Total	23,322.03	10,189.35

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:

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	208.35	16.37
(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	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 17 Trade payables (Contd..)

Due to micro and small enterprises (Contd..)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(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	21.22	5.85
(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	37.63	10.83
(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	37.63	10.83

Note 18 Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory liabilities	230.50	112.05
Employee benefits payable	207.80	154.14
Deferred revenue/ Contract Liabilities	1,461.64	1,357.55
Total	1,899.94	1,623.74

Note 19 Revenue from operations

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Subscription income	5,404.75	3,705.06
Licensing of digital content rights	632.92	2,050.20
Service Income	20.31	1,960.47
Marketing income	53.99	59.18
Total	6,111.97	7,774.91

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 THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 20 Other income

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Unwinding of discount on security deposit	3.65	3.29
Net gain on investments mandatorily measured at fair value through profit and loss *	69.59	331.86
Gain on disposal of Fixed Assets	-	0.08
Income from rent concession	49.69	-
Interest on Income Tax Refund	31.03	-
Total	153.95	335.23

* Total net gain on investments mandatorily measured at fair value through profit and loss includes ₹ 114.77 lacs (Previous year ₹ 1,043.04 lacs) as net gain on sale of investments.

Note 21 Direct Cost

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amortisation of content	9,922.81	9,082.55
Dubbing & subtitling cost	10.19	86.04
Creative curation service fee	652.88	1,247.45
Total	10,585.88	10,416.04

Note 22 Employee Benefit Expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	750.13	1,077.71
Contributions to provident and other funds (Refer Note 28)	38.72	55.71
Gratuity (Refer Note 28)	8.84	11.33
Staff welfare expenses	1.96	5.36
Employee stock options expense	-	(99.33)
Total	799.65	1,050.78

Note 23 Depreciation and amortisation expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of property, plant and equipment (Refer Note 4.1)	61.13	78.73
Amortisation of Intangible assets (Refer Note 4.2)	71.00	391.22
Amortisation of Right of use Assets (Refer Note 5)	93.94	94.20
Total	226.07	564.15

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 24 Finance costs

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on deferred payment	23.22	34.81
Interest on Lease Liabilities (Refer Note 5)	15.61	23.77
Total	38.83	58.58

Note 25 Marketing Expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Marketing Expenses	4,600.95	3,043.68
Total	4,600.95	3,043.68

Note 26 Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Power and fuel	16.07	21.10
Rent including lease rentals	-	0.71
Repairs and maintenance - Others	11.44	8.48
Rates and taxes	142.30	130.66
Communication expenses	16.23	18.42
Legal and professional charges (Refer note 26.1)	1,296.47	1,032.24
Cross charge by Parent Company	427.53	784.81
Travelling and conveyance expenses	-	11.34
Digital space charges	1,291.48	958.96
Software expenses	236.13	233.01
Directors sitting fees	18.00	16.75
License and hosting fees	685.55	383.06
Foreign exchange loss (Net)	(6.48)	6.36
Provision for bad and doubtful debts	69.39	58.93
Sales Commission	379.04	405.47
Miscellaneous expenses	51.02	45.57
Total	4,634.17	4,115.86

Note 26.1 Details of auditors remuneration (included in Legal and Professional charges)

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As Auditors:		
Audit fee	16.50	16.50
Other services-certification etc.	-	6.17
Reimbursement of expenses	-	0.13
Total	16.50	22.80

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 27 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 (till October 21,2020)
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
Creative curation service fee	652.88		
	(1,247.45)		
Cross Charge (Reimbursement of Expenses)	442.36		
	(898.55)		
Employee stock option expense (Refer note 33)	(14.83)		
	(30.18)		
Director Sitting Fees			
D G Rajan		6.00	
		(6.00)	
Devender Kumar Vasal		6.00	
		(6.00)	
V B Dalal		6.00	
		(4.75)	
Artist Fees			
Tusshar Kapoor		-	
		(47.25)	
Issue of Shares	2,000.00		
	(15,000.00)		
Purchase of Content (Web Series & Films)	7,691.69		
	(10,243.33)		
Marinating Films Private Limited			-
			(50.00)
Marketing Expenses	141.53		
	(118.86)		
Interest on deferred payment	23.22		
	(34.81)		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 27 Related Party Transactions (Contd..)

(c) Closing balances as at year end

(₹ in Lacs)

Nature of Transactions	Holding Company	Key Management Person & Relative of KMP	Fellow Subsidiary
Trade payable	16,979.81	-	-
	(8,332.16)	-	-

Note 28 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 ₹ 38.72 lakhs (Previous year ₹ 55.71 lakhs)

(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:

(₹ in Lacs)

Particulars	Valuation as at	
	March 31, 2021	March 31, 2020
Discount rate	5.18%	5.45%
Salary growth rate (For the next 1st year)	5.00%	0.00%
Salary growth rate (Starting from the 2nd year)		10.00%
Rate of Employee Turnover	25.00%	25.00%
Mortality Rate during employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 28 Employee benefits (Contd..)

(b) Defined Benefit Plans: (Contd..)

Defined benefit plans – as per actuarial valuation on March 31, 2021

(₹ in Lacs)

Particulars	Funded Plan	
	Gratuity	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Actuarial (Gains)/Losses on Obligation for the year	(0.35)	(15.19)
Return on Plan Assets, Excluding Interest Income	(1.33)	0.50
Net (Income)/Expense for the year recognised in other comprehensive income (OCI)	(1.69)	(14.69)
Expense Recognised in the Statement of Profit and Loss		
Current Service Cost	9.66	11.64
Net interest cost	(0.82)	(0.31)
Expenses Recognized	8.84	11.33
I. Net Asset/(Liability) recognised in the Balance Sheet		
1. Present value of defined benefit obligation at the end of the year	(36.78)	(26.88)
2. Fair value of plan assets at the end of the year	44.59	41.85
3. Surplus/(Deficit)	7.82	14.97
4. Net (liability)/ Asset	7.82	14.97
5. Net liability recognised in the Balance sheet (Refer note below)	-	-
II. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	26.88	30.74
2. Expenses Recognised in Statement of Profit or Loss		
- Current Service Cost	9.66	11.64
- Interest Expense/(Income)	1.47	2.08
(Benefit paid from the Fund)	(0.87)	(2.37)
3. Actuarial (Gains)/ Losses on Obligations - Due to change in Demographic Assumptions	-	-
4. Actuarial (Gains)/ Losses on Obligations - Due to change in Financial Assumptions	(3.29)	(0.88)
5. Actuarial (Gains)/ Losses on Obligations- Due to experience	2.94	(14.31)
6. Present value of defined benefit obligation at the end of the year	36.78	26.88
III. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	41.85	35.26
2. Contributions by employer	-	7.08
3. Benefits paid from the fund	(0.87)	(2.37)
3. Interest Income	2.28	2.38
4. Return on Plan Assets, excluding Interest Income	1.33	(0.50)
5. Fair value of plan assets at the end of the year	44.59	41.85

Note:- Since the plan assets are contributed to insurer managed fund, the company does not have a right to get refund on any excess contribution made. Accordingly no asset is recognised.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 28 Employee benefits (Contd..)

(b) Defined Benefit Plans: (Contd..)

Defined benefit plans – as per actuarial valuation on March 31, 2021 (Contd..)

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
The sensitivity of the defined benefit obligation to the weighted principle assumptions is:		
Projected Benefit Obligation on Current Assumptions	36.78	26.88
Delta Effect of +1% Change in Rate of Discounting	(1.20)	(1.19)
Delta Effect of -1% Change in Rate of Discounting	1.29	1.30
Delta Effect of +1% Change in Rate of Salary Increase	1.28	1.26
Delta Effect of -1% Change in Rate of Salary Increase	(1.21)	(0.93)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.33)	(0.71)
Delta Effect of -1% Change in Rate of Employee Turnover	0.34	0.74

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 ₹ 0.52 Lakhs (Previous year ₹ Nil) 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, 2021	March 31, 2020
1st Following year	5.54	1.09
2nd Following year	6.35	3.46
3rd Following year	6.43	4.29
4th Following year	5.53	4.47
5th Following year	4.70	4.07
Sum of Years 6 to 10	11.69	11.92
Sum of Years 11 and above	4.49	6.35

Plan Assets

The fair value of Company's pension plan asset as of March 31, 2021 and March 31, 2020 by category are as follows:

(₹ in Lacs)

	As at March 31, 2021	As at March 31, 2020
Asset category:		
Insurer managed funds	44.59	41.85
	100%	100%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 28 Employee benefits (Contd..)

(b) Defined Benefit Plans: (Contd..)

Plan Assets (Contd..)

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.

29 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, 2021	For the year ended March 31, 2020
(a) (Loss) for the year attributable to equity share holders (₹ in lacs)	(14,619.63)	(11,138.96)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	60,97,48,630	55,05,29,452
(c) Loss per share - Basic and diluted (₹) (a / b)	(2.40)	(2.02)
(d) Nominal value of shares (₹)	10	10

30 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 ₹ 12,255.24 lacs (previous year ₹ 8,620.54 lacs) as at March 31, 2021. 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.

31 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 ₹ 704.98 lacs during the year ended March 31, 2021 are derived from major six external customer.

Revenue of approximately ₹ 4,000.75 lacs during the year ended March 31, 2020 are derived from major six external customer.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

32 As at March 31, 2021 the Company has accumulated losses of ₹ 48,642.03 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, 2021 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 its financial obligations as they fall due for payment for at least 12 months from the date of signatures of these financial statements.

33 Share Based Payments

Certain employees of the Company were allotted employee stock options of the Holding Company. Currently there are no employees of the Company who hold any ESOP. 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, An 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 Mode.

(i) Expense arising from share based payment transaction

(₹ in Lacs)		
Particular	March 31, 2021	March 31, 2020
Employee Stock Option Expenses	(14.83)	(30.18)

The above Employee Stock Option Expenses reversal of ₹ 14.83 lacs (March 31, 2020 ₹ 30.18 lacs) is included in the statement of Profit and Loss as under-

(₹ in Lacs)		
Particular	March 31, 2021	March 31, 2020
Employee stock options expense (Refer Note 22)	-	(99.33)
Cross charge by Parent Company (Refer Note 27)	(14.83)	69.15
Total	(14.83)	(30.18)

34 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, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Non-Current Financial assets						
Investments	-	1,500.00	-	-	-	-
Current financial assets						
Investments	1,002.98	-	-	2,143.62	-	-
Trade receivables	-	-	4,065.06	-	-	5,407.11
Cash and cash equivalents	-	-	401.07	-	-	544.20
Loans	-	-	38.46	-	-	34.82
Other financial assets	-	-	122.82	-	-	1,511.59

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

34 Fair Value Measurements (Contd..)

(₹ in Lacs)

	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Total Financial Assets	1,002.98	1,500.00	4,627.41	2,143.62	-	7,497.72
Non-Current Financial Liabilities						
Trade payables	-	-	34.56	-	-	164.11
Current Financial Liabilities						
Trade payables	-	-	23,322.03	-	-	10,189.36
Other financial liabilities	-	-	-	-	-	-
Total Financial Liabilities	-	-	23,356.59	-	-	10,353.47

(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 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, 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Funds investments	1,002.98	-	-	1,002.98
Investments in B.D Inno Ventures Pvt Ltd			1,500.00	1,500.00
Total Financial Assets	1,002.98	-	1,500.00	2,502.98

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2021	Level 1	Level 2	Level 3	Total
Non-current liabilities				
Trade Payables	-	-	34.99	34.99
Total Financial Liabilities	-	-	34.99	34.99

(₹ in Lacs)

Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2020	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Funds	2,143.62	-	-	2,143.62
Total Financial Assets	2,143.62	-	-	2,143.62

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

34 Fair Value Measurements (Contd..)

(i) Fair Value hierarchy (Contd..)

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2020	Level 1	Level 2	Level 3	Total
Non-current liabilities				
Trade Payables	-	-	166.17	166.17
Total Financial Liabilities	-	-	166.17	166.17

The carrying value of trade receivables, cash and cash equivalents, current loans, current trade payables and other financial 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. Mutual funds are valued at the closing NAV.

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:

- The mutual funds are valued using closing NAV available from issuer of Mutual Fund.

(iii) Fair value of financial assets and liabilities measured at amortised cost

(₹ in Lacs)

Particulars	March 31, 2021		March 31, 2020	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Non Current Financial Liabilities				
Trade Payables	34.56	34.99	164.11	166.17

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 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 counterparties 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, 2021 and March 31, 2020 is the carrying value of each class of financial assets as disclosed in note 34.

Security deposits given to lessors

The Company has given security deposit to lessors for premises leased by it as at March 31, 2021 and March 31, 2020. 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.

The Company measures the expected credit loss of trade receivables 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Financial Risk Management (Contd..)

Risk management framework (Contd..)

(A) Credit Risk (Contd..)

(i) Credit Risk Management (Contd..)

Trade receivables (Contd..)

The Company 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: (₹ in Lacs)

Particulars	March 31, 2021		March 31, 2020	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivables	4,193.38	(128.32)	5,466.04	(58.93)
Loans	38.46	-	34.82	-
Unbilled Revenue	122.82	-	1,511.59	-

The following table summarises the changes in the provisions made for the receivables:

Particulars	(₹ in Lacs)	
	March 31, 2021	March 31, 2020
Opening balance	(58.93)	-
Provided during the year (net of write off)	(69.39)	(58.93)
Reversals of provisions	-	-
Closing balance	(128.32)	(58.93)

Of the Trade Receivables balance as at March 31, 2021 of ₹4,065.06 lacs (as at March 31, 2020 of ₹5,407.11 lacs), the top 3 customers of the company represent the balance of ₹4,043.62 lacs as at March 31, 2021 (as at March 31, 2020 of ₹5,331.40 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Financial Risk Management (Contd..)

Risk management framework (Contd..)

(B) Liquidity Risk (Contd..)

(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 year	More than 1 year	Total
March 31, 2021				
Trade payables	23,322.03	-	34.56	23,356.59
Other Financial Liabilities	-	-	-	-
Total financial liabilities	23,322.03	-	-	23,356.59

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 year	More than 1 year	Total
March 31, 2020				
Trade payables	10,189.36	-	164.11	10,353.47
Other Financial Liabilities	-	-	-	-
Total financial liabilities	10,189.36	-	-	10,353.47

(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.

As at March 31, 2021, 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 ₹ Nil lacs and ₹ Nil (March 31, 2020 ₹ 111.40 lacs and ₹21.64 lacs)

(b) Interest rate risk

The Company does not have any borrowings and is thus not exposed to interest rate risk as at March 31, 2021 (Previous year Nil).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Financial Risk Management (Contd..)

Risk management framework (Contd..)

(C) Market Risk(Contd..)

(c) Price risk

(i) Exposure

The company's exposure to price risk 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, 2021	March 31, 2020
Net asset value - Increase 5% (March 31, 2020 5%)*	50.15	107.18
Net asset value - Decrease 5% (March 31, 2020 5%)*	(50.15)	(107.18)

*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.

36 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.

37 Times Internet Limited has filed a suit in the Delhi High Court for specific performance of the content Distribution License. Times Internet has further claimed for damages to the tune of ₹ 3,162.57 lacs. The company has accordingly filed a written statement denying claim of specific performance and damages and the same is not acknowledged as debt.

38 The COVID-19 pandemic and the resultant lockdown declared by the Government from time to time has adversely impacted the entire media and entertainment industry and consequently, the business activities of the Company are also affected. The Company has resumed its operations as per the directives and permissions of the State Government and other statutory and trade bodies. The resumption of business has been undertaken with the required precautions stipulated by the authorities.

The Company's Management has done an assessment of the situation, including the liquidity position and the recoverability and carrying value of all its assets and liabilities as at March 31, 2021 and concluded that there

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

were no material adjustments required in the financial statements as on March 31, 2021. However, the impact assessment of COVID-19 is a continuing process given the uncertainty associated with its nature and duration. The Company will continue to monitor any material changes as the situation evolves.

39 On October 6, 2020, the Company made investment in B. D. Inno Ventures Pvt Ltd (“BD Inno”) amounting to ₹ 1500 lacs for 314 equity shares which has led to 19% shareholding in B D Inno. The valuation was determined through independent valuation experts, by the management at the time of making the investment. The investment being long term in nature, management has elected to recognize the same at Fair Value through Other Comprehensive Income (FVOCI). As at March 31, 2021, the Company has assessed Fair Value to be the same as Investment date value.

Signatures to note 1 to 39

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

Ali Akbar
Partner
Membership No: 117839

Place : Mumbai
Date : June 18, 2021

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Jaya Bharani
(Company Secretary)

Place : Mumbai
Date : June 18, 2021

MARINATING FILMS PRIVATE LIMITED

BOARD'S REPORT

The Directors present the 10th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2021.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

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

(₹ in Lacs)

Particulars	2020-21	2019-20
Income from operations	-	1,106.83
Total expenditure	3.43	1,209.82
Operating (Loss)	(3.43)	(102.99)
Less: Interest	-	-
Less: Depreciation	-	-
Operating (Loss) after interest and depreciation	(3.43)	(102.99)
Add: Other Income	6.21	7.86
Profit/(Loss) before tax	2.78	(95.13)
Provision for tax	-	-
Net Profit/(Loss) after tax	2.78	(95.13)
Other Comprehensive Income	-	-
Balance brought forward from previous year	(648.03)	(552.90)
Conversion of preference shares into equity	-	-
Balance carried to the Balance Sheet	(645.25)	(648.03)

RESULTS OF OPERATIONS

During the year under review, the Company has reported profit of ₹ 2.78 Lacs as against loss of ₹ 95.13 Lacs in the previous fiscal.

DIVIDEND

Considering the small profit made 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.

BORROWINGS

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

SHARE CAPITAL

The paid-up Share Capital of the Company as on March 31, 2021 was ₹ 4,46,00,000/- (Rupees Four Crores Forty-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. During the year under review, 2,450 Equity shares were transferred by Mr. Anand Mishra to Balaji Telefilms Limited and Mrs. Shobha Kapoor (Nominee of Balaji Telefilms Limited.) Therefore as on March 31, 2021 the Company is a wholly owned subsidiary of Balaji Telefilms Limited.

DEBENTURES

The Company has 32,50,000 Zero Percent Compulsorily Convertible Debentures of the face value of ₹ 10/- each at par as on March 31, 2021.

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, the 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

Impact of Covid-19

The COVID-19 pandemic and the resultant restrictions declared by the Central and State Government from time to time has adversely impacted the entire media and entertainment industry and consequently, the business activities of the Company are also affected.

The Company's Management has done an assessment of the situation, including the liquidity position and the recoverability and carrying value of all its investments, other assets and liabilities as at March 31, 2021 and concluded that there were no material adjustments required in the financial statements as on March 31, 2021. However, the impact assessment of COVID-19 is a continuing process given the uncertainty associated with its nature and duration. The Company will continue to monitor any material changes as the situation evolves.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

Retire by rotation and subsequent re-appointment

Mr. Devender Kumar Vasal, 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(s) 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.

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

Since there are no Independent Directors on the Board of the Company as on March 31, 2021, there was no requirement to receive Independence declaration under Section 149(7) of the Companies Act, 2013.

AUDITORS

STATUTORY AUDIT

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Members at the 6th Annual General Meeting (AGM) held on August 31, 2017 had approved the appointment of M/s. Price Water Chartered Accountants LLP for a term of 5 (five) consecutive years, to hold office till the conclusion of the AGM to be held for the financial year 2021-22 of the Company. M/s. Price Waterhouse Chartered Accountants LLP have confirmed that they are not disqualified from continuing as Auditors of the Company.

Statutory Auditor have included Emphasis of Matter drawing Members attention to Note No 25 of Financial Statement, in connection with uncertainties and the management's assessment of the financial impact due to the restrictions and other conditions related to the Covid-19 pandemic situation.

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 & 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 of the Companies Act, 2013 as applicable to the Company.

AUDIT REPORTS

The Report given by the Auditors on the financial statement 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 July 22, 2020, September 14, 2020, November 09, 2020 & February 11, 2021. The intervening gap between two Board Meetings did not exceed 120 days except a gap of 160 days between Board Meetings of February 12, 2020 and July 22, 2020 which was caused due to COVID-19 pandemic and nationwide lockdown and was in compliance with MCA Circular dated March 24, 2020.

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 COMMITTEES

The provisions of Section 177, 178 & 135 of the Companies Act, 2013 with respect to constitution of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee are not applicable to the Company.

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

The provisions of Section 135 of the Companies Act, 2013 relating to formulation of Corporate

Social Responsibility Policy are not applicable to the Company. However, the Corporate Social Responsibility Policy adopted by the Board of Balaji Telefilms Limited (Holding Company) is applicable to all its subsidiaries.

OTHER DISCLOSURES

i) EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return is appended as Annexure I, which forms part of the Board's Report and a copy of Annual Return is also available on the website of the Company at http://www.balajitelefilms.com/annual_return.php as per Section 92 of the Companies Act, 2013.

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 instance of fraud 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 Holding Company i.e. Balaji Telefilms Limited 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 which is applicable to all its subsidiaries. However, since there are no employees on the payroll of the Company, the same is not applicable.

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 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

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 and Non-Executive 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 and Non-Executive 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, 2021, 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, 2021 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 were 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

Place: Mumbai
Date: June 18, 2021

Sd/-
Shobha Kapoor
 Chairperson
DIN: 00005124

ANNEXURE I

EXTRACT OF ANNUAL RETURN

As on financial year ended 31.03.2021

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-400053, Maharashtra. Tel: +91-022-40698000, Fax: +91-022-40698181/82 Email: sanjay.dwivedi@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 (W), Mumbai-400053, Maharashtra.	L99999MH1994PLC082802	Holding Company	100	2(46)

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

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2020				No. of Shares held at the end of the year i.e. March 31, 2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2,450	0	2,450	0.05	1*	0	1*	0	-0.05
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	44,57,550	0	44,57,550	99.95	44,59,999	0	44,59,999	100	0.05
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)	44,60,000	0	44,60,000	100.00	44,60,000	0	44,60,000	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)	44,60,000	0	44,60,000	100.00	44,60,000	0	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) FIs	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 Corp.	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 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)	44,60,000	0	44,60,000	100.00	44,60,000	0	44,60,000	100.00	0

Note:

*Shares are held in the capacity of nominee shareholder on behalf of Balaji Telefilms Limited.

- Change in shareholding is pursuant to Members inter-se transfer of shares from Mr. Anand Mishra to Balaji Telefilms Limited and Mrs. Shobha Kapoor (Nominee of Balaji Telefilms Limited).

ii) Shareholding of Promoter:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e April 01, 2020			Shareholding at the end of the year i.e. March 31, 2021			% 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	44,57,550	99.95	0	44,59,999	100	0	0.05
2.	Mr. Anand Mishra	2,450	0.05	0	0	0	0	-0.05
3.	Mrs. Shobha Kapoor	0	00	0	1	0	0	0
Total		44,60,000	100.00	0	44,60,000	100.00	0	0

Notes:

- Change in shareholding is pursuant to Members inter-se transfer of shares from Mr. Anand Mishra to Balaji Telefilms Limited and Mrs. Shobha Kapoor (Nominee of Balaji Telefilms Limited) during the financial year 2020-21.
- Mrs. Shobha Kapoor, Promoter Director of the Company is holding 1 share of the Company as a Nominee of Balaji Telefilms Limited as on March 31, 2021.
- Ms. Ekta Kapoor, Promoter Director of the Company did not hold any shares of the Company as on March 31, 2021 during the financial year 2020-21.

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	44,57,550	99.95	44,57,550	99.95
	Transfer of shares by Mr. Anand Mishra on November 10, 2020	2,449	0.05	44,59,999	100
	Sold during the year	-	-	44,59,999	100
	At the end of the year	44,59,999	100	44,59,999	100
2.	Anand Mishra				
	At the beginning of the year	2,450	0.05	2,450	0.05
	Bought during the year	-	-	2,450	0.05
	Transfer of shares to Balaji Telefilms Limited on November 10, 2020	2,449	0.05	1	0
	Transfer of shares to Mrs. Shobha Kapoor (Nominee of Balaji Telefilms Limited) on November 10, 2020	1	0	0	0
	At the end of the year	0	0	0	0
3.	Shobha Kapoor				
	At the beginning of the year	0	0	0	0
	Transfer of shares by Mr. Anand Mishra on November 10, 2020	1	0	1	0
	Sold during the year	-	-	1	0
	At the end of the year	1	0	1	0

Note: 1. Change in shareholding is pursuant to Members inter-se transfer of shares from Mr. Anand Mishra to Balaji Telefilms Limited and Mrs. Shobha Kapoor (Nominee of Balaji Telefilms Limited).

- Ms. Ekta Kapoor, Promoter Director did not hold any shares during the financial year 2020-21.

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 Director	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. Mrs. Shobha Kapoor					
	At the beginning of the year	0	0	0	0
	Transfer of Shares by Mr. Anand Mishra's Account	1	0	1	0
	Sold during the year	-	-	1	0
	At the end of the year	1	0	1	0

Note:

- Mrs. Shobha Kapoor, Promoter Director of the Company is holding 1 share of the Company as a Nominee of Balaji Telefilms Limited pursuant to Members inter-se transfer of shares from Mr. Anand Mishra.
- Ms. Ekta Kapoor, Promoter Director and Mr. Devender Kumar Vasal, Director did not hold any shares in the Company during the financial year 2020-21.
- The provisions of Section 203 of the Companies Act, 2013 for the appointment of Key Managerial Personnel (KMP) 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 2020-21.

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	Non- Executive Directors	Shobha Kapoor	Ekta Kapoor	Devender Kumar Vasal	
	Fee for attending Board and Committee Meetings	-	-	1.0	1.0
	Commission	-	-	-	-
	Others	-	-	-	-
	Total	-	-	1.0	1.0
	Total Managerial Remuneration (A+B)				1.0
	Ceiling as per Act (per annum)	N.A.			

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, if any, during the year.

For and on behalf of the Board of Directors

Sd/-

Shobha Kapoor

Chairperson

DIN: 00005124

Place: Mumbai

Date: June 18, 2021

ANNEXURE II

FORM AOC-2

PARTICULARS OF CONTRACTS /ARRANGEMENTS / TRANSACTIONS MADE WITH RELATED PARTIES

For the financial year ended March 31, 2021

[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, 2021 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 – 400053 by the Company as its Registered Office without any payment of rent.	On-going	-	In order to curtail the expenses and maximize profits, the Company has entered into this arrangement with its Holding Company.	Since 2 out of 3 Directors were interested in this transaction, the requirement of quorum could not be fulfilled and hence Members Approval was sought at the AGM.	N.A.	August 30, 2019

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, 2021, 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: June 18, 2021

Financial Statements

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, 2021, 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, 2021, 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.

Emphasis of Matter

4. We draw your attention to Note 25 to the financial statements which explains the uncertainties and the management's assessment of the financial impact due to the restrictions and other conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact of the event in the subsequent period is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board'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

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 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.

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.

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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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, 2021.
 - 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, 2021.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.
13. The Company has not paid/provided for managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

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

Ali Akbar

Partner

Place: Mumbai
Date: June 18, 2021

Membership Number: 117839
UDIN: 21117839AAAABA2321

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Marinating Films Private Limited on the financial statements for the year ended March 31, 2021

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, 2021 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

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 control 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, 2021, 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. Also refer paragraph 4 of our main audit report.

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

Ali Akbar

Partner

Place: Mumbai
Date: June 18, 2021

Membership Number: 117839
UDIN: 21117839AAAABA2321

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 11 of the Independent Auditor's Report of even date to the members of Marinating Films Private Limited on the financial statements for the year ended March 31, 2021

- 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 into the business of event management relating to films and television industry and accordingly, does not hold inventory (i.e. goods). Therefore, the provisions of Clause 3(ii) of the said 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 of the Act. 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, cess 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. According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of dues to debenture holders as at the balance sheet date. The Company does not have any loans or borrowing from any financial institution or bank or Government as at the balance sheet date, accordingly, to this extent, 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 explanation 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 during the year. Accordingly, the provision of Clause 3(xi) of the Order are not applicable to the Company. Also refer paragraph 13 of our main audit report.
- 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 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

Ali Akbar

Partner

Place: Mumbai

Membership Number: 117839

Date: June 18, 2021

UDIN: 21117839AAAABA2321

BALANCE SHEET

as at March 31, 2021

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Current tax asset (net)	4	97.86	110.90
Total Non-current Assets		97.86	110.90
Current assets			
(a) Financial assets			
(i) Investments	5	79.30	74.13
(ii) Trade receivables	6	-	-
(iii) Cash and cash equivalents	7	13.38	12.66
(b) Other current assets	8	120.44	120.80
Total Current Assets		213.12	207.59
Total Assets		310.98	318.49
EQUITY AND LIABILITIES			
Equity			
(a) Share capital	9A	446.00	446.00
(b) Instrument entirely equity in nature	9B	325.00	325.00
(c) Other Equity			
- Reserves & Surplus	10	(645.25)	(648.03)
Total Equity		125.75	122.97
Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(a) total outstanding dues of micro and small enterprises	11	-	-
(b) total outstanding dues other than (i) (a) above	11	11.77	22.06
(b) Other current liabilities	12	173.46	173.46
Total Current Liabilities		185.23	195.52
Total Equity and Liabilities		310.98	318.49

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

For and on behalf of the Board of Directors

Ali Akbar
Partner
Membership No: 117839

Shobha Kapoor
(Chairperson)
DIN: 00005124

Place : Mumbai
Date : June 18, 2021

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : June 18, 2021

STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2021

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
1 Revenue from operations	13	-	1,106.83
2 Other income	14	6.21	7.86
3 Total Income (1+2)		6.21	1,114.69
4 Expenses			
Cost of Production / Acquisition and Telecast Fees	15	-	1,058.89
Marketing expense		-	8.60
Other expenses	16	3.43	142.33
Total Expenses		3.43	1,209.82
5 Profit/(Loss) before tax (3-4)		2.78	(95.13)
6 Income tax expense			
- Current tax		-	-
- Deferred tax		-	-
Total tax expense		-	-
7 Profit/(Loss) for the year (5-6)		2.78	(95.13)
8 Other comprehensive income		-	-
9 Total comprehensive income for the year (7+8)		2.78	(95.13)
10 Basic & Diluted earnings/(loss) per share (in ₹)	18	0.04	(1.23)
(Face value of ₹ 10 each)			

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

For and on behalf of the Board of Directors

Ali Akbar
Partner
Membership No: 117839

Shobha Kapoor
(Chairperson)
DIN: 00005124

Place : Mumbai
Date : June 18, 2021

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : June 18, 2021

STATEMENT OF CASH FLOWS for the year ended March 31, 2021

(₹ in Lacs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
A. Cash Flow from Operating Activities				
Profit/(Loss) before tax		2.78		(95.13)
Adjustments for				
Interest on income tax refund	(1.04)		(0.59)	
Provision for Bad and Doubtful Debts	-		116.19	
Profit on fair valuation of current investments	(5.17)		(5.20)	
Creditors written back	-	(6.22)	(1.47)	108.94
Operating Loss before working capital changes		(3.44)		13.80
Decrease in trade receivables	-		12.38	
Decrease in other current assets	0.36		4.83	
(Decrease) / Increase in trade payables	(10.29)		2.32	
Increase/ (Decrease) in other current liabilities	-	(9.92)	(64.05)	(44.53)
		(13.36)		(30.72)
Income taxes (paid)/refund received		14.08		(15.98)
Net cash flow from/(used in) operating activities (A)		0.72		(46.70)
B. Cash Flow from Investing Activities				
Net cash flow from / (used in) investing activities (B)		-		-
C. Cash Flow from Financing Activities				
Net cash flow from financing activities (C)		-		-
Net increase / (decrease) in cash and cash equivalents (A+B+C)		0.72		(46.70)
Cash and cash equivalents at the beginning of the financial year (Refer note 7)		12.66		59.36
Cash and cash equivalents at the end of the financial year (Refer note 7)		13.38		12.66

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

For and on behalf of the Board of Directors

Ali Akbar
Partner
Membership No: 117839

Shobha Kapoor
(Chairperson)
DIN: 00005124

Place : Mumbai
Date : June 18, 2021

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : June 18, 2021

STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2021

A. Equity Share Capital

Particulars	(₹ in lacs)
As at April 01, 2019	446.00
Changes in equity share capital during the year	-
As at March 31, 2020	446.00
As at April 1, 2020	446.00
Changes in equity share capital during the year	-
As at March 31, 2021	446.00

B. Instrument entirely equity in nature - Compulsory Convertible Debentures

Particulars	(₹ in lacs)
As at April 01, 2019	325.00
Changes in Compulsory Convertible Debentures during the year	-
As at March 31, 2020	325.00
As at April 1, 2020	325.00
Changes in Compulsory Convertible Debentures during the year	-
As at March 31, 2021	325.00

C. Other Equity

Particulars	Reserves and surplus	Total other equity
	Retained earnings / (Deficit in statement of Profit & loss)	
As at April 01, 2019	(552.90)	(552.90)
Loss for the year	(95.13)	(95.13)
As at March 31, 2020	(648.03)	(648.03)
As at April 1, 2020	(648.03)	(648.03)
Profit for the year	2.78	2.78
As at March 31, 2021	(645.25)	(645.25)

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 on even date.

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

For and on behalf of the Board of Directors

Ali Akbar
Partner
Membership No: 117839

Shobha Kapoor
(Chairperson)
DIN: 00005124

Place : Mumbai
Date : June 18, 2021

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : June 18, 2021

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

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 realization in cash and cash equivalents, the Company has ascertained its 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.

(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 20 for segment information presented.

(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 performance obligation for 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 Company 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 THE FINANCIAL STATEMENTS for the year ended March 31, 2021

(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.

(e) 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.

(f) 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.

(g) 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.

(h) 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

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
- 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 22(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.

(i) 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.

(j) Impairment of assets

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

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.

(k) 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.

(l) 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.

(m) 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.

(n) 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 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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

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 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 4 Current tax assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Tax deducted at source	97.86	110.90
Total	97.86	110.90

Note 5 Current Investments (Unquoted)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in Mutual Fund (Non Trade) (Carried at fair value through profit and loss)	79.30	74.13
Total	79.30	74.13

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total current investments		
Aggregate amount of quoted investments at market value thereof	-	-
Aggregate amount of unquoted investments	79.30	74.13
Aggregate amount of impairment in the value of investments	-	-

Note 6 Trade receivables

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivable from contract with customers	143.77	143.77
Trade Receivable from contract with customers - Related party	-	-
Less: Loss allowance	(143.77)	(143.77)
Total	-	-

Break up of security details

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	143.77	143.77
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	143.77	143.77
Loss allowance	(143.77)	(143.77)
Total trade receivable	-	-

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 ₹ 143.77 lacs (March 31, 2020 ₹ 143.77 lacs) towards doubtful receivables.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 7 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- in current accounts	13.38	12.66
Total	13.38	12.66

Note 8 Other current assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with government authorities	105.90	113.24
Advance to vendors	14.54	7.56
Total	120.44	120.80

Note 9 Share capital

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Authorised		
105,50,000 (Previous year 105,50,000) Equity Shares of ₹10/- each	1,055.00	1,055.00
44,50,000 (Previous year 44,50,000) Redeemable Preference Shares of ₹10 each	445.00	445.00
	1,500.00	1,500.00
(b) Issued, Subscribed and fully paid up		
44,60,000 (Previous year 44,60,000) Equity Shares of ₹10/- each	446.00	446.00
	446.00	446.00

Note 9A Equity share capital

(i) Movement in Equity Share Capital:

Authorised Share Capital

Particulars	Number of shares	(₹ in lacs)
As at March 31, 2019	1,05,50,000	1,055
Increase during the year	-	-
As at March 31, 2020	1,05,50,000	1,055
Increase during the year	-	-
As at March 31, 2021	1,05,50,000	1,055

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 9A Equity share capital (Contd..)

(i) Movement in Equity Share Capital: (Contd..)

Issued, Subscribed and fully paid up

Particulars	Number of shares	(₹ in lacs)
As at March 31, 2019	44,60,000	446
Increase during the year	-	-
As at March 31, 2020	44,60,000	446
Increase during the year	-	-
As at March 31, 2021	44,60,000	446

(ii) Shares held by holding company / ultimate holding company :

Particulars	As at March 31, 2021	As at March 31, 2020
	No. of shares	No. of shares
Balaji Telefilms Limited (immediate and ultimate holding company)	44,59,999	44,57,550

(iii) Details of Equity Shares held by each shareholder holding more than 5% Equity Shares:

Name of Equity Shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Balaji Telefilms Limited	44,59,999	100.00%	44,57,550	99.95%

(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, 2021.

Note 9B Instruments entirely equity in nature - Compulsory Convertible Debentures

Particulars	Numbers	(₹ in lacs)
As at March 31, 2019	32,50,000	325
Increase during the year	-	-
As at March 31, 2020	32,50,000	325
Increase during the year	-	-
As at March 31, 2021	32,50,000	325

32,50,000 Zero Percent Compulsorily Convertible Debentures (CCD) of ₹ 10 each were allotted on June 21, 2018 for cash consideration to Balaji Telefilms Limited (immediate and ultimate holding company). The CCD shall be converted into equity shares after 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 10 Reserves & Surplus

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Retained earnings / (Deficit in statement of Profit & loss)	(645.25)	(648.03)
Total	(645.25)	(648.03)

Note 10.1 Retained earnings / (Deficit in statement of Profit & loss)

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at beginning of year	(648.03)	(552.90)
Profit / (Loss) for the year	2.78	(95.13)
Balance at end of the year	(645.25)	(648.03)

Note 11 Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current		
Trade payables: micro and small enterprises	-	-
Trade payables : others	11.77	12.08
Trade payables to related parties (Refer note 17)	-	9.98
Total	11.77	22.06

Notes:

(a) Micro, Small and Medium Enterprises :

Trade payable includes ₹ Nil (March 31, 2020 ₹ 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.

Note 12 Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Contract liabilities / Advance from customers	173.46	173.46
Total	173.46	173.46

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 13 Revenue from operations

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Sale of services		
License Rights	-	900.00
Franchise / Participation fees	-	127.83
Internet income	-	50.00
Free commercial time	-	29.00
Total	-	1,106.83

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 14 Other income

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income on Income-tax refund	1.04	0.59
Unrealised gains on Investments at fair value through profit or loss	5.17	5.20
Creditors written back	-	1.47
Other	-	0.60
Total	6.21	7.86

Note 15 Cost of Production / Acquisition and Telecast Fees

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchase of costumes and dresses	-	0.08
Artists, Directors and other technicians fees	-	112.67
Shooting and location expenses	-	4.39
Telecasting Fees	-	900.00
Insurance expense	-	0.54
Food and refreshments	-	6.36
Set properties and equipment hire charges	-	24.98
Other production expenses	-	9.87
Total	-	1,058.89

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 16 Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rates and taxes	0.06	22.74
Legal and professional charges (Refer note 16.1)	2.37	2.35
Director sitting fees	1.00	1.00
Provision for doubtful debts	-	116.19
Miscellaneous expenses	-	0.05
Total	3.43	142.33

Note 16.1 Payment to auditors (included in Legal & professional charges)

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As auditors :		
Audit fees	0.20	0.20
For other service	-	0.10
Total	0.20	0.30

Note 17 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. Devendra Kumar Vasal	Key management person

(b) Details of Transactions with related parties during the year

(₹ in Lacs)

Nature of Transactions	Holding Company	Director	Fellow Subsidiary
Sale of Digital Rights			
Alt Digital Media Entertainment Limited	-	-	-
	(-)	(-)	(50.00)
Director Sitting Fees			
Devendra Kumar Vasal	-	1.00	-
	(-)	(1.00)	(-)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 17 Related Party Transactions (Contd..)

(c) Closing balances as at March 31, 2021

(₹ in Lacs)

Nature of Transactions	Holding Company	Director	Fellow Subsidiary
Amount payable as on March 31, 2021			
Balaji Telefilms Limited	-	-	-
	(9.98)	(-)	(-)

Note:

- 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.
- Figures in bracket relate to the previous year.

Note 18 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 :

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Profit/(Loss) for the year attributable to equity share holders (₹ in lacs)	2.78	(95.13)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	77,10,000	77,10,000
(c) Profit/(Loss) per share - Basic and diluted (₹) (a / b)	0.04	(1.23)
(d) Nominal value of shares (₹)	10	10

- 19** 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 ₹ 127.76 lacs (previous year ₹ 128.46 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.

Note 20 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 ₹ NIL (March 31, 2020 ₹ 900.00 Lacs) is derived from a single external customer.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 21 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)

Particulars	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Current financial assets						
Investments	79.30	-	-	74.13	-	-
Trade receivables	-	-	-	-	-	-
Cash and cash equivalents	-	-	13.38	-	-	12.66
Total Financial Assets	79.30	-	13.38	74.13	-	12.66
Financial Liabilities						
Trade payables	-	-	11.77	-	-	22.06
Total Financial Liabilities	-	-	11.77	-	-	22.06

(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, 2021	Level 1	Level 2	Level 3	Total
Current financial assets				
Investments in mutual fund	79.30	-	-	79.30
Total Financial Assets	79.30	-	-	79.30

(₹ in Lacs)

Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2020	Level 1	Level 2	Level 3	Level 4
Current financial assets				
Investments in mutual fund	74.13	-	-	74.13
Total Financial Assets	74.13	-	-	74.13

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 21 Fair Value Measurements (Contd..)

(a) Classification of financial assets and liabilities (Contd..)

(i) Fair Value hierarchy of financial assets and liabilities (Contd..)

The carrying value of trade receivables, cash and cash equivalents 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. The mutual funds are valued using the closing NAV.

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 from issuer of mutual fund.

Note 22 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 THE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 22 Financial Risk Management (Contd..)

Risk management framework (Contd..)

(A) Credit Risk (Contd..)

(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, 2021 and March 31, 2020 is the carrying value of each class of financial assets as disclosed in note 21.

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.

(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 year	More than 1 year	Total
March 31, 2021				
Trade payables	11.77	-	-	11.77
Total financial liabilities	11.77	-	-	11.77

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 year	More than 1 year	Total
March 31, 2020				
Trade payables	0.20	21.86	-	22.06
Total financial liabilities	0.20	21.86	-	22.06

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 22 Financial Risk Management (Contd..)

Risk management framework (Contd..)

(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, 2021 (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, 2021 (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.

(ii) Sensitivity

Particulars	Impact on profit after tax	
	March 31, 2021	March 31, 2020
Net asset value - Increase 5% (March 31, 2020 5%)*	3.97	3.71
Net asset value - Decrease 5% (March 31, 2020 5%)*	(3.97)	(3.71)

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.

Note 23 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 24 Deferred Tax assets (net)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liabilities		
Fair value of investment	3.60	2.30
Deferred Tax Assets		
On brought forward losses	(3.60)	2.30
Total	-	-

Deferred Tax movement

(₹ in Lacs)

Particulars	For the year ended March 31, 2021		
	Opening Balance	Charged/ (Credited) to Profit or Loss	Closing Balance
Tax effect of items constituting deferred tax liabilities			
Fair value of investments	2.30	1.30	3.60
Tax effect of items constituting deferred tax assets			
Brought forward losses	2.30	(1.30)	3.60
Net tax assets	-	-	-

(₹ in Lacs)

Particulars	For the year ended March 31, 2020		
	Opening Balance	Charged/ (Credited) to Profit or Loss	Closing Balance
Tax effect of items constituting deferred tax liabilities			
Fair value of investments	1.02	1.28	2.30
Tax effect of items constituting deferred tax assets			
Brought forward losses	1.02	(1.28)	2.30
Net tax assets	-	-	-

Note 25 The COVID-19 pandemic and the resultant restrictions declared by the Central and State Government from time to time has adversely impacted the entire media and entertainment industry and consequently, the business activities of the Company are also affected.

The Company's Management has done an assessment of the situation, including the liquidity position and the recoverability and carrying value of all its investments, other assets and liabilities as at March 31, 2021 and concluded that there were no material adjustments required in the financial statements as on March 31, 2021. However, the impact assessment of COVID-19 is a continuing process given the uncertainty associated with its nature and duration. The Company will continue to monitor any material changes as the situation evolves.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 26 As at March 31, 2021 the Company has accumulated losses of ₹ 645.25 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, 2021 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 its financial obligations as they fall due for payment for at least 12 months from the date of signatures of these financial statements.

Signature to notes 1 to 26

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

Ali Akbar
Partner
Membership No: 117839

Place : Mumbai
Date : June 18, 2021

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : June 18, 2021

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 27th Annual General Meeting of the Members of Balaji Telefilms Limited will be held on Tuesday, August 31, 2021 at 03:00 P.M IST (Indian Standard Time) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at: C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400053, Maharashtra.

ORDINARY BUSINESS:

1. To consider and adopt, (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021 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, 2021 and the report of Auditors thereon; and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolutions**:

(a) **"RESOLVED** that the Audited Standalone Financial Statements for the financial year ended March 31, 2021, the Report of Board of Directors and the Auditors' Report thereon as circulated to the Members be considered and adopted."

(b) **"RESOLVED** that the Audited Consolidated Financial Statements for the financial year ended March 31, 2021, and the Auditors' Report thereon as circulated to the Members be considered and adopted."

2. To appoint a Director in place of Mr. Ramesh Sippy (DIN:00652881), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass without any modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Ramesh Sippy (DIN: 00652881), who retires by rotation at this meeting and, being eligible, offers himself for re-appointment, be and is hereby reappointed as a Director of the Company."

3. To declare Final Dividend on equity shares for the financial year ended March 31, 2021 and to consider and if thought fit, to pass without any modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED that the final dividend of Re. 0.20/- for every equity share of face value of Rs. 2/- each for the financial year ended March 31, 2021, as per the resolution passed by the Board of Directors at their meeting held on June 18, 2021, be and is hereby declared."

SPECIAL BUSINESS:

4. **To consider and approve the payment of remuneration to Mrs. Shobha Kapoor, Managing Director of the Company for a further period of 2 (Two) years w.e.f. November 10, 2021 of her present tenure and if thought fit, pass the following resolution as a Special Resolution, with or without modification(s):**

"RESOLVED that pursuant 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), amendment(s) or re-enactment thereof for the 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 and on the recommendation of the Members of the Nomination and Remuneration Committee and as approved by the Board, consent of the Members be and is hereby accorded to pay remuneration to Mrs. Shobha Kapoor, Managing Director of the Company for a further period of 2 years of her tenure w.e.f. November 10, 2021 on the following terms and conditions:

1. **Basic Salary:** an amount not exceeding Rs. 20,00,000/- p.m. (i.e. Rs. 2,40,00,000/- p.a.) as Basic Salary and

Commission: Not exceeding 2.5% of the net profit

2. Perquisites, Allowances & Benefits:

PART "A"

a) Housing:

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 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 chauffeur driven Car to the 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 Managing Director for use of Company's business.

c) Entertainment Expenses:

The reimbursement of actual and properly incurred Entertainment Expenses by the 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.

However, the aggregate of basic remuneration, value of perquisites and Commission shall not exceed the maximum remuneration allowable under Section 197 read with Schedule V to the Companies Act, 2013.

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, Managing Director will be paid remuneration as specified in the foregoing paragraph.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mrs. Shobha Kapoor, Managing 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 and Company Secretary of the Company 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."

5. To consider and approve the payment of remuneration to Ms. Ekta Kapoor, Joint Managing Director of the Company for a further period of 2 (Two) years w.e.f. November 10, 2021 of her present tenure and if thought fit, pass the following resolution as a Special Resolution, with or without modification(s):

“RESOLVED that pursuant 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), amendment(s) or re-enactment thereof for the 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 and on the recommendation of the Members of the Nomination and Remuneration Committee and as approved by the Board, consent of the Members be and is hereby accorded to pay remuneration to Ms. Ekta Kapoor, Joint Managing Director of the Company for a further period of 2 years of her tenure w.e.f. November 10, 2021 on the following terms and conditions:

- 1. Basic Salary:** an amount not exceeding Rs. 20,00,000/- p.m. (i.e. Rs. 2,40,00,000/- p.a.) as Basic Salary and

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 that 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 chauffeur driven car to the Joint Managing Director as may desired for her 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.

However, the aggregate of basic remuneration and value of perquisites shall not exceed the maximum remuneration allowable under Section 197 read with Schedule V of the Companies Act, 2013.

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, Joint Managing Director will be paid remuneration as specified in the foregoing paragraph.

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 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 Board of Directors and Company Secretary of the Company 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 “.

6. Appointment of Mr. Jason Kothari (DIN: 07343314) as Non-Executive Independent Director of the Company:

To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED that in accordance with the provisions of Section 149, 152, 161(1) read with rules made thereunder (including any statutory modification(s), amendment(s) thereto or re-enactment thereof for the time being in force), Regulation 17 of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (LODR) and other applicable regulations of LODR as amended from time to time), Mr. Jason Kothari (DIN:07343314) who was appointed as an Additional Director (Non-Executive Independent) with effect from February 11, 2021 who holds office upto the date of this Annual General Meeting in terms of Section 160(1) of the Act and Article 117 of the Articles of Association of the Company and who is eligible for appointment and 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 appointed as Non-Executive Independent Director of the Company for a term of 5 consecutive years with effect from February 11, 2021, and is not liable to retire by rotation.

RESOLVED FURTHER that to give effect to this appointment Board of Directors and Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be necessary, expedient or desirable to give effect to the aforementioned resolution including filing of necessary forms with Registrar of Companies and to issue appointment Letter for and on behalf of the Company”.

Regd. Office:

C-13, Balaji House, Dalia Industrial Estate,
Opp. Laxmi Industrial Estate, New Link Road,
Andheri (West), Mumbai - 400053, Maharashtra

CIN: L99999MH1994PLC082802

Email: investor@balajitelefilms.com

Website: www.balajitelefilms.com

Place: Mumbai

Date: June 18, 2021

By order of the Board of Directors

For **Balaji Telefilms Limited**

Sd/-

Shobha Kapoor
Managing Director
(DIN: 00005124)

NOTES:

1. In view of the massive outbreak of Covid-19 pandemic, social distancing is a norm to be followed and pursuant to the Ministry of Corporate Affairs ("MCA") General circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 (hereinafter referred to as "**MCA Circulars**") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by Securities and Exchange of India (hereinafter referred to as "**SEBI Circulars**") and in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), physical attendance of the Members to the AGM venue is not required and hence the 27th AGM of the Company is being conducted through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"). The deemed venue for the AGM shall be the Registered Office of the Company.
2. 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.
3. 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 or Directors seeking re-appointment at the AGM are provided in the Annexure to the Notice.
4. Since the AGM is being conducted through VC/ OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. However, in pursuance of Section 112 and 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or Body Corporate can attend the 27th AGM through VC/ OAVM and cast their votes through e-voting.
5. Pursuant to Section 113 of the Companies Act, 2013, Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are 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 vijay.yadav@avsassociates.co.in or evoting@nsdl.co.in.
6. The Notice of AGM and Annual Report are being sent only in electronic mode to Members whose e-mail address are registered with the Company or the Depository Participant(s).
7. The Notice of AGM along with Annual Report for the financial year 2020-21, is available on the website of the Company at www.balajitelefilms.com and on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of NSDL i.e. www.evoting.nsdl.com
8. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, August 25, 2021 to Tuesday, August 31, 2021 (both days inclusive).
9. Members seeking to inspect relevant documents referred to in the accompanying Notice and the Explanatory Statement, Certificate from Auditors of the Company certifying that the ESOP Schemes of the Company is being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and other statutory Registers are required to email to investor@balajitelefilms.com.
10. The Final Dividend for the financial year ended March 31, 2021, as recommended by the Board if approved at the AGM, will be paid on or after Sunday, September 05, 2021 to those Members whose name appears in the Register of Members of the Company as on the record date i.e. Tuesday, August 24, 2021.
11. Members holding shares in demat form are hereby informed that bank particulars registered as on record date 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.

12. Shareholders may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1st April, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct/withhold Tax at Source (TDS) at the time of making the final dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.

- a) For Resident Shareholders, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company during financial year 2021-22 provided PAN is registered by the Shareholder. If PAN is not registered, TDS would be deducted @ 20% as per Section 206AA of the Income Tax Act, 1961.

However, no tax shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received by them during financial year 2021-22 does not exceed Rs.5,000. Please note that this includes the future dividends if any which may be declared by the Board in the financial year 2021-22.

Separately, in cases where the shareholder provides Form 15G (applicable to an individual below the age of 60 years)/Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

Deduction of Tax at Higher rates in case of Non-filers of returns (Section 206AB)

In addition to above, it may be noted that the Finance Act, 2021 has, inter alia, inserted Section 206AB of the Income-tax Act, 1961, effective 1st July, 2021, pursuant to which tax

has to be deducted at twice the applicable rate from dividend payable to a 'Specified Person':

- Deductee (shareholder) has not filed the return of income for 2 assessment years relevant to the previous years immediately prior to the previous year in which tax is required to be deducted.
- The due date to file such return of income, as prescribed under section 139(1), has expired; and
- The aggregate amount of tax deducted and collected at source is Rs. 50,000 or more in each of these 2 previous years

Accordingly, the tax shall be deducted at the higher of the following rates:

- A. Twice the rate specified in the relevant provision of the Act (Rate specified u/s 194 is 10%)
- B. Twice the rate or rates in force; or
- C. 5%

Accordingly, for Resident shareholders who have not filed the return of income for FY 2019-20 and FY 2018-19 and whose total TDS/TCS during these years exceed Rs. 50,000, TDS will be made at 20%.

Please note that if the provisions of section 206AA are applicable, then tax is required to be deducted at higher of the rates provided in section 206AB or section 206AA.

In summary, this section provides for deduction of tax at higher rates if the deductee/shareholder has not furnished the return of income for the specified period, irrespective of the fact that whether he was required to furnish it or not. Only exclusion is that the aggregate amount of tax deducted and collected at source has not crossed Rs. 50,000 in each of these 2 previous years (FY 2019-20 and FY 2018-19).

The Central Board of Direct Taxes (CBDT) has recently prescribed the functionality for determining whether a person fulfils the conditions of being a 'Specified Person' or not.

Accordingly, the Company will verify from the above functionality provided by CBDT whether any Shareholder of the Company qualifies as a 'Specified Person' prior to applying the relevant TDS rates.

- b) For Non-resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force plus applicable surcharge and cess and Section 196D of the Act. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. However, as per Section 90 of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- Self- attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident.
- Self declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
- Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.
- Self- Declaration certifying the following points: i. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2021-22; ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company; iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner; iv. Member is the ultimate beneficial owner of its shareholding in the Company and

Dividend receivable from the Company; and v. Member does not have a taxable presence or a permanent establishment in India during the financial year 2021-22. Member hereby confirms that the above declaration should be considered to be applicable for all the shares held in the Company under PAN/ accounts declared in the form.

13. Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Nonresident shareholder. Accordingly, in order to enable us to determine the appropriate TDS/ withholding tax rate applicable, we request you to provide these details and documents as mentioned above before Tuesday, 17th August, 2021 by clicking on the given link <https://ris.kfintech.com/form15/>, or through e-mail with signed scan copies to inward.ris@kfintech.com
14. Kindly note that the aforementioned documents are required to be submitted at <https://ris.kfintech.com/form15/> on or before Tuesday, 17th August, 2021, in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. No communication on the tax determination/ deduction shall be entertained post Tuesday, 17th August, 2021. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible.
15. Members holding shares in physical form are requested to intimate Registrar and Transfer Agents of the Company viz., M/s. KFin Technologies Private Limited (KFintech), Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana changes, if any, in their Bank details, registered address, Email ID, etc. along with their Pin Code. Members holding shares in electronic form may update such details with their respective Depository Participant.

16. SEBI has made it mandatory for effecting transfer of securities (except in case of transmission or transposition of securities) into dematerialised from April 01, 2019. In order to avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.
17. The Board of Directors, at their meeting held on June 18, 2021 has appointed Mr. Vijay Yadav, Practising Company Secretary (Membership No. 39251) as scrutinizer for conducting the e-voting and poll process in a fair and transparent manner.
18. The Results shall be declared on or after the AGM of the Company. The Results declared shall be communicated to BSE Limited and National Stock Exchange of India Ltd. within 2 (two) working days 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.kfintech.com.
19. The resolution(s) shall be deemed to be passed on the date of the General Meeting, subject to receipt of sufficient votes.
20. 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 Tuesday, August 24, 2021 are entitled to vote on the Resolutions set forth in this Notice. Members 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 at on Friday, August 27, 2021 (09.00 a.m. IST) and will end at on Monday, August 30, 2021 (5.00 p.m. IST). The remote e-voting module shall be disabled for voting thereafter. Such remote e-voting facility is in addition to voting system that will be made available during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com>.
21. 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, Tuesday, August 24, 2021. Any person who is in receipt of this notice but is not a Member as on the cut-off date, Tuesday, August 24, 2021 should treat this notice for information purpose only.
22. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
23. 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, Tuesday, August 24, 2021, may obtain the login ID and password by sending a request at investor@balajitelefilms.com.
24. The Company has transferred the unpaid or unclaimed dividends declared up to financial year 2012-13, 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 September 30, 2020 (date of the previous Annual General Meeting) on the website of the Company and the same can be accessed through the link: <https://ris.kfintech.com/services/IEPF/IEPFInfo.aspx?q=OQ8HMfJOuy4%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.
25. 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 2020-21, 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. September 03, 2020. 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.

26. 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 05, 2021 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://www.iepf.gov.in/IEPF/refund.html> or contact KFinTech for lodging claim for refund of shares and/or dividend from the IEPF Authority.
27. 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 KFin Technologies Pvt. Ltd / 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.

GENERAL INSTRUCTIONS:

1. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by

following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

2. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. The transcript of the meeting, shall be made available as soon as possible on the website of the Company at www.balajitelefilms.com
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and in terms of SEBI vide Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 and the MCA Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting during the AGM will be provided by NSDL.
4. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with the MCA Circulars.

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on Friday, August 27, 2021 at 09:00 A.M. and ends on Monday, August 30, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of

Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, August 24, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, August 24, 2021.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access E-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/ Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join the General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join the General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to vijay.yadav@avsassociates.co.in with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login

to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: **1800 1020 990** and **1800 22 44 30** or send a request to Ms. Sarita Mote, Assistant Manager, NSDL at evoting@nsdl.co.in / saritam@nsdl.co.in or contact Mr. Sanjay Dwivedi, Group Chief Financial Officer at investor@balajitelefilms.com or call on **+91-022-40698000**.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@balajitelefilms.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@balajitelefilms.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and

Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access**

to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to raise any queries/ questions may send the same from their registered email address mentioning their name, DP ID and Client ID / folio number at company's email ID **investor@balajitelefims.com** between Tuesday, 10th August 2021 (11.30 a.m. IST) and Friday, 27th August, 2021 (5.00 p.m. IST). The questions will be suitably replied by the company.

Regd. Office:

C-13, Balaji House, Dalia Industrial Estate,
Opp. Laxmi Industrial Estate, New Link Road,
Andheri (West), Mumbai - 400053, Maharashtra
CIN: L99999MH1994PLC082802
Email: **investor@balajitelefims.com**
Website: **www.balajitelefims.com**

Place: Mumbai

Date: June 18, 2021

By order of the Board of Directors
For **Balaji Telefilms Limited**

Sd/-
Shobha Kapoor
Managing Director
(DIN: 00005124)

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 6 of the accompanying Notice:

Item No. 4 & 5

The Members of the Company at the Annual General Meeting held on August 31, 2018 for the financial year 2017-2018 had approved re-appointment of Mrs. Shobha Kapoor, as Managing Director and Ms. Ekta Kapoor as Joint Managing Director of the Company for a period of 5 years which will cease on November 09, 2023 along with remuneration payable for a period of 3 years which will end on November 09, 2021. Considering the progress made by the Company under the able guidance and supervision of Mrs. Shobha Kapoor and Ms. Ekta Kapoor and their expertise in the industry and on the basis of recommendation of Nomination & Remuneration Committee and as approved by the Board, it is proposed to approve the payment of remuneration for a further period of 2 (Two) years w.e.f. November 10, 2021 of their present tenure. The other terms and condition pertaining to appointment of Mrs. Shobha Kapoor, Managing Director and Ms. Ekta Kapoor, Joint Managing Director as approved at the Annual General Meeting held on August 31, 2018 shall remain unchanged.

Further, details of Mrs. Shobha Kapoor & Ms. Ekta Kapoor have been given in the Annexure to this Notice.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Ramesh Sippy and Mr. Jeetendra Kapoor related to each other are concerned or interested in the resolution.

The Board recommends the Resolution as set out in the Item No. 4 & 5 of the accompanying Notice for the approval by the Members of the Company.

Item No. 6

The Board of Directors based on the recommendation of the Nomination & Remuneration Committee had

appointed Mr. Jason Kothari (DIN: 07343314) as an Additional Director (Non-Executive Independent) of the Company with effect from February 11, 2021. As per the provisions of Section 161(1) of the Companies Act, 2013 ('Act'), he holds office till the date of this Annual General Meeting and is eligible for appointment as an Independent Director for a term of 5 (five) consecutive years. The Company has received a notice under Section 160(1) of the Act proposing his candidature for the office of an Independent Director.

Mr. Jason Kothari 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 Director. The Company has also received declaration of Independence from him and in the opinion of the Board he meets with the criteria of independence specified under Section 149(6) read with Schedule IV of the Act and under the Listing Regulation and is Independent of the management.

Further, brief profile and other details of Mr. Jason Kothari forms part of the Annexure to the Notice. The Board considers that background and experience of Mr. Jason Kothari will be beneficial to the Company and it is desirable to avail his services as an Independent Director.

Copy of draft letter of appointment for Independent Directors setting out the terms and conditions of appointment is available for inspection by the Members on the website of the Company.

Mr. Jason Kothari is interested in the resolution set out at Item No. 6 of the Notice with regard to his re-appointment. The relatives of Mr. Jason Kothari may be deemed to be interested in the resolution 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. 6 of the accompanying Notice for the approval by the Members of the Company.

Information required under Clause (B) (iv) of Part II of Schedule V for Item No. 4 & 5.

i. General Information:

1. Nature of Industry:

The year 2020-21 has been very harsh on the socio-economic conditions of the not only the Country, but across the globe with countries trying to figure out a way to deal with the pandemic at the same time keeping the economy afloat. Industries all around has had to face many difficulties due to lockdown and reduced access to resources. Similarly, the Media & Entertainment (M&E) Industry faced considerable problems. The Indian Media & Entertainment sector has de-grown by 24.1% and television declined by 13% in CY 2020 in terms of revenue. Though in 2020 the television continued to remain the largest segment, digital media has overtaken print, and online gaming has overtaken a disrupted filmed entertainment segment. Digital media and online gaming has grown by 49% and 18% respectively during the pandemic.

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 programmes.

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, 2021 is as under:

(₹ in Lacs)	
Particulars	2020-21 (Audited)
Revenues	31,578.29
Expenditure	27,837.55
Operating Profit	3,740.74
Other Income	1,381.28
Profit Before Taxes	2,337.41
Exceptional items	1,044.44
Income Tax	853.62
Profit After Taxes	2,528.23

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 Managing Directors

1. Background Details:

Mrs. Shobha Kapoor is the Managing Director of the Company. She is married to the popular Bollywood actor Mr. Jeetendra Kapoor and is mother of Ms. Ekta Kapoor. She has been involved with the Company since its inception. One of the pioneers of the Indian Television industry, Mrs. Shobha Kapoor has been associated with television content production since the early 90's when the Company was producing popular content for Doordarshan.

Ms. Ekta Kapoor is the Joint Managing Director of the Company. She is daughter of Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor. Ms. Ekta Kapoor is the creative brain behind the Company's most successful and 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.

2. Past Remuneration:

(Amount in ₹)					
Name	Designation	Basic Salary	Perquisites, allowance and benefits	Commission	Total
Shobha Kapoor	Managing Director	1,94,76,546	7,62,000	-	2,09,88,546
Ekta Kapoor	Joint Managing Director	-	-	-	-

Employer Contribution Fund of 7,50,000/- to Provident Fund is not included in the computation of the ceiling on Managerial reimbursement.

All above figures are per annum and pertains to financial year 2020-21.

3. Awards and Recognition:

Among others, following is the short list of few of the awards won by Mrs. Shobha Kapoor, Managing Director and Ms. Ekta Kapoor, Joint Managing Director:

Awarding Entity	Year	Award	Awardee
Ernst & Young	2001	Entrepreneur of the Year	Ms. Ekta Kapoor
The Economic Times Award	2002	Business Woman of the Year	Ms. Ekta & Mrs. Shobha Kapoor
Indian Telly Awards	2003	Best CEO of the Year	Mrs. Shobha Kapoor
Foundation for promotion of Film Art & Craft	2003	Achiever of the Year	Mrs. Shobha Kapoor
American Biographical Institute	2003	Woman of the Year	Ms. Ekta Kapoor
Indian Telly Awards	2004	Creative Director of The Year	Ms. Ekta Kapoor
Indian Telly Awards	2006	Hall of Fame	Ms. Ekta Kapoor
Star Parivaar Awards	2010	Special Honour	Ms. Ekta Kapoor
3 rd Boroplus Gold Awards	2010	Hall of Fame	Ms. Ekta Kapoor
Indo-American Society	2010	Most Outstanding Woman Entrepreneur award	Ms. Ekta Kapoor
National Media Network Film and TV Awards	2011	Most Successful Film & TV Producer	Ms. Ekta Kapoor
Dadasaheb Phalke Academy Awards	2012	'Phalke Icon Producer Award' for Film & Television	Ms. Ekta Kapoor
Asia Pacific Entrepreneurship Awards	2015	Woman Entrepreneur of the Year	Ms. Ekta Kapoor
Indian Business Awards	2017	Business Today's Most Powerful Women	Ms. Ekta Kapoor
KhaasRishta Award	2017	KhaasRishta Award	Ms. Ekta Kapoor
ITA Awards	2017	Sterling Icon of Entertainment	Ms. Ekta Kapoor
IWM (Indian Wiki Media) Digital Awards	2018	Web Person of the year	Ms. Ekta Kapoor
34 th Annual session of FICCI Ladies Organisation	2018	FLO Icon Award	Ms. Ekta Kapoor
Hindustan Times Style Awards	2019	Most Stylish Flimmaker	Ms. Ekta Kapoor
Forbes	2019	Icon of Excellence	Ms. Ekta Kapoor
Maharashtra Achiever's Awards	2019	Content Power House of the Year	Ms. Ekta Kapoor
Fortune India Awards	2019	Most Powerful Business Women of the Year	Ms. Ekta Kapoor
Economic Times	2019	Content Creator of the Year	Ms. Ekta Kapoor
ET Now Business Leader of the Year Awards	2020	Business Woman of the year	Ms. Ekta Kapoor
IWMBUZZ Awards	2020	OTT Disruptor of the Year Award	Ms. Ekta Kapoor
International Quality Awards	2020	Content Creator of the Year	Ms. Ekta Kapoor
Government of India	2020	Padma Shri Award	Ms. Ekta Kapoor
Indian Television Academy Awards	2021	Hall of Fame	Ms. Ekta Kapoor
Middy Hitlist OTT Awards	2021	Industry Leadership Award for ALT Balaji	Ms. Ekta Kapoor

4. Job Profile and Suitability:

As Managing Director and Joint Managing Director, Mrs. Shobha Kapoor and Ms. Ekta Kapoor respectively are responsible for the conception of different shows produced by the Company and the overall management of the Company. Having been instrumental in steering the Company towards being the leader in the television industry in India, both Mrs. Shobha Kapoor and Ms. Ekta Kapoor come with almost three decade's worth of experience in this domain. They have produced over 100 shows for various entertainment channels in India. With this extensive experience, they are ideally placed to ensure that the Company continues to make quality content within a budget specified by the channel, on very stringent timelines. Balaji Telefilms Limited has launched several critically acclaimed television serials and movies in its short tenure within the industry. Balaji's creativity is demonstrated by its series of well received serials that have garnered high TRP ratings. Mrs. Shobha Kapoor's and Ms. Ekta Kapoor's leadership and involvement has been significant in steering the Company towards being a front runner in the Indian Television industry. They have led teams to conceptualize TV shows and have produced over 100 shows for major broadcasters across the country.

Their creativity is highly regarded as a prime driving force for the Company to fulfill audience expectations. They have a great understanding of India's demographic profile and never cease to deliver appealing content to the masses. Consequently, their efforts have well positioned Balaji Telefilms to cater to the rapidly growing Indian Entertainment space as their commitment to the Company is sure to demonstrate excellent growth going forward.

5. Remuneration Proposed:

As specified under Item No. 4 & 5 of the notice respectively.

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 Mrs. Shobha Kapoor and 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 Managerial Personnel:

Mr. Jeetendra Kapoor is relative of both the appointees. Mrs. Shobha Kapoor is the wife of Mr. Jeetendra Kapoor and Ms. Ekta Kapoor is the daughter of Mr. Jeetendra Kapoor.

Except for receipt of rent for immovable property by them and their relative viz. Mr. Jeetendra Kapoor and receipt of dividend by them, if declared by the Company on the share capital held by them, they do not have any material pecuniary relationship with the Company.

iii. Other Information

1. Reasons for inadequate profits:

The content production space operates with certain cyclicity. 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 realization 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.

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 these 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 paid to Directors for the year ended March 31, 2021.

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 Sippy	
Age	77 Years
Qualification	B.Sc., University of Bombay
Experience	53 years of experience in Film Industry. Please refer Company's website: www.balajitelefilms.com for detailed profile.
Terms & Conditions of Appointment/Re-appointment	Mr. Ramesh Sippy who was appointed as Non-Executive Director on September 01, 2019 is liable to retire by rotation.
Remuneration last drawn (including sitting fees, if any)	Rs. 4,56,910/-
Remuneration proposed to be paid	As per existing approved terms and conditions
Date of first appointment on the Board	September 01, 2019
Shareholding in the Company as on March 31, 2021	NIL
Relationship with other Directors/Key Managerial Personnel	Brother of Mrs. Shobha Kapoor and not related to any other Directors and Key Managerial Personnel
No. of Meetings of the Board attended during the financial year 2020-21	4
Directorships of other Boards as on March 31, 2021	<ul style="list-style-type: none"> Indian Motion Picture Distributors Association Raksha Entertainment Private Limited
Membership/Chairmanship of Committees of other Boards as on March 31, 2021	NIL
Mrs. Shobha Kapoor	
Age	72 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)	Rs. 2,09,88,546/-
Remuneration proposed to be paid	As per the resolution at Item no. 4 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, 2021	1,10,08,850 Equity Shares of Face Value Rs.2 /- each
Relationship with other Directors/Key Managerial Personnel	Wife of Mr. Jeetendra Kapoor, mother of Ms. Ekta Kapoor and Sister of Mr. Ramesh Sippy and not related to any other Director/Key Managerial Personnel
No. of Meetings of the Board attended during the financial year 2020-21	4

Mrs. Shobha Kapoor

Directorships of other Boards as on March 31, 2021

- Balaji Motion Pictures Limited
- Balaji Teleproducts Limited
- Shri Navnidhi Developers Private Limited
- Marinating Films Private Limited
- ALT Digital Media Entertainment Limited
- Chhayabani Balaji Entertainment Private Limited (Under Liquidation)
- Balaji Films & Telly Investment Limited

Membership/Chairmanship of Committees of other Boards as on March 31, 2021

ALT Digital Media Entertainment Limited

- Corporate Social Responsibility Committee – Chairperson
- Nomination and Remuneration Committee - Member

Ms. Ekta Kapoor

Age

46 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)

Remuneration proposed to be paid

As per the resolution at Item no. 5 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, 2021

1,84,33,254 Equity shares of Face value of Rs.2 /- each

Relationship with other Directors/ Key Managerial Personnel

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 2020-21

2

Directorships of other Boards as on March 31, 2021

- Balaji Motion Pictures Limited
- Balaji Teleproducts Limited
- Ekta K. Securities & Investment Private Limited
- Pantheon Buildcon Private Limited
- Marinating Films Private Limited
- ALT Digital Media Entertainment Limited
- Balaji Films & Telly Investment Limited

Membership/Chairmanship of Committees of other Boards as on March 31, 2021

ALT Digital Media Entertainment Limited

- Corporate Social Responsibility Committee – Member

Mr. Jason Kothari	
Age	40 Years
Qualification	B. S.
Experience	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 of the Notice convening this meeting read with explanatory statement thereto.
Remuneration last drawn (including sitting fees, if any)	7,640/-
Remuneration proposed to be paid	As per the resolution at Item no. 6 of the Notice convening this meeting read with explanatory statement thereto.
Date of first appointment on the Board	February 11, 2021
Shareholding in the Company as on March 31, 2021	NIL
Relationship with other Directors/ Key Managerial Personnel	Not related to any Director/Key Managerial Personnel.
No. of Meetings of the Board attended during the financial year 2020-21	N.A.
Directorships of other Boards as on March 31, 2021	Emaar India Limited
Membership/Chairmanship of Committees of other Boards as on March 31, 2021	Emaar India Limited <ul style="list-style-type: none">• Audit Committee-Chairman• Corporate Social Responsibility Committee -Chairman• Nomination & Remuneration Committee-Member



Registered Office

C-13, Balaji House, Dalia Industrial Estate,
Opposite Laxmi Industrial Estate,
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