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CIN No. : L99999MH1994PLC082802



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

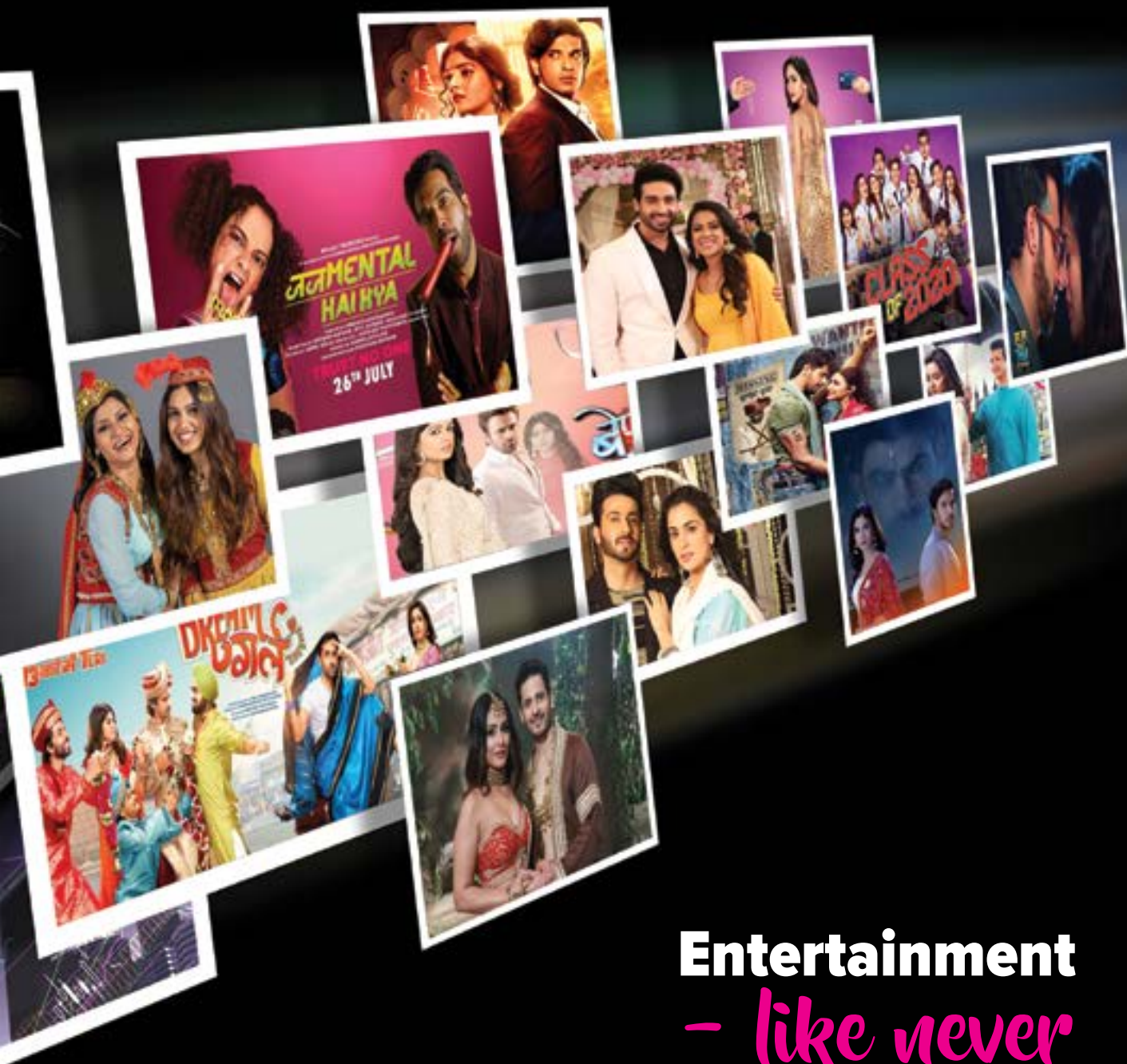
SIMMI
SINGH BISHT

Simmi Singh Bisht
Group Head Secretarial
Membership No: A23360

Balaji Telefilms Limited

Annual Report

2019-20



Entertainment
- like never
before!

Years ago, we discovered our passion for storytelling.

As we learnt to walk the talk – ideas were translated to action and the Balaji Telefilms of today was born – reshaping and reinvigorating the world of entertainment.



Our desire to be a household name pushed us to curate stories that resonated with the masses and we challenged ourselves to dream bigger, setting the foundations for new milestones and greater goals. As we celebrated our achievements and accomplished extraordinary feats, we continued to spread our wings, to spin the wheel of entertainment – faster and better than before.

Diversifying our offerings from television content to movie production and on-demand video services, we promptly evolved and transformed to expand our reach. While the changes in newer mediums of entertainment are unmistakable, we remain focused on understanding our audience, genres and markets to propel relentless growth.

Identifying a vast opportunity landscape, Balaji Telefilms is now perfectly poised to fulfil its role as a content innovator and collaborator – to formulate a rejuvenating blend of exciting entertainment for the Indian masses.

Table of Content

01 Corporate Overview



Corporate Information	05
All About Balaji Telefilms	06
Business Performance	08
Our cherished legacy of 25 years and counting	10
Message from the Promoters	12
Message from the Group COO and Group CFO	16
Blueprint of our success	20
Navigating Change – Thinking about Tomorrow	22
Our value creation model	24
More Choices	26
Growing Strength to Strength: Business Segment overview	28
Awards & Recognition	38
Board of Directors	46



02 Statutory Reports

Management Discussion & Analysis	50
Board's Report	61
Corporate Governance Report	88
Business Responsibility Report	109



03 Financial Statements

Balaji Telefilms Limited

Standalone Financials

Independent Auditor's Report	115
Balance Sheet	124
Statement Of Profit And Loss	125
Statement Of Cash Flows	126
Statement Of Changes In Equity	128
Notes	129

Consolidated Financials

Independent Auditor's Report	177
Balance Sheet	184
Statement Of Profit And Loss	185
Statement Of Cash Flows	186
Statement Of Changes In Equity	188
Notes	190

Balaji Motion Pictures Limited

Board's Report	243
Independent Auditor's Report	255
Balance Sheet	262
Statement Of Profit And Loss	263
Statement Of Cash Flows	264
Statement Of Changes In Equity	265
Notes	266

Alt Digital Media Entertainment Limited

Board's Report	289
Independent Auditor's Report	307
Balance Sheet	314
Statement Of Profit And Loss	315
Statement Of Cash Flows	316
Statement Of Changes In Equity	318
Notes	319

Marinating Films Private Limited

Board's Report	352
Independent Auditor's Report	363
Balance Sheet	370
Statement Of Profit And Loss	371
Statement Of Cash Flows	372
Statement Of Changes In Equity	373
Notes	374

Chhayabani Balaji Entertainment Private Limited

Board's Report	393
Independent Auditor's Report	405
Balance Sheet	412
Statement Of Profit And Loss	413
Statement Of Cash Flows	414
Statement Of Changes In Equity	415
Notes	416

AGM Notice..... 436

Balaji Telefilms Limited

Corporate Information

Board of Directors

Mr. Jeetendra Kapoor
Chairman
(DIN: 00005345)

Mrs. Shobha Kapoor
Managing Director
(DIN: 00005124)

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

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

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

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

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

Mr. 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)

Mr. Ashutosh Khanna
Independent Director
(Till July 22, 2020)
(DIN: 03153990)

Dr. Archana Hingorani
Additional Director
(Non-Executive Independent)
(W.e.f. August 28, 2020)
(DIN: 00028037)

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

Mr. Nachiket Pantvaidya

Group Chief Financial Officer

Mr. Sanjay Dwivedi

Group Head Secretarial

Mrs. Simmi Singh Bisht

Senior Management

Mr. Ketan Gupta
Chief Operating Officer (Television)

Mr. Stephen Daniel
Group Head – HR

Mrs. Chloe Ferns Qureshi
Creative Director (Television)

Ms. Tanusri Das Gupta
Creative Executive V.P. Digital

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

Mr. Vimal Doshi
Head-Distribution
(Motion Pictures)

Mr. Baljit Chaddha
Mr. Manjit Sachdev
Creative Directors (ALT Digital)

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

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: +91-040-6716 2222, 79611000
Fax: +91-040-23440674
Toll Free No: 1800-3454-001
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

All About Balaji Telefilms

Balaji Telefilms Limited
(Balaji Telefilms) is
among the

leading
entertainment
providers in India.



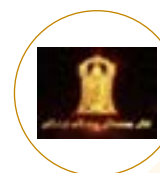
With over two decades of industry experience, the Company has been instrumental in formulating a popular narrative for the masses. From television shows that captured the imagination of millions to commercially successful films, the Company has constantly explored varied platforms of entertainment to excite and entertain its audience.

The Company has also pioneered the subscription-based video-on-demand service with the launch of ALTBalaji, an extremely popular format that stroked the binge-watching habit of viewers across cultural milieus.

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 work together as a team



EXCELLENCE

We push the bar and never settle for second-best

Business Performance

Profit & Loss Metrics

Revenue from operations (Rs. in lacs)

FY 2015-16	25,685
FY 2016-17	40,850
FY 2017-18	41,658
FY 2018-19	44,030
FY 2019-20	57,663

17.56% 5 year CAGR growth

EBITDA Margin (in %)

FY 2015-16	23
FY 2016-17	1
FY 2017-18	13
FY 2018-19	3
FY 2019-20	22

1900 bps Y-o-Y growth

PAT Margin (in %)

FY 2015-16	14
FY 2016-17	7
FY 2017-18	4
FY 2018-19	5
FY 2019-20	10

500 bps Y-o-Y growth

EBITDA (Rs. in lacs)

FY 2015-16	5,833
FY 2016-17	280
FY 2017-18	5,310
FY 2018-19	1,472
FY 2019-20	12,416

16.31% 5 year CAGR growth

PAT (Rs. in lacs)

FY 2015-16	3,704
FY 2016-17	2,940
FY 2017-18	1,630
FY 2018-19	2,012
FY 2019-20	5,787

9.76% 5 year CAGR growth

Revenue per hour (Rs.)

FY 2015-16	24.7
FY 2016-17	28.9
FY 2017-18	33
FY 2018-19	38
FY 2019-20	37

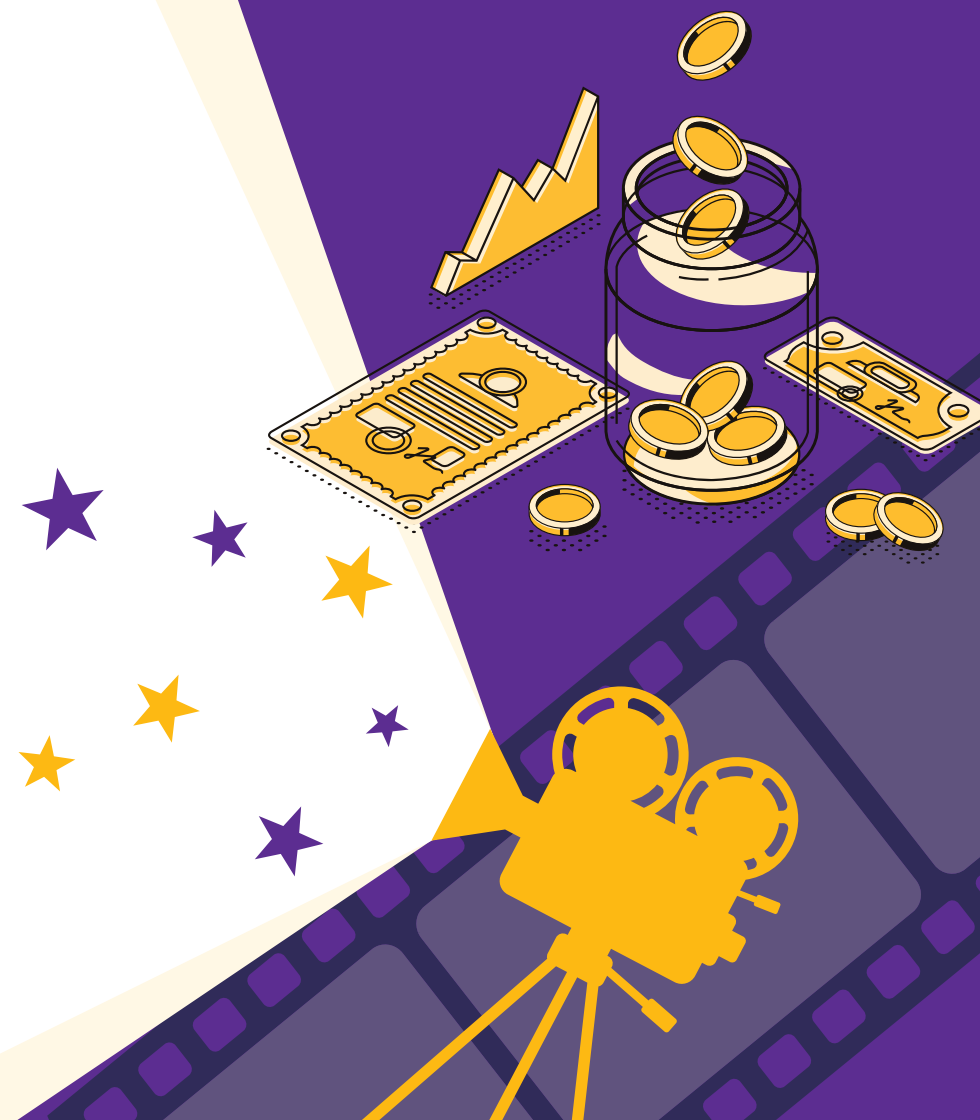
8.42% 5 year CAGR growth

Earnings per share (Rs.)

FY 2015-16	4.88
FY 2016-17	3.87
FY 2017-18	1.79
FY 2018-19	1.99
FY 2019-20	5.72

Total Assets (Rs. in lacs)

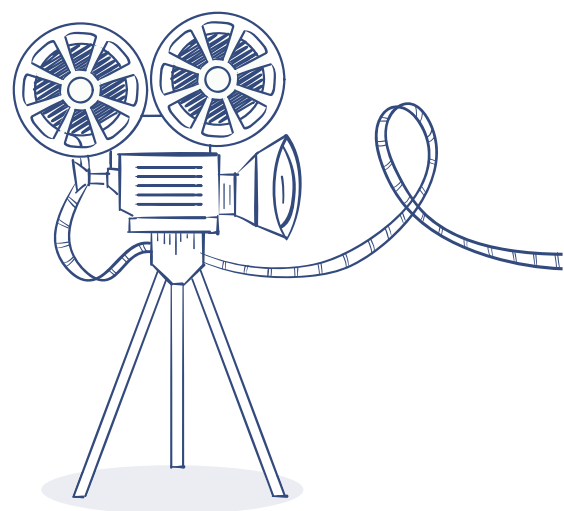
FY 2015-16	68,115.97
FY 2016-17	69,216.97
FY 2017-18	104,266.65
FY 2018-19	109,697.61
FY 2019-20	121,368.71



Our cherished legacy of 25 years and counting

25 years ago

we set foot in the world of entertainment – believing in our ability to deliver inspiring and entertaining content. From releasing our first thriller on Zee TV to creating a unique brand of daily soaps, we witnessed phenomenal success over the course of the next few years. As Balaji Telefilms continued to grow and set new benchmarks with every passing year, we challenged ourselves to create an impact and achieved milestones that appeared unreachable when we started off.



Throughout our journey, we proved to the world that change is afoot. Our relentless desire to materialise our dreams, urged us to accomplish the impossible. Today, as we look back, we can only cherish a proud legacy of television, films and new-age entertainment, encouraging us to dream bigger and foster an even greater ambition to shape the world of entertainment.





Message from the Promoters

The strength of our traditional business coupled with our continuous focus on ALTBalaji allows us to sustain long-term growth.



Dear shareholders,

It is indeed a pleasure to present the financial report of your Company for FY 2019-20. We would like to express our deep gratitude towards each and every one, for supporting us and putting your faith in the Company. As we witness a particularly difficult time, amidst a global pandemic, we hope you and your loved ones are safe and sound.

From our humble beginnings to establishing a successful business, we have consistently paved the way to our viewers' hearts with our sustained efforts. It enables us to register strong performances year after year and in FY20, we delivered good growth despite challenging circumstances. The strength of our traditional business coupled with our continuous focus on ALTBalaji allows us to sustain long-term growth.

The Indian Media and Entertainment (M&E) industry has made significant strides and contributed significantly to the country's economic growth. A surge in content consumption has been observed as digital infrastructure, quantum of content produced, and per-capita income improved substantially in 2019. The sector grew by almost 9% to reach INR1.82 trillion (US\$25.7 billion) during the year.¹ While television and print retained its position as the two largest segments in the M&E sector, digital media became the third largest segment after it overtook

the film entertainment segment in 2019. The sector continues to grow at a rate faster than the GDP of India, driven primarily by growth in subscription-based business models and India's attractiveness as a content production destination. Rising consumer demand and improved advertising revenue also contributed to the growth of this sector. The rapid proliferation of mobile internet is also enabling the on-demand entertainment ecosystem. Growing at a CAGR of 10%, the sector is expected to cross INR 2.4 trillion (US\$ 34 billion) by 2022.

Your company, after two decades of delivering quality entertainment, now reiterates its position as a leading content production house. With an unmatched expertise to entertain audiences and a proven ability to gauge the pulse of the masses for over 25 years, we have successfully diversified our offerings from television to movies to an extremely exciting digital format – that promises to take entertainment anywhere any time.

Our TV shows are deeply ingrained in India's socio-cultural fabric and for long, we have created characters and stories that have become household names. Our habit of telling stories that resonate with the common man, have secured our position as a dominant player in the Indian entertainment market. Over the years, we have created blockbuster shows that have

topped viewership charts across channels. Along with supplying a steady stream of mainstream content, we like to experiment and break the stereotype with new shows like Naagin on primetime and the relaunch of extremely popular shows like Kasautii Zindagii Kay 2, after a decade.

Moreover, our movies have been accepted and appreciated for offering a differentiated cinematic experience. During the year, our movie 'Dream Girl' received phenomenal success and critical acclaim. This shows our hunger to satiate viewers' needs by delivering unconventional formats/stories that touch a chord with our audience.

Simultaneously, our subscription-based OTT video streaming service continues to grow exponentially. ALTBalaji has become one of the frontrunners in this space and at the moment ranks in top 5, among the paid video on demand service in India. With the largest original Hindi content library, we have a highly engaged audience, recording an average watch time of over 60 minutes per day. To further scale our operations, we have collaborated with Zee5 to co-produce 60+ Originals over the next 2 years. The content will be available on both platforms and will ensure long-term sustainability in a challenging business environment where conserving cash is critical.

¹https://www.ey.com/en_in/news/2020/03/media-and-entertainment-industry-in-2019-grew-by-almost-9-percent-to-reach-inr-1-82-trillion#:~:text=The%20TV%20industry%20grew%20from,over%2020%25%20in%20certain%20cases.



Our television business delivered great performance during the year and Balaji Telefilms delivered 4 out of the Top 5 shows. We also recorded 18% Prime Time viewership share, making Balaji the number 1 content producer in India. However, the last quarter of FY20 posed some challenges due to the COVID-19 outbreak. Production was completely halted around March 18, 2020 and we lost about 13 days of production. Despite this, we had a strong content line up and a good rating during the year. We also successfully premiered some of our digital shows from ALTBalaji on TV, keeping the wheels of entertainment running as usual.

We also delivered exceptional performance in our movie business this year and going forward, we aspire to maintain this successful track record. In FY20, Dream Girl proved to be a commercial hit and

the other two movies - Judgemental Hai Kya and Jabariya Jodi, also did well at the box office. Our project pipeline at the moment consists of movies like Dolly Kitty Aur Woh Chamakte Sitare, Ek Villain 2, KTina and Pagglait. Keeping in mind the current situation and ongoing lockdowns in the country due to the COVID-19 pandemic, restrictions on theatrical releases have been imposed. Therefore, we plan to release Dolly Kitty Aur Woh Chamakte Sitare on Netflix and we continue to explore other options for taking movies closer to our viewers.

To mitigate the effect of the pandemic on our business, we have undertaken efforts to re-negotiate with our vendors, actively managed receivables and have resorted to pay cuts in some instances. But, despite the imminent troubles, we have constantly stood by our

people and have paid wages on time. Moreover, we also renounced a part of our salaries to fund our talent pipeline.

Our constant efforts to curate specialized content keeps us confident about veritable business growth. As we channel our resources to successfully navigate challenges, we remain motivated to overcome hurdles and seize opportunities in a dynamic industry. With the right people and the best strategic alliances, we are poised to take Balaji on the route to success.

We take this opportunity to acknowledge the hard work, dedication and sincerity of our people. We would also like to convey our heartfelt appreciation for our valued shareholders for always encouraging and supporting us.

Message from the Group COO and Group CFO



Nachiket Pantvaidya

Group COO and CEO of Alt Digital Media Entertainment Limited

player in the digital consumer/technology space targeted at mass India. Our business portfolio across traditional TV, movies and a future focused ALTBalaji keeps us in a unique position in straddling three media businesses targeted at mass India.

For 25 years, we have successfully gauged the pulse of our audience and today, we are confident about our ability to deliver unmatched entertainment experiences and offer exceptional value to all our stakeholders.

Dear shareholders,

Business segment review

During the year under review, Balaji's TV production business sustained its growth, clocking more than 823 hours of showtime, an improvement of 8% year-on-year. Maintaining high margins and profitability, the realisations remained strong at Rs. 37 lakhs per hour as we recorded a significant market share for several prime time shows. We have consistently managed to keep our TV ratings high for the entire year, despite the launch of new shows and several popular shows coming to an end.

Our movie business too delivered an exceptionally good performance. As an experienced player in this segment, we continue to leverage our expertise to deliver hits year after year. The commercial performance

ALTBalaji
continues to grow exponentially, revenues were at Rs. 77 Crore from Rs. 41 Crore in FY 2018-19

FY 2019-20 was both an exciting and challenging year for us. As the ecosystem for content creation and delivery morphed multi-fold to suit evolving audience preferences, at Balaji Telefilms, we focused on building capabilities to capitalize on the explosive growth of digital entertainment platforms, especially OTT services.

While we continued to create content across formats, we recognized the need to be future-ready. Looking at the constant growth of the digital medium, 3 years ago we had a vision to establish ourselves as a dominant player in this space and start a digital B2C business. With the launch of ALTBalaji, we are pursuing our ambitions to be a key



Sanjay Dwivedi

Group Chief Financial Officer

ALTBalaji, our digital B2C platform, continues to reaffirm its market dominance as a preferred mass Hindi content platform fulfilling the promise of delivering content anytime, anywhere. When it comes to entertainment, the Indian audience is no longer bound to schedules and locations, rather preferences in favour of a seamless, on-the-move experience continues to dominate the new-age viewer. It has led to a phenomenal rise in viewership and subscription, consistently adding users from the untapped markets of Tier-2 and Tier-3 cities of India.

With a focus on targeting the Hindi speaking audiences across India, ALTBalaji continues to appeal to audiences of all age groups. We are constantly diversifying our content across genres and consistently producing the most amount of content for our OTT platform, launching at least 2 shows per month.

ALTBalaji remains one of the top 4 paid Apps in India and offers one of the best and affordable option for our subscribers. Our unmatched leadership as the best and the largest player in the Hindi OTT market largely rests on our ability to track our audience preferences. We rely on customer analytics to understand audience behaviour and accordingly, curate appealing content.

During the year under review, Balaji's TV production business sustained its growth, clocking more than 823 hours of showtime, an improvement of 8% year-on-year.

of films such as Dream Girl reinstates our ability to consistently deliver box office hits. For us, talent and content go hand in hand. As a result, we promote new talent and focus on producing 4 to 5 films in a year. It not only allows us to remain profitable, but also enables us to explore new business opportunities. At Balaji Telefilms, we follow certain thresholds for producing or co-producing movies under our banner. To keep our margins intact, we believe in selectively picking promising projects, like our recent co-production, 'Ek Villain 2'. We also as a policy enter into pre-sales agreement to ensure profitability from the time a movie is approved for production.

We have seen a sharp rise in watch time- with an average of 60 minutes per day - a testimony to our expertise in delivering engaging and entertaining content. With programming the largest exclusive Hindi content libraries, our audience is now spoilt for choice. We have been doubling our revenues and slabs every year, year on year from launch.

While our TV shows have created a legacy of its own, the OTT platform has given rise to a completely new audience that remains glued to entertainment on the go, anytime and anywhere. Our digital content remain targeted at individual viewing and our TV content caters to families and as such do not compete.

Recently, we have formed strategic partnership with Zee5 to grow our subscription video on demand business. A first-of-its-kind OTT collaboration, we aim to co-create and co-produce more than 60 Originals which will be available on both platforms. It will not only scale up our existing business but, will remarkably enhance our profitability.

Financial review

On a consolidated basis, the revenues rose by 34% to Rs 574 crores in FY 2019-20 as compared to Rs. 428 crores in the previous year. This was achieved with sustained growth across all three businesses, offering rich and differentiated content. The movies and TV production business largely contributed to turn the EBITDA around, from a loss of Rs. 105 crore in the previous year to a profit of Rs. 11 crore in FY 2019-20.

Cash generation from business continues to strengthen our balance sheet and fund our future investments. Our balance sheet

remains robust, with zero debt on the books. We saw our current ratio move from 5.6x in FY19 to 3.1x in FY20 as we continue to invest in ALTBalaji. This resulted in some of our current investments getting reclassified as long term investments. In addition to this our inventory turn over ratio has improved this year from 5.3x to 8.2x as we had lower movie inventory as compared to the previous year.

However, towards the end of FY19-20, the effects of a devastating pandemic were felt across the entertainment industry. While we are still adjusting to newer ways of carrying out our business we have managed to sustain the business and its operations in these challenging times.

Bringing the best of content

At Balaji Telefilms, we believe in providing customers with the best of entertainment, across TV, movies and digital platforms. Since our inception, we have grown from strength to strength, to emerge as a leading player in the media and entertainment industry. In a competitive landscape, we have been successful in delivering on our strategy of offering the broadest range of content, while remaining focused on improving our operational efficiency and capabilities. We understand the need to tell stories that resonate with audiences regardless of their geographic affiliations. Our tales are therefore, intrinsically woven around local lore and cultural aspects, creating an unmatched connection with the audience.

At Balaji Telefilms, we keep a tab on our local audience, we pay heed to their desires and demands. It allows us to concentrate on the masses, a huge section of the Indian population who are looking for

content that is easy to grasp and in a language that they speak. This, to a large extent, explains the popularity of our Hindi shows, keeping viewers glued to our shows year after year. As we continue to scale the quantum of shows and movies, we are also cognizant about keeping the quality of our content intact. We are attracting the very best of writers, directors and actors across each of our businesses, allowing us to recoup our investments.

Accelerating growth

Our focus on building businesses with higher margins and efficiency are continuing to deliver significant results. For the movie segment, we shall continue to prefer co-producing high budget movies with differentiated content to limit our capital commitment and maintain an adequate risk-reward balance. Further, our presale marketing strategy helps to lock-in profits at an early stage, thereby strengthening our margins considerably.

Despite production coming to a grinding halt during the last few days of March 2020 due to the COVID-19 pandemic, we had a strong content line up and it resulted in good ratings for the quarter.

In an endeavour to bolster our growth in the digital space, ALTBalaji entered into a strategic partnership with Zee5. The strategic partnership gives audiences an opportunity to access incredible shows from both platforms and has played a crucial role in enhancing our subscriber base. It has also significantly reduced our operating losses. Further, discontinuation of free services of ALTBalaji with telco operators has helped to increase the ARPU of ALTBalaji. It gives us immense pleasure to report



that revenues of ALTBalaji have progressively doubled since the first year, with an impressive growth of active and paid subscribers. The strength of our strategic partnership, a robust collection of Hindi content, especially designed for the masses and an ever-expanding library of original content positions ALTBalaji among the top 4 grossing apps across iOS and Android platforms.

Future ready

In a highly competitive industry, our strategic designs, infrastructure, culture and people shall empower

us to deliver value for all our stakeholders. We remain optimistic about our forthcoming TV shows, movies and mass Hindi content on our digital platform and remain confident about adapting our offerings according to audience preferences. At Balaji, we are shifting through evolving trends to fortify our quest for delivering the best of entertainment with exciting and engaging content.

Finally, we would like to take this opportunity to thank all our shareholders and stakeholders for their continued trust and faith in Balaji Telefilms, empowering us to take the journey of

entertainment forward, unhindered and undeterred. We shall remain motivated to always look forward to brighter days, patiently waiting for the storm to pass.

Regards,

Nachiket Pantvaidya

Group COO and CEO of Alt Digital Media Entertainment Limited

Sanjay Dwivedi

Group Chief Financial Officer

Blueprint of our success



Engaging content

At Balaji, we constantly focus on developing innovative and new content for wide range of viewers and genres. Our in-house team of experts constantly work towards creating content that is engaging and in line with our viewers' needs. We have one of the largest original exclusive Hindi content libraries in India.

One of the Top 5

Paid Apps in the country - ALTBalaji

#1

Content producer for prime-time television with 4 of the Top 5 fiction shows

60+

Original Shows available on ALTBalaji



Experience and expertise

The experience and expertise gained over more than two decades has given us deep and unique understanding of viewing habits of the Indian audience. This not only enables us to engage better with our customers but also enables us to build original and exclusive shows and movies.

25+

Years of experience

Curating content across all

3 formats



Reach

We have established a strong connect with our audience through multiple formats including television, big screen and digital platform. We leverage these channels to reach maximum entertainment lovers in India.

4

Content across all the leading Hindi GEC broadcasters on primetime

60 minutes/day

Average watch time for ALTBalaji



Our financial strength

Our relentless focus on cost optimization, cost effective pricing strategy and diversifying our revenue stream enables us to increase our top line and maintain healthy margins. Our strong balance sheet enables us to fund our growth plan, provide financial stability and ensure consistent growth in shareholders' return.

17.56%

5-year CAGR growth in revenue

8%

Y-o-Y growth in Programming Hours



Strong market standing and brand recall

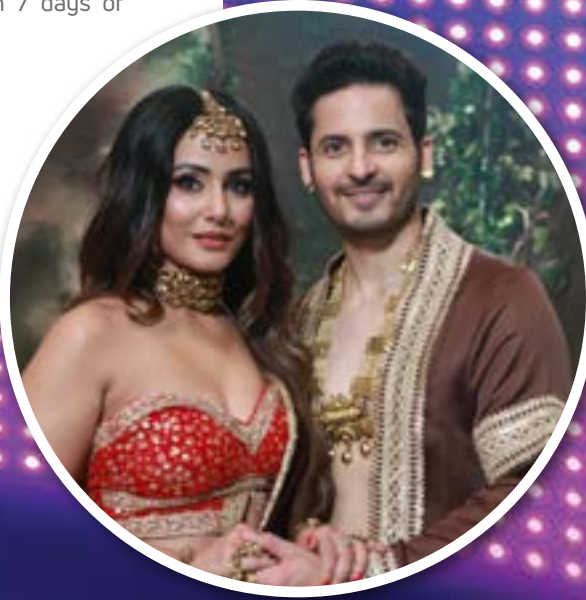
Over the past 25 years, we have been successful in establishing a strong brand position across all our businesses. Today, we enjoy dominant market share in creating fiction content while our digital business, ALTBalaji, is one of the front runners in the digital space. This has also resulted in constant increase in our audience and subscriber base.

#3

Paid video on demand service platform in India

67%

Consumers finish watching a series within 7 days of starting it



Navigating Change – Thinking about Tomorrow

In our journey over the last two decades, we have witnessed the global entertainment industry morph at a frenetic pace. As conventional barriers to content consumption continue to blur, there is an incredible transformation from analogue to digital platforms. At Balaji, we are attuned to our audience preferences, fulfilling the demand for entertainment on-the-go and eagerly gearing up for tomorrow – focusing and aligning our thoughts and actions to create a new realm of entertainment.

Ever since our inception, we have pioneered many firsts, delivered entertainment like never before and have won hearts effortlessly. We also realize that the world around us is changing every second. While dwelling on our past glory creates a solid foundation for sustaining future growth, we also identify the need to take forward our legacy with contents, concepts and platforms that make entertainment accessible anywhere, anytime. We, therefore, pride ourselves as a facilitator of the content ecosystem, addressing shifts in the technology paradigm and consistently creating proprietary content that provides our audience unhindered access to unlimited choices.

Balaji is now looking beyond the obvious, aiming at higher goals and focusing on next level growth. We are strengthening our core capabilities, exploring newer avenues of growth, improving our digital initiatives and aiming to consolidate global growth.



Outlook

We constantly endeavour to offer audiences entertaining and engaging content. We are also focusing on the binge-watching habit of our viewers and are accordingly, curating exciting content. Along with TV shows, we are concentrating on unconventional movies to improve revenues through co-production/pre sales. For ALTBalaji, we are aspiring for profitable growth through increased subscriptions to our OTT platform.

More Choices



Naagin 5



Kasautii Zindagii Kay 2



Dream Girl



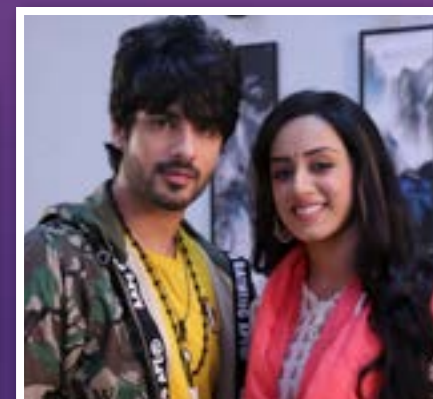
Dil Hi Toh Hai Season 3



It happened in Calcutta



Bepannah Pyar



Yeh Hai Chahatein



Naagin 4



Kehne Ko Humsafar Hain Season 3



Baarish 2

Growing Strength to Strength: Business Segment overview

Balaji Telefilms Limited

The ability to design and deliver enthralling content has enabled Balaji Telefilms to create a loyal following across the length and breadth of the country. We have the credit of creating the most memorable and loved shows and characters on Indian television, a testament to our impeccable track record. And, today we are proud of our legacy as we continue to feel the pulse of our audience and confidently curate content to their liking. Our innovative approach and the ability to remain in sync with audience preferences allows us to design content across genres and sustain our stronghold on Indian TV.

823

Hours of content produced

₹37 lakhs

Per hour of average realisation

#1

Production house

Our TV Shows Aired during the year



Kkundali Bhagya

● Drama



Kumkum Bhagya

● Drama



Yeh hai Chahatein

● Drama

● Genre



Naagin S4

● Supernatural, Fantasy, Thriller



Pavitra Bhagya

● Romance, Drama



Kasautii Zindagii Kay 2

● Romance, Family Drama

Our off-air shows during the year



Yeh Hai Mohabbatein

● Family Drama



Box Cricket League (S4)

● Reality



Kavach Mahashivratri

● Horror



Bepannah Pyar

● Romance, Drama, Mystery



Haivaan

● Supernatural, Fantasy, Sci-Fi



Daayan

● Horror



Nagin S3

● Supernatural, Fantasy, Thriller

● Genre

Growing Strength to Strength:
Business Segment overview

Motion
Pictures

Motion Pictures today is renowned for producing contemporary cinema. Coupled with innovative marketing strategies, we have leveraged our brand strength to reach out to a growing audience. Over the years, we have churned out multiple box-office hits and have established a firm footing in this segment.

We have constantly focused on diverse audience preferences, delivering films renowned for cinematic brilliance, astounding commercial success and critical fame. To sustain our credibility in the industry, we maintain a sharp focus on scripts, budgets, economies of scale and out-of-the-box marketing. We also lay emphasis on strategically optimising risk-return through pre-sale of rights and production of sequels and series that are readily acceptable to our audiences.



Movies released in the year



Dream Girl

- Ayushmann Khurana and Nushrat Bharucha
- Raaj Shaandilyaa
- 13th September, 2019
- Family Entertainer



Jabariya Jodi

- Sidharth Malhotra and Parineeti Chopra
- Prashant Singh
- 9th August, 2019
- Drama Comedy



Judgementall Hai Kya

- Kangana Ranaut and Rajkummar Rao
- Prakash Kovelamudi
- 26th July, 2019
- Quirky Thriller

Movies under production

Dolly Kitty Aur Woh Chamakte Sitare

- Konkona Sen Sharma and Bhumi Pednekar

Ek Villain 2

- John Abraham

K Tina

- Disha Patani

Pagglait

- Sanya Malhotra

● Lead actors ● Director ● Release date ● Genre

Growing Strength to Strength:
Business Segment overview

ALT Digital Media
Entertainment Limited

ALTBalaji

We launched ALTBalaji as an over-the-top (OTT) platform that offers subscription-based original exclusive content and on-demand services for digital audiences. The move reflects our strategic intent to expand our entertainment expertise by creating original digital content for the entire ecosystem spanning mobiles, computers, tablets, smart TVs and game stations, targeted towards urban Indians and the Indian Diaspora. The aim is to build a consumer facing brand that gives audiences all-new original, exclusive and fresh content across genres, they want to watch - whenever, wherever and however.



Our business is built on a unique strategy that focuses primarily on Content, Distribution and Pricing, thereby differentiating from other OTT players in the industry. Video streaming as a category continues to grow exponentially and ALTBalaji dominates the Mass OTT market by creating hit shows that continue to fuel the binge-watching habit. In a short span, ALTBalaji has received tremendous support and validation from consumers and partners across the digital ecosystem.

Among top

5

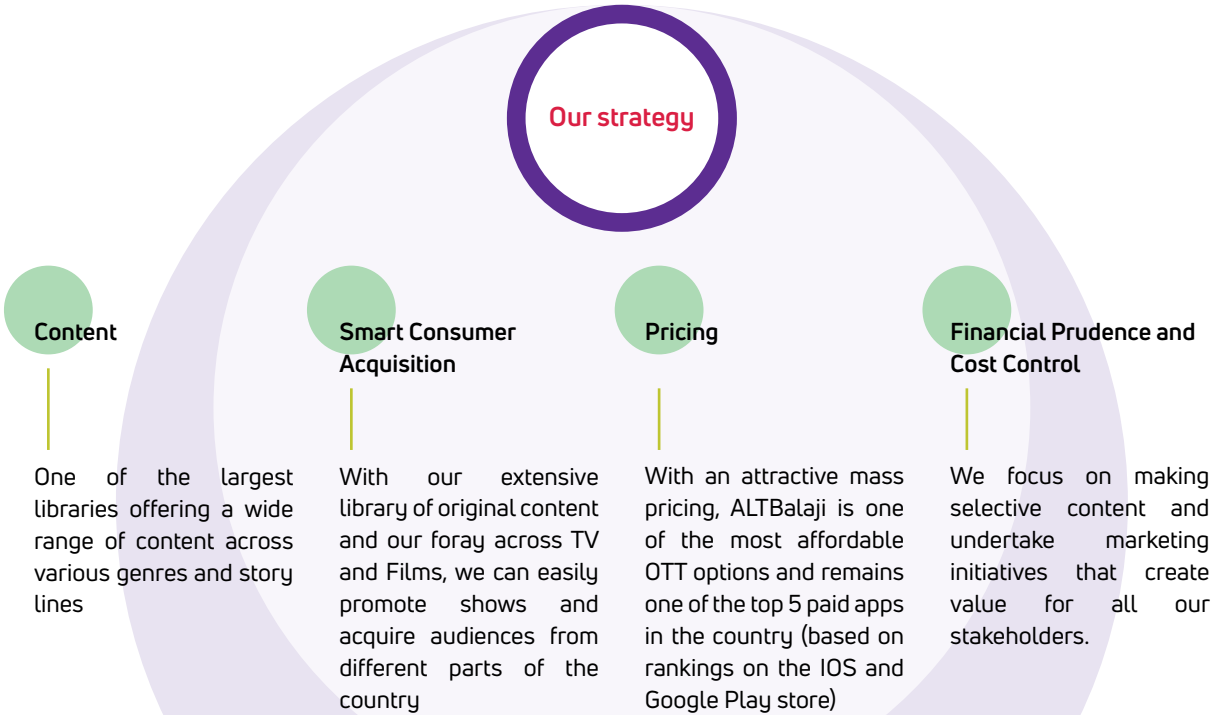
Paid Apps in the country

70:30

Male: Female

75%

Of user base below 35 years



Ever since our rollout of ALTBalaji, our core focus has been to entertain viewers with innovative content and constantly evolve and develop our content strategy to cater to customers need for 'personalized content'. We have released a number of path-breaking shows by tapping into different genres to bring alive innovative and highly relatable shows for our Hindi speaking audiences.

Our pricing strategy

We are primarily is a mass consumer brand, targeting the mass audience by providing the best quality content to the consumers at the most affordable price. We are one of the most affordable OTT options with plans at Rs 300 a year/Rs 100 a quarter

(less than Rs. 1 a day) and this has allowed us to quickly penetrate and grow our reach.

100%

YoY Growth in direct subscription revenue

We have recorded exponential growth in subscribers for FY20 and one of the main drivers of this growth is our integration with several distribution partners which has helped create acceptance across the global internet ecosystem.



Growing Strength to Strength: Business Segment overview

Customer acquisition strategy

The app cuts across multiple age-groups with content that is curated across genres and story lines. The platform continues to leverage the Balaji ecosystem of TV and Films to promote shows and acquire customers via lower marketing spends. The extensive library of shows and content allows us ALT Balaji to acquire customers at a lower cost of acquisition.

ALTBalaji – Acquisition Funnel

ALT content is seen on internet

860 Mn

Unique users reached

107 Mn

Views from engaged audience

40 Mn

Monthly active users engaged

8.4 Mn

Profitable consumers

Our shows during the year



Karrle Tu Bhi Mohabbat Season 3

Romantic Drama



Baarish Season 1

Romantic Drama



Bekaaboo

Erotic Thriller



Medically Yours

Teen Drama



Booo... Sabki Phategi

Horror Comedy



Gandii Baat Season 3 -
Urban Stories From Rural India

Erotic Drama



Boss

Thriller



FUOK

Comedy



Coldd Lassi Aur Chicken Masala

Romantic Drama



Mission Over Mars

Drama



The Verdict - State vs Nanavati

Courtroom Drama



Fixerr

Thriller



Fitrat

Romantic Drama



Gandii Baat Season 4 -
Urban Stories From Rural India

Erotic Drama, Erotic Thriller



Virgin Bhaskar

Erotic Comedy



Broken But Beautiful Season 2

Romantic Drama



Hum Tum And Them

Romantic Drama



Ragini MMS Returns Season 2

Horror



Code M

Thriller



Dil Hi Toh Hai Season 3

Family Drama

Growing Strength to Strength: Business Segment overview

Our shows



Class Of 2020

Teen Drama



X.X.X. Season 2

Erotic Drama



It Happened In Calcutta

Romantic Drama



Mentalhood

Drama



Who's Your Daddy?

Comedy



Baarish Season 2

Romantic Drama



Kehne Ko Humsafar Hain Season 3

Romantic Drama



Virgin Bhaskar Season 2

Erotic Comedy



Bebaakee

Romantic Drama

Marinating Films Private Limited Brand

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.

Chhayabani Balaji Entertainment Private Limited (CB&PL)



In partnership with Kolkata-based Chhayabani Private Limited, CBEPL leverages our competitive strengths to produce entertainment across the media along with Chhayabani's glorious heritage of producing extremely notable films in Bengali. The collaboration has brought together two different media houses, with distinctive strengths to create a mix of diverge genres, new concepts and innovative formats, including daily soaps, short format series, reality shows or weekend shows, while also attracting high-quality talent.

Awards & Recognition

Ekta

Zendesk the customer
fest awards 2020



PR champions of the year award - ALTBalaji



Balaji Telefilms Limited

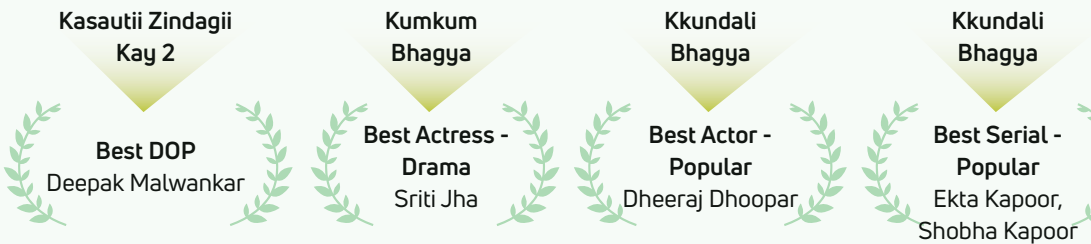
Indian Telly Awards 2019



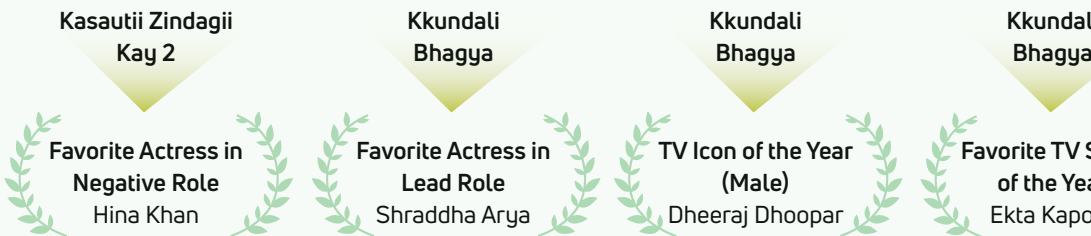
Asian Viewers Television Awards 2019



Indian Television Academy Awards 2019

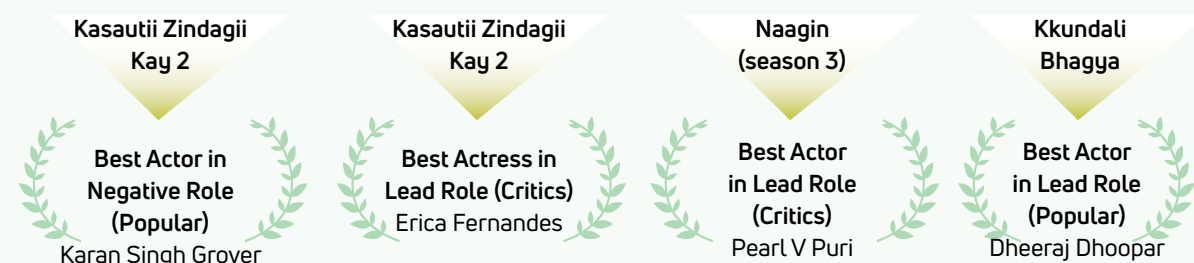
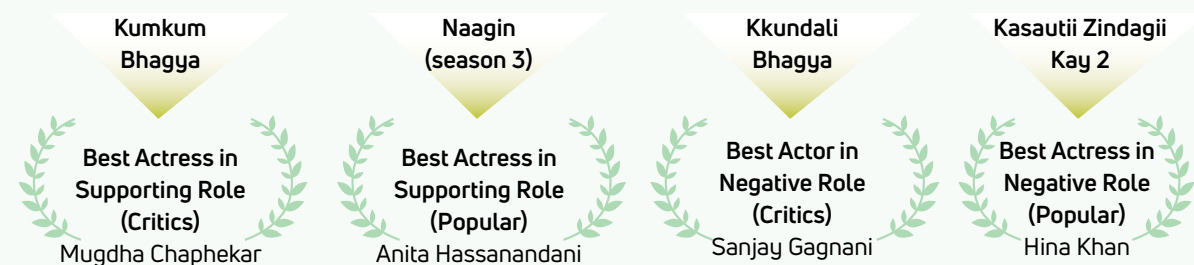


Lions Gold Awards 2020



Awards & Recognition

Gold Awards



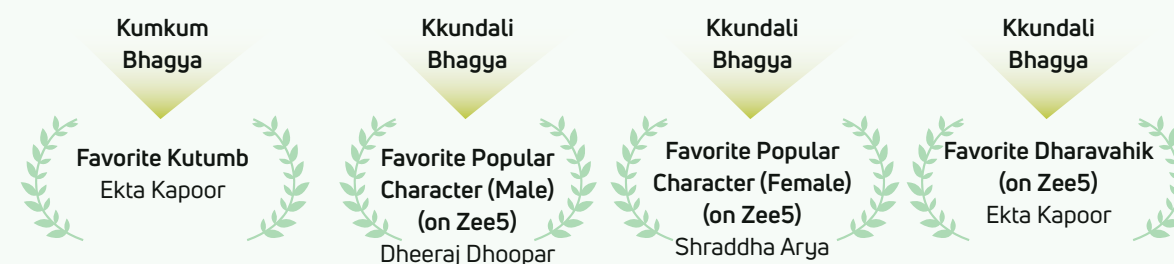
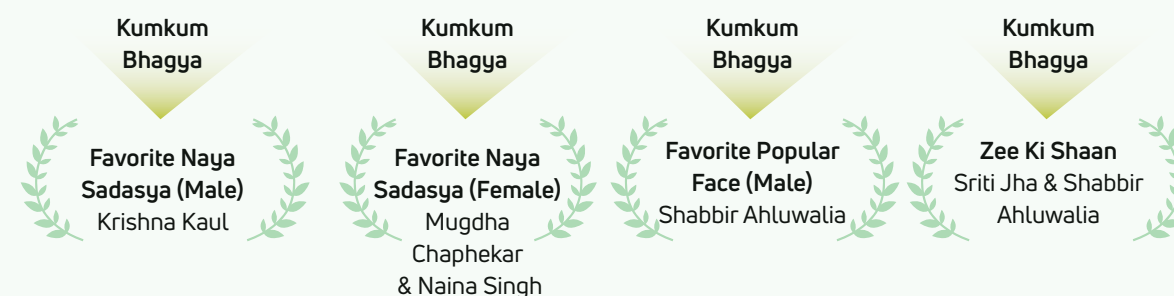
Kalakar Awards 2019



Kalakar Awards 2020



Zee Rishtey Awards 2019

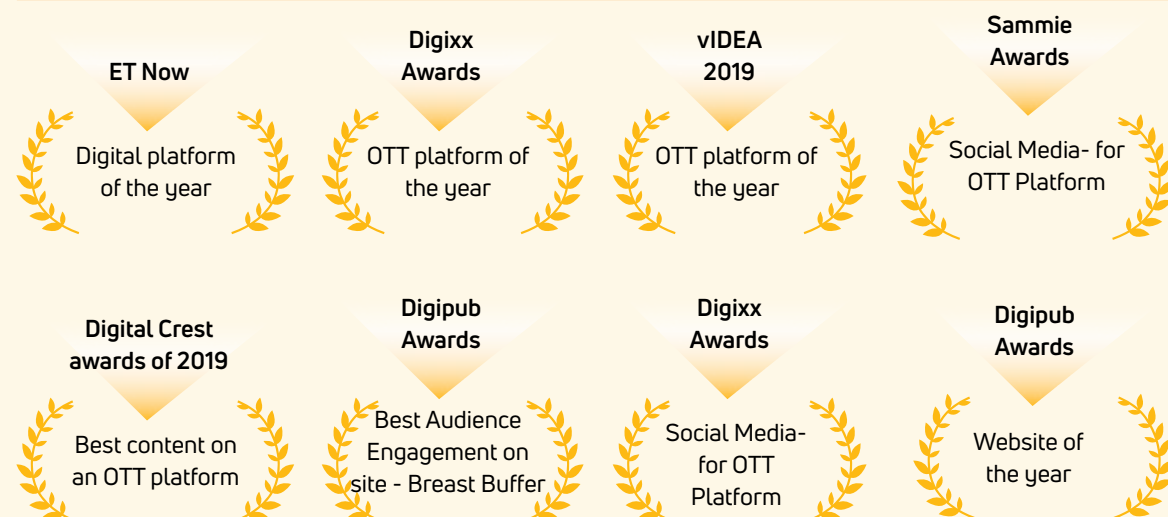


Awards & Recognition

Motion Pictures



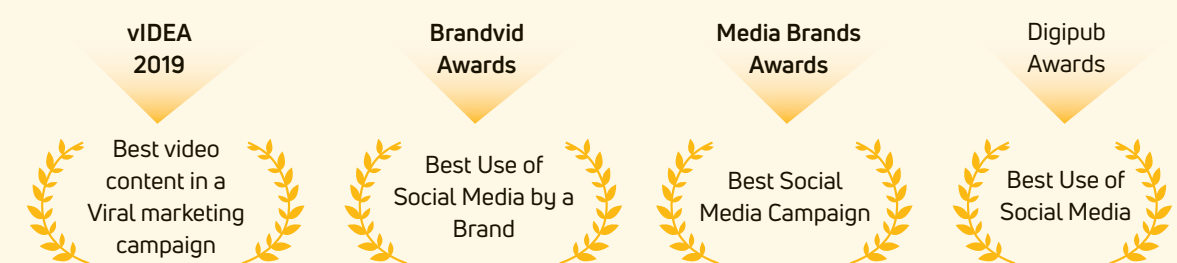
ALTBalaji



Apharan



Home It's Feeling



Breast Buffer



Gandii Baat



Puncchbeat



Broken But Beautiful Season 1



CCSSA



Dil Hi Toh Hai



Awards & Recognition

Digi X

Fittrat

Fittrat

CLACM

CLACM

Code M

Best Actress
Jennifer Winget

Broken But Beautiful Season 2

Best Director
Harsh Dedhia

Fittrat

Best Sound Track

ET Now

ALT Digital

Digital Company of Year

Videa 2020

Fittrat

Best Video in Social Media Campaign

IWM Buzz

HOME

Neeraj Udhwani – Best Story in Web Series

e4m Play

Mission Over Mars

Best Science Fiction Show on Web

Code M

Best Marketing Campaign by an OTT Platform

Fittrat

Best Marketing Campaign for a Web Original Integrated

Cold Lassi Aur Chicken Masala

Best Marketing Campaign for a Web Original Integrated

Ragini MMS Returns Season 2- Hello Ji

Best Use of Video Marketing on TikTok

Corporate Overview

Statutory Reports

Financial Statements

IWM Buzz

Apharan

Best Direction

Haq Se

Most Popular Actress Web Series – Parul Gulati

Broken But Beautiful Season 1

Rising Celebrity of the year (Vikrant Massey)

Talenttrack Awards 2020

Fittrat

Best Soundtrack

Broken But Beautiful Season 2

Best Director Harsh Dedhia

Drama/Thriller - Jennifer Winget

Best Actor Female-Drama/Thriller

The Decade Awards- INKSpell

The Verdict – State Vs Nanavati by Alt Balaji

Drama Content of the Decade

Mentalhood

Entertaining Content of the Decade

Ragini MMS Returns Season 2

Horror Content of the Decade

Booo... Sabki Phategi

Humorous/Satirical Content of the Decade

Home

Motivational Content of the Decade

Apharan

PR campaign of the Decade

IREel Awards

Breast Buffer

Best Ad Campaign of the Decade

Home

Supriya Pilgaonkar – Best Actor Female (Drama)

B000..Sabki Phategi

Best Writing (Comedy)

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 Business Women in Business Awards. In the year 2020, she has also won Padma Shri Award.



Mr. Duraiswamy Gunaseela Rajan
Independent Director

Mr. Duraiswamy Gunaseela Rajan is a Chartered Accountant by profession and is a Fellow Member of the Institute of Chartered Accountants in England and Wales (Life Member) and the Institute of Chartered Accountants of India. He is Associate Member of the Institute of Internal Auditors. Mr. Rajan served as a Partner at Lovelock & Lewes from 1967 and was the Senior Partner (Chairman) of the firm from 1984 till 1990. He also served as the Chairman of the Direct

Taxation Committee of the Southern India Chamber of Commerce & Industry and a Member of the Board of Governors of The Doon School, Dehradun. He was also President of the Management Consultants Association of India and Chairman of the Indian Paint Association -Southern Region. Presently, he is adviser, consultant and director/member of supervisory board of various other domestic and international groups.



Mr. Arun Kumar Purwar
Independent Director

Mr Arun Kumar Purwar works as Chairman of Eroute technologies Pvt Ltd , a fintech Co, as well as Tadas Wind Power Ltd. He also works as an Independent Director in Companies across diverse sectors like power, solar energy, telecom, steel, engineering consultancy, pharma and financial services. He also acts as an advisor to Mizuho Securities, Japan. He was Chairman of the State Bank of India ("SBI") from 2002 to 2006 and Chairman of the Indian Bank Association during 2005 to 2006. He has previously held positions such as Managing Director of State Bank of Patiala and has been

associated in the setting up of SBI Life. Post his retirement from SBI, he was associated with a leading industry house in setting up the first healthcare focused private equity fund as well as a non-banking finance company focused on funding real estate projects as well as educational institutions. He has won a number of awards including the CEO of the year award from the Institute of Technology and Management (2004), "Outstanding Achiever of the Year" award from the Indian Banks' Association (2004) and "Finance Man of the Year" Award by the Bombay Management Association in 2006.



Mr. Anshuman Thakur
Non-Executive Director

Anshuman Thakur is Senior Vice President at Jio Platforms Limited. He joined the Reliance Group in 2014 and has ever since been closely involved with the Jio business. He has over 21 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.

Board of Directors



Ms. Jyoti Deshpande
Non-Executive Director

Ms. Jyoti Deshpande, 49 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 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. She also has overall responsibility for content acquisitions for Jio mobility and fiber-to-the-home platforms.

Ms. Deshpande regularly features among Fortune India magazine'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 featured in Forbes Emergent 25 business women in Asia list in May 2018.



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 40 years of experience in Audit and Direct Taxation and has handled International assignments in internal and Operational Audits in U. K, Portugal, Kenya and Indonesia.



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 over 50 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.



Dr. Archana Hingorani
Additional Director (Non-Executive Independent)

Dr. Archana Hingorani is serving as a Director on Board 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 24 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. Prior to that she was the CEO of IL&FS Investment Managers Limited as was with the group for 23 years. 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 33 years' experience in the financial services business, teaching and research.

Management discussion and analysis



Indian economy overview

A key player in the global economy, the Indian economy emerged as one of the fastest-growing economies in early 2018, driven by strong consumption demand and steady growth across major sectors. The economy witnessed a decline in growth with an estimated GDP of 4.2% in FY 2019-20. Economic pressures that affected the global economy trickled down to impact the Indian economy as well. Domestic factors too affected investor sentiment and consumer spending, resulting in muted growth across sectors. Real estate and construction were the most severely affected and significantly contributed to a slow growth. Despite these headwinds, the Indian economy saw signs of a promising future. In 2019, India became the 5th largest economy in the world, in terms of GDP. It also obtained the 63rd rank in World Bank's 'Ease of Doing Business' report, 2019, in comparison to 77th position in 2018.

However the threat of COVID-19 is expected to drive the economy downward in 2020. Industries and business activities around the country came to a screeching halt after the nationwide lockdowns, causing severe disruptions to supply and distribution channels. In order to revive the economy, certain industries were gradually allowed to start operations, in a phased manner. A stimulus package of ₹ 20 lakh crore was also announced to bounce back growth.

The Indian economy is projected to contract by 4.5% in FY 2020-21 due to the recent COVID-19 pandemic. The pandemic is expected to have far-reaching economic and social consequences for the country, with strong cross-border spillover



effects anticipated through trade, tourism and financial linkages. In FY 2021-22, the economy is expected to record 6% growth, owing to varied government initiatives and policies aimed at instilling confidence and improving sentiments.

Global media and entertainment industry overview

With customers demanding innovative and new media experiences, the global media and entertainment (M&E) industry is transforming into an experience-led industry, thanks to the rapid evolution of technology. The global entertainment industry, consisting of theatrical and home entertainment, for the first time in its history surpassed \$100 billion in terms of revenue and touched \$101 billion at the end of 2019. The global M&E segment is likely to grow at a CAGR of 4.3% to reach US\$ 2.6 trillion by the year 2023 from its current market size of US\$



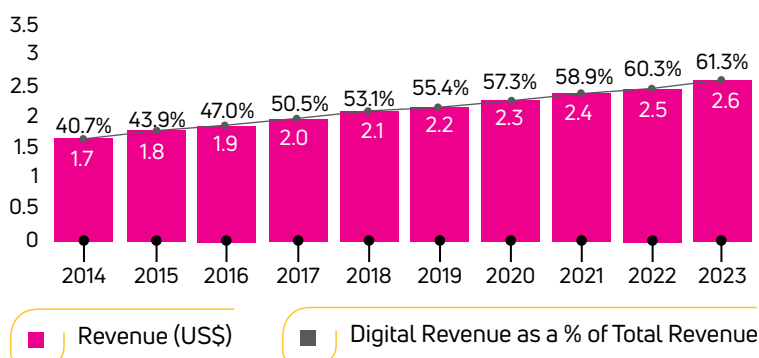
2.3 trillion.

The global M&E industry is undergoing rapid change as new technology continues to fuel fundamental shifts in the industry. Technology is massively transforming the media and entertainment industry by

creating new opportunities and better revenue models. The media consumption pattern is also changing rapidly and consumers now have the power to choose and build a personalized library, something that seemed impossible earlier.

With a greater demand for personalized entertainment choices, an enhanced demand for audio or video streaming services (like Netflix, Youtube, and Amazon), delivered over the internet have been noticed. The popularity of mobile computing devices also continue to increase – leading to a disruption in the broadcast television era. It is also creating more opportunities for independent artists to leverage technology and reach a broader audience.

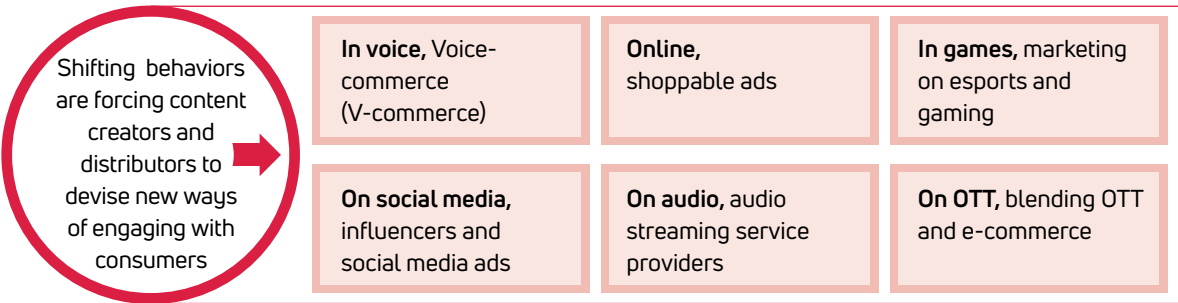
Global media and entertainment industry growth



(Source: http://bestmediainfo.in/mailer/nl/nl/2019_Global_E_M_Outlook.pdf)

The global M&E segment is likely to grow at a CAGR of 4.3% to reach US\$ 2.6 trillion by the year 2023.

Key customer engagement segments



As the streaming wars continue to intensify, industry players have deployed new technologies and ways to widen their reach. Virtual reality (VR), over-the-top (OTT) video and internet advertising are some of the segments which are gaining popularity. The global M&E industry saw the launch of many new OTT services in late 2019 and early 2020. Disney (Disney+), AT&T (HBO Max), Comcast (Peacock), and Discovery (Food Network Kitchen) are some of the biggest OTT launches of 2019. With the launch of new OTT services, there is a greater focus to invest heavily in original content to provide differentiated service to a growing paid subscriber base.

Global OTT revenue is likely to increase at a CAGR of 13.8% to reach US\$ 72.8 billion by 2023. Rising consumer appetite for video-streaming services and rapid expansion of services in less developed regions are expected to stimulate growth in this segment. In 2019, we experienced the explosive popularity of some of the major OTT players, with a growing traction for E-sports.

Indian Media and Entertainment industry

There are telling signs that the Indian economy is slowing down and is likely to face some more headwinds with the recent Covid-19 outbreak. But despite the downturn, the Indian media

and entertainment (M&E) industry posted a strong growth in 2019 to reach ₹ 1.82 trillion (US\$25.7 billion), a growth of ~9% over 2018.

Further, the industry is anticipated to hold on to its growth trajectory to cross ₹ 2.4 trillion (US\$34 billion) by 2022, at a CAGR of 10%.

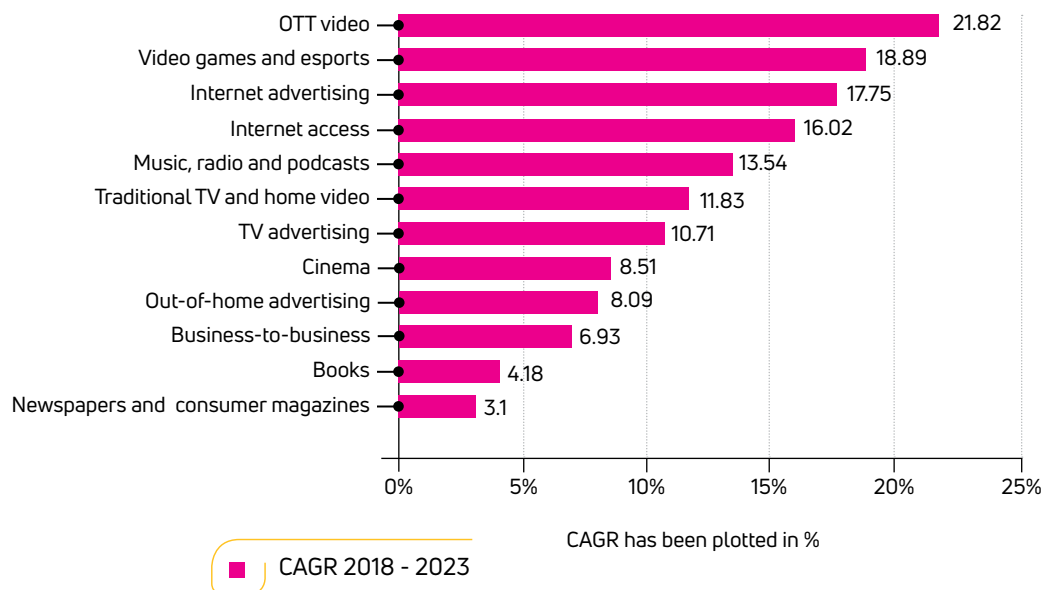
Y-o-Y Growth of the Indian M&E industry

	2018	2019	2020E	2022E	CAGR 2019-22
Television	740	787	790	882	4 %
Print	305	296	301	309	1 %
Digital Media	169	221	279	414	23 %
Filmed Entertainment	175	191	207	244	8 %
Animation and VFX	79	95	112	156	18 %
Live Events	75	83	94	122	14 %
Online Gaming	46	65	91	187	43 %
Out-of-Home Media	37	39	41	46	5 %
Radio	34	31	33	36	5 %
Music	14	15	17	20	10 %
Total	1674	1822	1965	2416	10 %

[Note: All figures are gross of taxes (INR in billion) for calendar years]



Segment-wise CAGR growth rate in India for the next five years



(Source: <https://www.pwc.in/industries/entertainment-and-media/global-entertainment-and-media-outlook-2019-2023.html>)

One of the sunrise sectors of the Indian economy, the Indian M&E industry stands at the cusp of rapid development, backed by rising consumer demand, rising penetration of the internet, growing digitization, and improving advertising revenues. India is expected to emerge as the fastest-growing entertainment and media market globally and is likely to sustain the growth momentum in the years ahead. Over the next five years, India is likely to witness significant growth in OTT, online gaming, and internet advertising.

As consumers continue to control their media consumption habits through an expanding array of smart devices and curate a personal selection of channels using OTT services, the industry is likely to witness change in the way media content is pitched. The soon to arrive 5G networks in India is expected to create further use cases, enhance user experiences, and create disruptions leading to newer business opportunities.

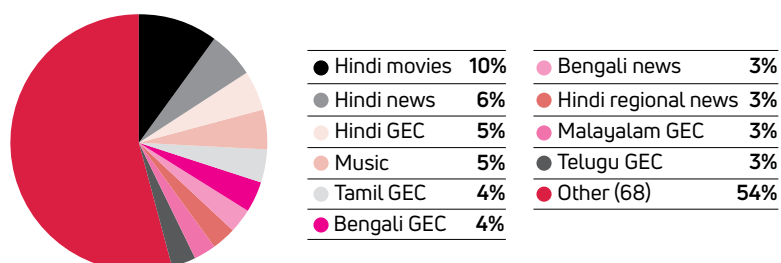
Indian television industry and its growth prospect

Catering to more than 190 million customers across the country, the Indian television industry continues to be a critical mass entertainment medium for both rural and urban populations. Over the last six decades, since the introduction of television in India in 1959, the Indian television industry has transformed itself to match evolving audience demands.

With the second-largest TV market and one of the largest broadcasting markets in the world, the Indian

television industry grew at 6.5% in 2019 to reach ₹ 788 billion, compared to ₹ 740 billion in 2018. Supported by some mega-events like IPL and ICC Cricket, marquee events like Bigg Boss, KBC, Saregamapa and the country's general elections, revenue from TV advertising grew by 5% to touch ₹ 320 billion. Subscription services also recorded a 7% growth and reached ₹ 468 billion. In terms of advertisement expenditure volumes, a 4% decline was witnessed in 2019 but, regional channels recorded 4% growth in volumes.

Channel genres which contributed most to ad volumes in 2019



(Source: ficci-ey-media-and-entertainment-report-2019)

With qualitative improvement of content, viewership of regional channels increased to 55% of the total viewership share of India. General entertainment and movie channels commanded a viewership of ~74% and the rest was contributed by other channels. In addition, the number of Television channels grew by 33 to reach 918 channels in 2019.

The implementation of the New Tariff Order (NTO) in February 2019 was a major event for the Indian M&E industry. The subscription growth (in terms of value) was mainly driven by growth in end-customer pricing, which was mostly driven by the implementation of NTO. However, the number of paid television subscriptions fell during the same period.

The number of paid subscribers in 2019 stood at 133 million compared to 161 million at the end of 2018. Strict implementation of the NTO 2.0 from March 2020 could, however, result in a 4% drop in subscription income. In the instance



of changes to bouquet size, pricing and channel mix, a marginal growth of up to 2% can be expected.

In terms of new channel growth, 33 new channels were added in 2019, and 27 of them were non-news channels. By 2025, television is likely to garner maximum advertising revenues, recording revenues of around ₹ 570 billion. Pay-TV is expected to grow further as more new users are anticipated to enter the Free TV market, providing low-cost advertising opportunities to marketers. The overall TV industry is likely to grow at a healthy pace of over 4% per year to cover 70% of Indian households by 2025.

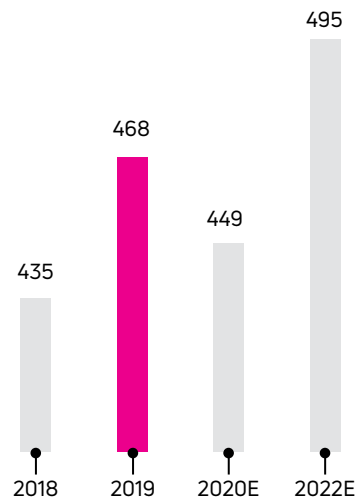
Indian Film Industry

‘India’s biggest cultural export’, the Indian film industry is one of the most prominent forms of entertainment in India and it’s the passion for films that helped

India emerge as the largest film producer in the world. The Indian film industry today is a multi-million-dollar industry employing over 6 million workers, with over a billion viewers spread across the globe.

Producing more than 75,000 films in more than 30 different languages and dialects since 1931, the Indian film industry today is the largest producer of films globally in terms of the number of films produced and also the biggest in the world in terms of ticket sales. Contributing nearly 40% to the overall revenue mix, Bollywood dominates the Indian film industry, while regional and international films contribute the remaining 50% and 7% respectively. India is currently the biggest cinema market in the world and in 2019 it recorded a 9.5% growth to reach ₹ 191 billion despite the downturn in the global and the Indian economy.

Television subscription at end-customer prices



(Source: ficci-ey-media-and-entertainment-report-2019) [Note: E - Expected]



Year-on-year growth of the Indian film industry (₹ in billion)

	2018	2019	2020E	2022E
Domestic Theatricals	102.1	115.2	126.7	146.4
Overseas Theatricals	30	27	25	30
Broadcast Rights	21.2	22.1	23.2	25.5
Digital/OTT Rights	13.5	19	23.8	32.8
In-cinema Advertising	7.5	7.7	8	8.9
Home Video	0.2	0.1	0.1	0.0
Total	174.5	191	206.7	243.6

(Source: ficci-ey-media-and-entertainment-report-2019) [Note: E - Expected]

In terms of new film releases, a total of 1,833 films were released in 2019 with an average of 35 films per week, as compared to 1,776 films in 2018. The industry recorded its highest-ever ₹ 100 crore club entry in 2019 with 17 Hindi films entering the club compared to 13 in 2018. Interestingly, six Bollywood movies made it to the ₹ 200 crore club during the year, compared to just three in 2018.

In terms of new film releases, the Hindi film industry topped the list with 265 releases in 2019, closely followed by the Telugu film industry releasing 263 films. A total of 1,460 regional language films were released in 2019, contributing to 80% of films released in India and generated ₹ 50.4 billion in domestic theatricals revenue vis-à-vis ₹ 47.9 billion in 2018.

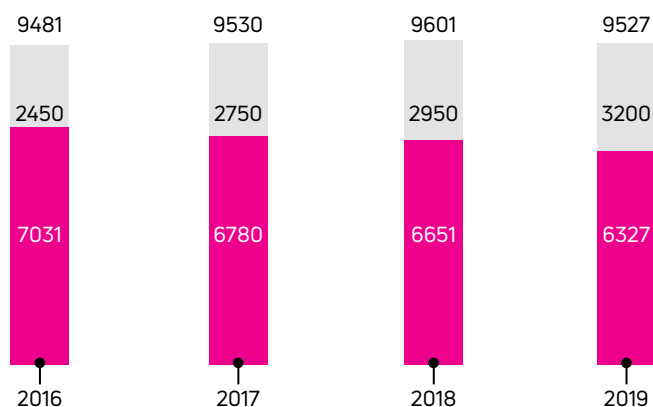
In terms of Hollywood film releases, 2019 saw a total of 108 Hollywood film releases in India, compared to 98 films in 2018 and their Gross Box Office Collection (GBOC) grew 33% over 2018. The blockbuster Hollywood release, Avengers: Endgame (2019) emerged as India's highest Hollywood grosser of all time and also the first Hollywood

movie to gross ₹ 4 billion; its GBOC of ₹ 4.3 billion contributed 28% of the GBOC of Hollywood in India.

While the overall number of movie-goers remained constant at around 100 million during the year,

a solid content pipeline coupled with multiple initiatives by film exhibitors drove higher repeat footfalls (recording an increase of 11.6% in 2019).

Channel genres which contributed most to ad volumes in 2019



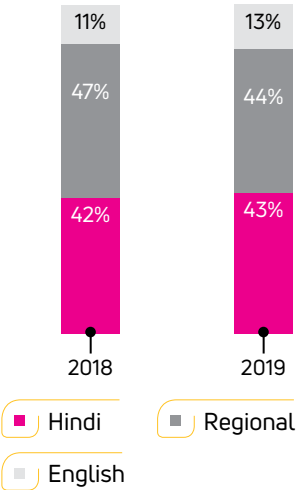
Single screens

Multiplexes

(Source: ficci-ey-media-and-entertainment-report-2019)

The domestic theatrical market grossed ₹ 115 billion in 2019, compared to ₹ 102 billion in 2018. The total GBOC collection of ₹ 49.5 billion in 2019 was the highest ever collection for Hindi theatricals at the box office. The Hindi film industry contributed approximately 43% of the GBOC, despite comprising only 14% of films released.

Changing revenue mix of the Indian film industry



(Source: ficci-ey-media-and-entertainment-report-2019)

Outlook

The year 2020 is likely to be very challenging for the Indian film industry, owing to the unprecedented Covid-19 outbreak. Amidst long periods of lockdowns, all major film releases have been stalled for an indefinite period and ongoing projects have been shelved. For the first time in the history of Indian cinema, this is likely to result in heavy financial losses for the industry and it is likely to record zero box-office collection for the 1st quarter of FY21. Further, with social distancing being the 'new' normal, multiplexes are likely to witness reduced footfalls even after the lockdown is revoked.

Due to the lockdown led by the outbreak of Covid-19, several film makers and content creators are expected to release films directly on OTT platforms and sell digital rights, thereby indicating growth in Direct to Digital market. The move is projected to bolster growth in demand for digital platforms as, platforms can use exclusive movies to increase their subscriber base.

OTT vs Cinema Theater

Aided by 20% growth in broadband subscriptions and over 4 million connected smart television sets, the OTT segment saw its subscription revenue soar by more than 100% in 2019. Yet in 2019, Indian cinema witnessed its best-ever revenues and footfalls in theatres.

While some see OTT as a threat to theatre, it is equally true that OTT also drives people to theatres, particularly fans of older sequels of franchise movies who wait for new releases.

Overview of the Digital Media industry

With more than 661 million mobile broadband subscribers, 395 million smartphone users, and 4 million connected smart TVs, the Indian digital media industry continues to grow at a rapid pace. Spurred

by growing content consumption, increasing use of smartphones clubbed with cheap data, and over-the-top (OTT) video and audio demand, India's digital media industry clocked a growth of 31% to stand at ₹ 220.7 billion at the end of 2019.

Expected growth of the digital media industry (₹ in billion)

	2018	2019	2020E	2022E
Advertising	154.4	191.5	235.9	349.6
Subscription	14.2	29.2	42.8	64.4
Total	168.6	220.7	278.7	414.1

(Source: ficci-ey-media-and-entertainment-report-2019) [Note: E - Expected]

India's digital media industry clocked a growth of 31% to stand at ₹ 220.7 billion at the end of 2019 .

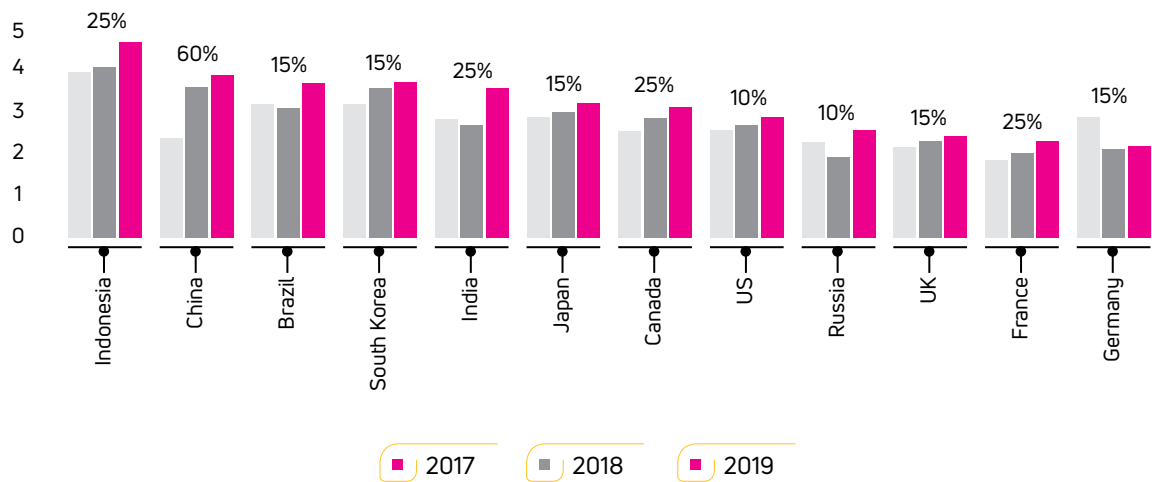


With greater government focus on improving infrastructure for digital mediums and the rising penetration of smartphones, the paid digital subscriber base crossed 10 million during the year and subscription revenue grew by more than 100% as more and more Indians showcased

their willingness to pay for quality content. Digital advertising also grew by 24% during the year, driven by increased consumption of content on digital platforms and marketers’ tilt towards measurability and performance.

Further impetus to the industry is likely to be provided by the recent outbreak of Covid19. With the prevailing country-wide lockdowns, the digital and OTT platforms emerged as one of the preferred mediums of entertainment.

Segment-wise CAGR growth rate in India for the next five years



(Source: ficci-ey-media-and-entertainment-report-2019)

Outlook

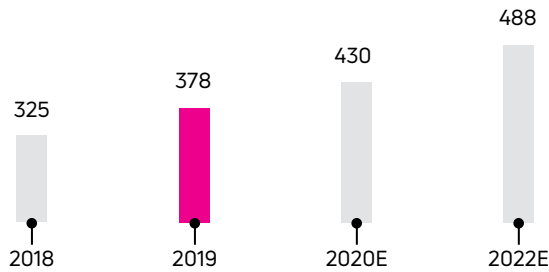
The digital media industry is constantly innovating and introducing new applications to the market. However, it is causing major disruptions for traditional players who are slowly losing ground. The changes are also evident in the growing internet advertisement expenditure. Streaming services are establishing a strong footing and providing critical platforms for marketing. With the incorporation of AI and virtual reality, publishers can now personalize content to the liking of audiences, thereby maximizing its impact on consumers. The shift to digital entertainment platforms point towards a constant growth of the digital media industry in the years to come.

Company overview

Balaji Telefilms Limited is one of the largest Hindi content production houses in India with a strong foothold across TV, Movies and Digital. Balaji is credited with introducing some of the biggest and most loved shows on Indian television to a loyal audience.

With more than two decades of presence in the industry, the Company focuses on growing its viewership base across mediums. Further, Balaji Telefilms aims to improve customer experiences constantly by offering an array of fresh content and focusing on an ideal programming mix, curated to delight diverse audiences. In addition, the Company looks forward to further improve its video streaming platform ALTBalaji, to introduce more exclusive and original content. The Company also creates some of ‘Bollywood’s’ most memorable movies, characters, music and dialogues across mass commercial and niche cult cinema.

India’s growing online video viewers (million)



(Source: ficci-ey-media-and-entertainment-report-2019)

Major highlights for the year

- Targeting the mass Indian audience, ALTBalaji emerged as a leader in the original Hindi SVOD space and one of the few homegrown success stories in the OTT space.
- Total content library of ALTBalaji during the year reached 60 original shows, one of the largest in the country
- Original shows include blockbuster hits that are running into multiple seasons
- FY20 was another year of strong performance by ALTBalaji, growing its direct subscription revenue by over 100%, and total revenue to ₹ 77 crore as on 31st March, 2020, compared to ₹ 41 crore in the previous year
- ALTBalaji was awarded the ‘OTT platform of the year’ at Digixx Awards & vIDEA 2019
- The Company entered into an exclusive content partnership with ZEE5 during the year
- The Company’s has some of the most successful shows across broadcasters like Kasautii Zindagii Kay, Kumkum Bhagya, Kundali Bhagya & Naagin 4
- During the year Balaji strengthened its resilient business model across TV, movies and digital platforms. It added 26+ new shows during the year. It also Added 823 hours of television content during the year and released 3 new movies during the year
- The Company delivered strong business performance and recorded an EBITDA of ₹ 11 crore as compared to (₹ 105 crore) in the previous year





Risk factors

If our efforts to attract and retain our viewers and subscribers are not successful, our business will be adversely impacted.

We have experienced significant viewer and subscriber growth over the last couple of years. Our ability to continue to attract new subscribers will depend, in part, on our ability to consistently provide our subscribers with compelling content choices, effectively market our service, as well as provide a quality experience for selecting and viewing different TV series and movies. At Balaji Telefilms, our key focus remains on entertaining our viewers and subscribers with original and fresh content. This effort is reflected by our industry ratings and the popularity of shows. With a rich legacy of making viewer-friendly content, many of our regular soaps come within the top 10 shows in terms of TRP.

Changes in competitive offerings for entertainment video could adversely impact our business.

The entertainment industry is intensely competitive and subject to rapid change. Through new and existing distribution channels, consumers have increasing options to access to different modes of entertainment. At Balaji Telefilms, we are passionate about captivating our customers through original and diverse

content with the help of cutting-edge technology.

The rapid adoption of pirated content can severely impact our business.

Piracy is one of the biggest threats to the film and entertainment industry across the globe. 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.

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.

Any disruption or delay in the production of new content may affect our content pipeline thereby impacting the business.

The outbreak of covid-19 has affected all businesses across economies. Our ability to successfully create content depends upon the availability, diversity and appeal of filmed content as well as the environment in which the content is being produced. The outbreak poses a risk to our ability to produce content. However, to minimize the impact, we have resumed our operations in adherence to all the standard operating procedures and social distancing norms prescribed by the local authorities. Although, the operations still remain unhedged.

Financial and Operational Performance

The detailed financial and operational performance is provided on page no. 8 and page no. 9.

Human resource

At Balaji Telefilms, the creative minds are considered true assets for the business and losing them could have a material adverse effect on the Company’s performance. The Company encourages skill development and fosters its human capital as its greatest resource and the primary force for shaping the future of the Company. Therefore, it strives to discover and retain talented people to enhance operational abilities.

The company enjoys the support of a committed and a satisfied human capital. It offers competitive compensation packages and employs the best recruitment, training and performance appraisal methods to attract and retain top talent. These practices allow the Company to keep the attrition rate well below the industry average. As of 31st March 2020, the total workforce of Balaji Telefilms is well over 244 employees.



Internal control system and 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.

Cautionary statement

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





BALAJI TELEFILMS LIMITED

Board's Report

The Directors take pleasure in presenting the 26th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2020.

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	
	2019-20	2018-19	2019-20	2018-19
Income from operations	57,662.80	44,030.15	57,355.48	42,770.87
Less: Total expenditure	45,246.42	42,558.48	56,282.10	53,281.78
Operating profit	12,416.38	1,471.67	1,073.38	(10,510.91)
Less: Interest	242.44	-	266.21	2.22
Less: Depreciation	3,313.46	1,308.79	3,884.70	1,806.39
Operating Profit after interest and depreciation	8,860.48	162.88	(3,077.53)	(12,319.52)
Add: Other income	605.67	2,482.16	860.70	3,176.67
Profit before tax	9,466.15	2,645.04	(2,216.83)	(9,142.85)
Less: Provision for taxation	3,679.21	632.58	3,679.21	632.58
Net profit after tax	5,786.94	2,012.46	(5,896.04)	(9,775.43)
other comprehensive income	(9.50)	(3.81)	5.19	29.60
Less: Net loss attributable to Non-controlling interest	-	-	(18.03)	(40.10)
Net profit attributable to owners of the Company	5,777.44	2,008.65	(5,872.82)	(9,705.73)
Balance of retained earnings	24,077.49	22,472.53	(783.85)	9,381.15
Adj on adoption of Ind AS 116/ 115	(132.03)	83.98	(186.38)	374.33
Impact of change in Ownership	-	-	-	(330.93)
sub total	29,722.90	24,565.16	(6,843.05)	(281.18)
Appropriation:				
Share issue expenses	-	-	(7.50)	(15.00)
Conversion of preference shares into equity	-	-	2.00	-
Payment of Dividend	(809.04)	(404.52)	(809.04)	(404.52)
Dividend distribution tax	(166.30)	(83.15)	(166.30)	(83.15)
Balance carried to Balance Sheet	28,747.56	24,077.49	(7,823.89)	(783.85)

RESULTS OF OPERATIONS

During the year under review, the Standalone Revenue from operations of the Company is ₹ 57,662.80/- lacs an increase of 31% over the previous year's ₹ 44,030.15/- Lacs. As per the Consolidated Accounts, the total revenue from operations has increased by 34% from ₹ 42,770.87/- Lacs to ₹ 57,355.48/- Lacs during the year. Your Company had a Standalone growth with a Net profit after tax of ₹ 5,786.94/- Lacs during the year as compared to Net profit of ₹ 2,012.46/- Lacs of previous year.

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

DIVIDEND

During the year under review, your Directors at their meeting held on February 12, 2020 had declared an interim dividend of ₹ 0.40/- per Equity Share of the face value of ₹ 2/- each for the financial year ended March 31, 2020.

The Interim Dividend was paid to the Members whose name appeared in the Register of Members, as on Tuesday, February 25, 2020. The total dividend for the financial year absorbed was ₹ 9,75,34,426/- including Dividend Distribution Tax of ₹ 1,66,30,072/-.

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, ₹ 61,435/- 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 ₹ 28,747.56/- 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, 2020 is ₹ 20,22,60,886/- (Rupees Twenty Crores Twenty-Two Lacs Sixty Thousand Eight Hundred and Eighty-Six only). Of the total paid up share capital of the Company, 34.33% held by Promoters and Promoter Group, all in dematerialized form and balance of 65.67% 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, 2020 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 w.e.f. April 01, 2019 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, producing television and digital content in Bengali. During the year the Company has impaired the value of investment in CBEPL and the company will be liquidated in the foreseeable future.

4. MARINATING FILMS PRIVATE LIMITED (MFPL)

MFPL is a subsidiary of Balaji Telefilms Limited and is the creator producer of reality shows and events.

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



EMPLOYEE STOCK OPTION PLAN (ESOP)

The applicable disclosures under SEBI (Share Based Employee Benefits) Regulations, 2014 (the “ESOP Regulations”) as at March 31, 2020 with respect to ESOP 2017 is available on the website of the Company at [http://www.balajitelefilms.com/pdf/ESOP_2019_Disclosure_under_SEBI\(SBEB\)%20_Regulations_2014.pdf](http://www.balajitelefilms.com/pdf/ESOP_2019_Disclosure_under_SEBI(SBEB)%20_Regulations_2014.pdf). During the year, there has not been any material change in the Company’s Employee Stock Option Scheme.

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, 2020 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

IMPACT OF COVID-19 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 challenges to all businesses and the business operations. 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 Covid19 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 FY2020-21.

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 is expected to be severally impacted for its TV business which mainly comprises of commissioned sales for the leading broadcast companies. As the production process has been 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, 2020 and concluded that there were no material adjustments required in the financial statements as on March 31, 2020. 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, if not higher.

DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP'S)

Retirement by rotation and subsequent re-appointment

Mr. Jeetendra Kapoor, 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 26th AGM of the Company. The Board recommends his re-appointment as Non-Executive Director of the Company.

Continuation of Directorship

Pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the continuation of Mr. Arun Kumar Purwar (DIN: 00026383) as Non-Executive Independent Director of the Company on attaining the age of 75 years w.e.f. May 14, 2021 requires Members' approval by way of Special Resolution.

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

Appointment of Non-Executive Director

During the year under review, the Mr. Ramesh Sippy was appointed as a Non-Executive Director by the Members of the Company at the Annual General Meeting held for financial year 2018-19.

Appointment of Independent Director

The Board of Directors, had appointed Dr. Archana Hingorani as an Additional Director (Non-Executive Independent) Director of the Company vide resolution passed by circulation on August 26, 2020 who will hold office upto the date of ensuing AGM and shall not be liable to retire by rotation.

Appropriate resolution for her 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 her appointment as Non-Executive Independent Director of the Company.

Resignation of Independent Director

Mr. Ashutosh Khanna, Independent 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. Mr. Khanna has confirmed that there were no other material reasons other than those provided in his resignation letter.

Change in Key Managerial Personnel (KMPs)

During the year under review, Mr. Sunil Lulla has resigned as a Group Chief Executive Officer of the Company w.e.f. August 14, 2019 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

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

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 Waterhouse 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 44 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 45 and Note No 50 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 2020-21.

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 2019-20 is appended as Annexure II to the Board's Report. The said Report does not contain any qualification, reservation, disclaimer or observation requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

COMMITTEES OF THE BOARD

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

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

The Corporate Social Responsibility Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social

Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The Corporate Social Responsibility Policy of the Company is also posted on the website of the Company which may be accessed at <http://www.balajitelefilms.com/corporate-social-responsibility.php>. The Annual Report on CSR activities is annexed herewith as Annexure III to the Board's Report.

OTHER DISCLOSURES

i) EXTRACT OF ANNUAL RETURN

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

ii) REPORTING OF FRAUDS BY AUDITORS

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

iii) SECRETARIAL STANDARDS

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

iv) INTERNAL FINANCIAL CONTROL SYSTEMS AND ADEQUACY

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

v) VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism



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

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

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

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

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

viii) RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at <http://www.balajitelefilms.com/related-party-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 except investment of ₹ 150/- crores (Rupees One Hundred and Fifty Crores Only) in ALT Digital Media Entertainment Limited which is wholly-owned subsidiary of the Company. However, as per Section 188 of the Companies Act, 2013, and Regulation 23 of Listing Regulations, Members approval for such transaction need not be sought if the transaction is between the Holding Company and its wholly-owned Subsidiaries whose accounts are consolidated with the holding Company and placed before the shareholders at the General Meeting for approval.

ix) BUSINESS RISK MANAGEMENT

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

x) FIXED DEPOSITS

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

xi) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

xii) PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place a Prevention of Sexual Harassment at Workplace Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee and Apex Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. During the year 2019-20, 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 Boards 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 ₹ 1,753.34/- Lacs (Previous Year ₹ 1,354.36/- Lacs) and the foreign exchange outgo in terms of actual outflows is ₹ 47.85/- Lacs (Previous Year ₹ 73.91/- 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 was not more than One Hundred and Twenty Days.

NOMINATION & REMUNERATION POLICY

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As on March 31, 2020, the Board comprised of twelve Directors, of whom two are Executive Directors, four Non-Executive Non- Independent Directors and six Independent Directors. The policy of the Company on Directors appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under Section 178(3) of the Companies Act, 2013 is available on our website at <http://www.balajitelefilms.com/nomination-remuneration-policy.php>

During the year under review clause II of Part B of the policy was modified which reads as under:

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

• Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

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, 2020, 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, 2020 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/-

Jeetendra Kapoor

Chairman

DIN: 00005345

Place: Mumbai

Date: July 22, 2020

ANNEXURE I

FORM AOC-1

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]

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
														(₹ in lacs)
1.	Balaji Motion Pictures Limited	March 31, 2020	N.A.	N.A.	200.00	(296.38)	3,017.78	3,114.16	-	615.41	109.71	-	109.71	100
2.	ALT Digital Media Entertainment Limited	March 31, 2020	N.A.	N.A.	60,005.00	(33,684.83)	38,550.75	12,230.58	2,143.62	7,774.91	(11,138.96)	-	(11,138.96)	100
3.	Marinating Films Private Limited	March 31, 2020	December 24, 2014	N.A.	771.00	(648.03)	318.49	195.52	74.13	1,106.83	(95.13)	-	(95.13)	99.95
4.	Chhayabani Balaji Entertainment Private Limited	March 31, 2020	N.A.	N.A.	255.00	(241.11)	26.28	12.39	-	-	(35.96)	-	(35.96)	50

For and on behalf of the Board of Directors

Sd/-
Jeetendra Kapoor
 Chairman
 DIN: 00005345

Place: Mumbai
 Date: July 22, 2020

ANNEXURE II

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 (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, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (**the Act**) and the rules made there under;
- (ii) The Securities Contracts (**Regulation**) Act, 1956 ('**SCRA**') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to

the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not Applicable to the Company during the Audit Period**);

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 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.

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

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The composition of the Board of Directors during the period under review was 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 either 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
Practicing Company Secretaries

Sd/-
Bhavisha Jewani
Designated Partner
FCS No. 8503
CP. No. 9346
UDIN: F008503B000486607

Place: Mumbai
Date: 22nd July, 2020

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

'Annexure A'

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

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For MMJB & Associates LLP
Practicing Company Secretaries

Sd/-
Bhavisha Jewani
Designated Partner
FCS No. 8503
CP. No. 9346
UDIN: F008503B000486607

Place: Mumbai
Date: 22nd July, 2020



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://balajitelefilms.com/corporate-social-responsibility.php
2.	The Composition of the CSR Committee	Mr. Jeetendra Kapoor – Chairman Mrs. Shobha Kapoor – Member Mr. Duraiswamy Gunaseela Rajan – Member Mr. Ashutosh Khanna – Member
3.	Average Net Profit of the Company for last three financial years	₹ 2,686.15/- Lacs
4.	Prescribed CSR Expenditure (2% of the average net profit of the Company for last three financial years)	₹ 53.72/- 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	Details of CSR Spent during the financial year ₹ 54.62/- Lacs NIL Refer Annexure A
6.	Reasons for not spending 2% of the average net profit of the last three financial years:	N.A.
7.	CSR Committee Responsibility Statement	The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.

Annexure A

(Amount in ₹)

Sr. No.	CSR project or activity Identified	Sector in which the Project is covered (Clause no. of Schedule VII to the Companies Act, 2013)	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto to the March 31, 2020	Amount spent Directly or through implementing agency
1.	Old Age Home	CL (ii) Providing help to old age people	Local Area	19,36,258	19,36,258	19,36,258	Direct
2.	Alert India	CL (i) Providing aid for Health Care	Local Area	2,50,000	2,50,000	2,50,000	Direct
3.	Ketto Foundation	CL (i) Providing aid for Health Care	Local Area	4,00,000	4,00,000	4,00,000	Direct
4.	Surya Children's Medicare Pvt Ltd	CL (ii) Providing Financial assistance for Education	Local Area	1,00,000	1,00,000	1,00,000	Direct
5.	St Cathering Society	CL (ii) Providing Financial assistance for Education	Local Area	3,600	3,600	3,600	Direct
6.	Chief Minister Relief Fund	CL (ii) Livelihood enhancements	Maharashtra	3,00,000	3,00,000	3,00,000	Direct
7.	Sind Educationists Association	CL (ii) Providing Financial assistance for Education	Local Area	10,000	10,000	10,000	Direct
8.	Mit Vishwashanti Gurukul	CL (ii) Providing Financial assistance for Education	Local Area	12,90,000	12,90,000	12,90,000	Direct
9.	Education Welfare	CL (ii) Providing Financial assistance for Education	Local Area	5,26,062	5,26,062	5,26,062	Direct
10.	Animal Welfare	CL (iv) Providing aid for Animals	Local Area	6,40,035	6,40,035	6,40,035	Direct
11.	Social Welfare	CL (ii) Livelihood enhancements	Local Area	6,000	6,000	6,000	Direct
	Total			54,61,955	54,61,955	54,61,955	

For and on behalf of the CSR Committee

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

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

Place: Mumbai
 Date: July 22, 2020



ANNEXURE IV

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L99999MH1994PLC082802.
2.	Registration Date	10/11/1994
3.	Name of the Company	Balaji Telefilms Limited.
4.	Category/Sub-category of the Company	Company Limited by Shares/Public Non-Government Company.
5.	Address of the Registered office & Contact details	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053. Tel:- +91-022-40698000 Fax: +91-022-40698181/82 Email: investor@balajitelefilms.com Website: www.balajitelefilms.com
6.	Whether listed Company	Yes
7.	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	M/s. KFin Technologies Private Limited Selenium Tower-B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032, Telangana Tel: +91-40 6716-2222/ 7961-1000 Fax: +91-40-23440674 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	Subsidiary Company	99.95	2 (87)
Chhayabani Balaji Entertainment Private Limited*	U22190MH2015PTC261948	Subsidiary Company	50	2 (87)

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

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

i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% 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	3,46,07,830	0	3,46,07,830	34.22	3,47,22,002	0	3,47,22,002	34.33	0.11
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)	3,46,07,830	0	3,46,07,830	34.22	3,47,22,002	0	3,47,22,002	34.33	0.11
(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)	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	5,16,339	0	5,16,339	0.51	0.00
b) Banks / FI	5,01,370	0	5,01,370	0.50	8,12,227	0	8,12,227	0.80	0.31
c) Central Govt	0	0	0.00	0	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0.00	0	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0.00	0	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0.00	0	0	0	0	0.00	0.00
g) Foreign Investors	1,93,98,743	0	1,93,98,743	19.18	1,86,06,990	0	1,86,06,990	18.40	-0.78
h) Foreign Venture Capital Investors	0	0	0.00	0	0	0	0	0.00	0.00
i) Qualified Foreign Investor	0	0	0.00	0	0	0	0	0.00	0.00
j) Others	0	0	0.00	0	0	0	0	0.00	0.00
Sub-total (B)(1):	2,04,16,452	0	2,04,16,452	20.19	1,99,35,556	0	1,99,35,556	19.71	-0.48
2. Non-Institutions									
a) Bodies Corporate	3,20,71,554	0	3,20,71,554	31.71	3,15,91,448	0	3,15,91,448	31.24	-0.47
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	77,41,559	5,555	77,47,114	7.66	73,97,567	4,548	74,02,115	7.32	-0.34
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	46,29,121	0	46,29,121	4.58	58,85,051	0	58,85,051	5.82	1.24



Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others									
HUF	4,41,934	0	4,41,934	0.44	4,69,016	0	4,69,016	0.46	0.03
Foreign Corporate Bodies	0	0	0	0	0	0	0	0	0
Directors	300	0	300	0.00	22,200	0	22,200	0.02	0.02
Directors and their Relatives	0	0	0	0.00	15,170	0	15,170	0.02	0.02
Clearing Members	86,394	0	86,394	0.09	76,093	0	76,093	0.08	-0.01
IEPF	741	0	741	0.00	44,729	0	44,729	0.04	0.04
Non- Resident Indians	4,77,329	0	4,77,329	0.47	3,76,480	0	3,76,480	0.37	-0.10
NRI Non- Repatriation	6,43,024	0	6,43,024	0.64	5,88,983	0	5,88,983	0.58	-0.05
Trusts	50	0	50	0.00	800	0	800	0.00	0.00
NBFC	8,600	0	8,600	0.01	800	0	800	0.00	0.00
Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	4,61,00,606	5,555	4,61,06,161	45.59	4,64,68,337	4,548	4,64,72,885	45.95	0.37
Total Public Shareholding (B)=(B)(1)+ (B)(2)	6,65,17,058	5,555	6,65,22,613	65.78	6,64,03,893	4,548	6,64,08,441	65.67	-0.11
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	10,11,24,888	5,555	10,11,30,443	100.00	10,11,25,895	4,548	10,11,30,443	100.00	0.00

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 and 21,185 equity shares purchased by Mr. Ashutosh Khanna, Independent Director during March 2020 quarter have not been captured in Shareholding Pattern as on March 31, 2020.

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 01, 2019			Shareholding at the end of the year i.e. March 31, 2020			% 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	1,83,08,208	18.10	0	1,84,22,380	18.22	0	0.12
4.	Mr. Tusshar Kapoor	20,30,250	2.01	0	20,30,250	2.01	0	0
	Total	3,46,07,830	34.22	0	3,47,22,002	34.33	0	0.12

Note:

- Due to time required for transaction to complete and reflect in buyer's account, 10,874 equity shares purchased by Ms. Ekta Kapoor, Promoter Director, during March 2020 quarter have not been captured in Shareholding Pattern as on March 31, 2020.

iii) Change in Promoters' Shareholding:

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	1,83,08,208	18.10	1,83,08,208	18.10
	Bought during the year	1,14,172	0.11	1,84,22,380	18.22
	Sold during the year	-	-	1,84,22,380	18.22
	At the end of the year	1,84,22,380	18.22	1,84,22,380	18.22
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 time required for transaction to complete and reflect in buyer's account, 10,874 equity shares purchased by Ms. Ekta Kapoor, Promoter Director, during March 2020 quarter have not been captured in Shareholding Pattern as on March 31, 2020.

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on March 31, 2020:

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.	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.	Vanderbilt University - Atyant Capital Management				
	At the beginning of the year	42,77,227	4.23	42,77,227	4.23
	Bought during the year	3,02,837	0.30	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
3.	Atyant Capital India Fund I				
	At the beginning of the year	40,78,223	4.03	40,78,223	4.03
	Bought during the year	-	-	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



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
4.	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	-	-	36,35,000	3.59
	At the end of the year	36,35,000	3.59	36,35,000	3.59
5.	Gothic Corporation				
	At the beginning of the year	36,00,000	3.56	36,00,000	3.56
	Bought during the year	12,28,550	1.21	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
6.	^India Capital Fund Limited				
	At the beginning of the year	25,64,777	2.54	25,64,777	2.54
	Bought during the year	-	-	25,64,777	2.54
	Sold during the year	25,64,777	2.54	0	0
	At the end of the year	0	0	0	0
7.	The Duke Endowment				
	At the beginning of the year	12,95,000	1.28	12,95,000	1.28
	Bought during the year	4,91,420	0.49	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.	Gothic HSP Corporation				
	At the beginning of the year	11,87,663	1.17	11,87,663	1.17
	Bought during the year	10,20,628	1.01	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
9.	^HSBC Global Investment Funds - India Equity				
	At the beginning of the year	8,82,897	0.87	8,82,897	0.87
	Bought during the year	-	-	8,82,897	0.87
	Sold during the year	8,82,897	0.87	0	0
	At the end of the year	0	0	0	0
10.	Employees' Retirement Plan of Duke University				
	At the beginning of the year	6,41,587	0.63	6,41,587	0.63
	Bought during the year	3,63,855	0.36	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
11.	*Dharmesh Mehta				
	At the beginning of the year	1,72,000	0.17	1,72,000	0.17
	Bought during the year	4,60,000	0.45	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
12.	*Bhimavarapu Sridhar Reddy				
	At the beginning of the year	10	0.00	10	0.00
	Bought during the year	1,401	0.00	1,411	0.00
	Sold during the year	1,320	0.00	91	0.00
	Bought during the year	6,25,379	0.62	6,25,470	0.62
	At the end of the year	6,25,470	0.62	6,25,470	0.62

*Not in the list of top 10 shareholders as on April 01, 2019. The same has been reflected above since the shareholder was one of the top 10 shareholders as on March 31, 2020.

^ Ceased to be in the list of top 10 shareholders as on March 31, 2020. The same is reflected above since the shareholder was one of the top 10 shareholder as on April 01, 2019.

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	1,83,08,208	18.10	1,83,08,208	18.10
	Bought during the year	1,14,172	0.11	1,84,22,380	18.22
	Sold during the year	-	-	1,84,22,380	18.22
	At the end of the year	1,84,22,380	18.22	1,84,22,380	18.22
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	-	-	-	-
	Bought during the year	36,070	0.04	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	-	-	-	-
	Bought during the year	1,000	0.00	1,000	0.00
	Sold during the year	-	-	1,000	0.00
	At the end of the year	1,000	0.00	1,000	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 and 21,185 equity shares purchased by Mr. Ashutosh Khanna, Independent Director during March 2020 quarter have not been captured in Shareholding Pattern as on March 31, 2020.
- 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 Sarda, Mr. Devender Kumar Vasal, Mr. Virendra Babubhai Dalal, 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 2019-20.
- Mr. Sunil Lulla has resigned from the position of Group Chief Executive Officer of the Company w.e.f. August 14, 2019 and he did not hold any shares during his tenure.

V. INDEBTEDNESS:

The Company had no indebtedness with respect to Secured or Unsecured Loans or Deposits during the financial year 2019-20.

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
1.	Gross salary	Mrs. Shobha Kapoor (Managing Director)	Ms. Ekta Kapoor (Joint Managing Director)	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	2,22,60,000	2,22,60,000	4,45,20,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(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.	17,28,000	17,28,000	34,56,000
	Total (A)	2,39,88,000	2,39,88,000	4,79,76,000
	Ceiling as per the Act (per annum)	₹ 2,40,00,000/- 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
1.	Independent Directors	Duraiswamy Gunaseela Rajan	Ashutosh Khanna	Devender Kumar Vasal	Virendra Babubhai Dalal	Arun Kumar Purwar	Pradeep Kumar Sarda	
	Fee for attending Board and Committee meetings	6,00,000	5,00,000	6,00,000	4,75,000	5,00,000	1,00,000	27,75,000
	Commission	2,11,560	2,11,560	2,11,560	2,11,560	2,11,560	2,11,560	12,69,360
	Others	-	-	-	-	-	-	-
	Total (1)	8,11,560	7,11,560	8,11,560	6,86,560	7,11,560	3,11,560	40,44,360
2.	Other Non- Executive Directors	Jeetendra Kapoor	Anshuman Thakur	Jyoti Deshpande	Ramesh Sippy			
	Fee for attending Board and Committee meetings	4,00,000	2,00,000	3,00,000	1,00,000			10,00,000
	Commission	76,16,149	2,11,560	2,11,560	2,11,560			82,50,829
	Others	-	-	-	-			-
	Total (2)	80,16,149	4,11,560	5,11,560	3,11,560			92,50,829
	Total B (1+2)	88,27,709	11,23,120	13,23,120	9,98,120	7,11,560	3,11,560	1,32,95,189
	Total Managerial Remuneration (A+B)							6,12,71,189
	Ceiling as per the 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 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			Total Amount
1.	Gross salary	Sunil Lulla (Group CEO)	Sanjay Dwivedi (Group CFO)	Simmi Singh Bisht (Group Head Secretarial)	
	a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	84,77,866	1,66,20,264	26,25,950	2,77,24,080
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(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.	4,45,161	8,83,200	1,52,352	14,80,713
	Total (A)	89,23,027	1,75,03,464	27,78,302	2,92,04,793

Note:

Mr. Sunil Lulla has resigned from the position of Group Chief Executive Officer of the Company w.e.f. August 14, 2019. Therefore, remuneration paid to Mr. Sunil Lulla is for the period from April 01, 2019 to August 14, 2019.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: July 22, 2020

Sd/-
Jeetendra Kapoor
Chairman
DIN: 00005345



ANNEXURE V

PARTICULARS OF EMPLOYEES

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

i) Remuneration to Managing Director and Joint Managing Director:

(Amount in ₹)

Name of the Director	Title	*Remuneration in Fiscal Year 2020 (in ₹)	Remuneration in Fiscal Year 2019 (in ₹)	No. of Stock options / RSUs granted in fiscal 2020	% increase of remuneration in 2020 as compared to 2019	Excl of MD	Incl of MD	Ratio of remuneration to	
						Ratio of Remuneration to Median Remuneration of employees	Ratio of Remuneration to Median Remuneration of Employees and MD	Revenues (fiscal 2020)	Net Profit (fiscal 2019)
Mrs. Shobha Kapoor	Managing Director	2,39,88,000	2,39,88,000	-	0	1:56	1:55	1:240	1:24
Ms. Ekta Kapoor	Joint Managing Director	2,39,88,000	2,39,88,000	-	0	1:56	1:55	1:240	1:24

Note: *Includes Employer's Contribution to Provident Fund

ii) Remuneration paid to Independent Directors:

(Amount in ₹)

Name of the Directors	Remuneration in Fiscal 2020	Remuneration in Fiscal 2019	Number of Stock Option / PSUs granted in Fiscal 2020	% increase of remuneration (2020 over 2019)
Mr. Duraiswamy Gunaseela Rajan	8,11,560	6,00,000	-	35%
Mr. Ashutosh Khanna	7,11,560	4,00,000	-	78%
Mr. Devender Kumar Vasal	8,11,560	6,00,000	-	35%
Mr. Virendra Babubhai Dalal	6,86,560	6,00,000	-	14%
Mr. Pradeep Kumar Sarda	3,11,560	2,50,000	-	25%
Mr. Arun Kumar Purwar	7,11,560	5,00,000	-	42%

iii) Remuneration of other KMP:

Name of the KMP	Title	Remuneration in Fiscal Year 2020 (in ₹)	Remuneration in Fiscal Year 2019 (in ₹)	No. of Stock options / RSUs granted in fiscal 2020	% increase of remuneration in 2020 as compared to 2019	Excl of MD	Incl of MD	Ratio of remuneration to	
						Ratio of Remuneration to Median Remuneration of employees	Ratio of Remuneration to Median Remuneration of Employees and MD	Revenues (fiscal 2020)	Net Profit (fiscal 2020)
Mr. Sunil Lulla	Group CEO	89,23,027	2,22,92,233	-	-	1:21	1:21	1:646	1:65
Mr. Sanjay Dwivedi	Group CFO	1,75,03,464	1,52,31,356	-	15%	1:41	1:40	1:329	1:33
Mrs. Simmi Singh Bisht	Group Head Secretarial	27,78,302	23,38,749	-	19%	1:6	1:6	1:2075	1:208

The average percentage increase made in the salaries of employees in the last financial year i.e. 2019-20 was 10%.
The number of permanent employees on the roll of the Company is 103.

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

b) Information as per Rule 5(2) of Chapter XIII, 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 along with 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	71	25	Nov 10, 1994	2,39,88,000	N.A.	Yes	Yes. She is wife of Mr. Jeetendra Kapoor and Mother of Ms. Ekta Kapoor
Ms. Ekta Kapoor	Joint Managing Director	Undergraduate	45	25	Nov 10, 1994	2,39,88,000	N.A.	Yes	Yes. She is daughter of Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor
Mr. Sanjay Dwivedi	Group CFO	C.A.	50	23	Jan 25, 2013	1,75,03,464	Nimbus Communication Ltd (SVP Finance)	No	No
Mr. Nachiket Pantvaiddya	Group COO & CEO (Alt Digital)	P.G.D.M	49	24	Dec 01, 2015	3,06,90,315	Sony Entertainment Network (SR EVP & Business Head)	No	No
Mr. Ketan Gupta	C.O.O	Graduate	42	21	May 02, 2018	1,53,46,664	Fox TVSI	No	No

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

Mr. Sunil Lulla has resigned from the position of Group Chief Executive Officer of the Company w.e.f. August 14, 2019.

For and on behalf of the Board of Directors

Place: Mumbai
Date: July 22, 2020

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, 2020

[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

There following contract or arrangement or transaction entered into during the year ended March 31, 2020 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/ 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 Chhayabani Balaji Entertainment Private Limited Marinating Films Private Limited	Arrangement to let out Company's premises Viz. C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053 to its Subsidiary Companies for usage as its Registered Office without charging of any rent.	On-going	-	In order to curtail the expenses and maximize profits, the Company has entered into this arrangement with its Holding Company.	February 12, 2019	N.A.	N.A.

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

There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2020, which were at arm's length basis.

For and on behalf of the Board of Directors

Place: Mumbai
Date: July 22, 2020

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

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

- Ensure that quantity, quality and frequency of financial and managerial information, which management shares with the Board, places the Board Members fully in control of the Company's affairs.
- Ensure that the Board exercises its fiduciary responsibilities towards 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 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, 2020, the Board comprised of twelve Members, of whom two are Executive Directors, four Non-Executive Non-Independent Directors, six Independent Directors. The Composition of the Board represents an optimal mix of professionalism, knowledge and experience so as to enable the Board to discharge its responsibilities and provide effective leadership to the business.

None of the Directors of the Company held directorship of more than eight 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 2019-20 and also the number of Directorships and Committee Memberships/Chairmanships held by them in various Companies as on March 31, 2020 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, 2020
	Board Meetings Held	Board Meetings Attended	Last AGM	*Other Directorships	Name of listed entity	Category of Directorship	#Committee Memberships	#Committee Chairmanships	
Mr. Jeetendra Kapoor (P, N, NI)	4	4	Present	3	N.A.	N.A.	2	1	32,60,522
Mrs. Shobha Kapoor (P, E, NI)	4	4	Present	4	N.A.	N.A.	1	0	1,10,08,850
Ms. Ekta Kapoor (P, E, NI)	4	3	Absent	4	N.A.	N.A.	1	0	1,84,33,254
Mr. Pradeep Kumar Sarda (N, I)	4	1	Absent	1	Mercury Trade Links Limited	Director	3	1	NIL
Mr. Duraiswamy Gunaseela Rajan (N, I)	4	4	Present	4	IFGL Refractories Limited	Independent Director	5	4	300
Mr. Ashutosh Khanna (N, I)	4	4	Present	1	N.A.	N.A.	0	0	22,185
Mr. Devender Kumar Vasal (N, I)	4	4	Present	2	Finolex Cables Limited	Independent Director	5	0	NIL
Mr. Virendra Babubhai Dalal (N, I)	4	3	Present	1	N.A.	N.A.	2	0	NIL
Mr. Arun Kumar Purwar (N, I)	4	4	Absent	5	Alkem Laboratories Limited	Independent Director	3	2	^36,070
					Jindal Steel and Power Limited	Independent Director			
					IIFL Finance Limited	Independent Director			
Mr. Anshuman Thakur (N, NI)	4	2	Absent	0	N.A.	N.A.	1	1	NIL
Ms. Jyoti Deshpande (N, NI)	4	3	Absent	2	Network18 Media & Investments Limited	Director	0	0	NIL
					TV18 Broadcast Limited	Director			
**Mr. Ramesh Sippy (N, NI)	4	1	-	0	N.A.	N.A.	0	0	NIL

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. Ramesh Sippy has been appointed as a Non-Executive Non-Independent Director of the Company w.e.f. September 01, 2019.

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

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	Ashutosh Khanna	Arun Kumar Purwar	D. K. Vasal	D.G. Rajan	Jyoti Deshpande	Pradeep Kumar Sarda	Ramesh Gopal Sippy	V. B. Dalal
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.

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 May 22, 2019 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 cover items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The Agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

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

During the year under review, 4 (four) meetings of the Board of Directors were held, the dates being May 22, 2019, August 09, 2019, November 13, 2019 and February 12, 2020. The maximum time gap between any two meetings was not more than one hundred twenty days.

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
Mr. Devender Kumar Vasal	Independent Director	Member
Mr. Virendra Babubhai Dalal	Independent Director	Member
Mrs. Simmi Singh Bisht	Group Head Secretarial	Secretary



Meetings and Attendance

During the year under review, Audit Committee held 4 (four) meetings, the dates being May 22, 2019, August 09, 2019, November 13, 2019 and February 12, 2020. The details of the attendance thereat are as follows:

Name of the Members	No. of Meetings	
	Held during the tenure	Attended
Mr. Duraiswamy Gunaseela Rajan	4	4
Mr. Jeetendra Kapoor	4	4
Mr. Pradeep Kumar Sarda	4	0
Mr. Devender Kumar Vasal	4	4
Mr. Virendra Babubhai Dalal	4	3

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 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. Jeetendra Kapoor	Non-Executive Director	Member
Mr. Pradeep Kumar Sarda	Independent Director	Member
Mr. Devender Kumar Vasal	Independent Director	Member
Mrs. Simmi Singh Bisht	Group Head Secretarial	Secretary

Meetings and Attendance

During the year under review, the Nomination & Remuneration Committee held four (4) meetings, the dates being May 22, 2019, August 09, 2019, November 13, 2019 and February 12, 2020. The details of the attendance thereat are as follows:

Name of the Members	No. of Meetings	
	Held during the tenure	Attended
Mr. Ashutosh Khanna	4	4
Mr. Jeetendra Kapoor	4	4
Mr. Pradeep Kumar Sarda	4	0
Mr. Devender Kumar Vasal	4	4

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, 2020:

Name	Designation	Salary	Perquisites	Sitting Fees	Commission	Employer Contribution to Provident Fund	Total
Mr. Jeetendra Kapoor	Chairman	-	-	4,00,000	76,16,149	-	80,16,149
Mrs. Shobha Kapoor	Managing Director	2,22,60,000	-	-	-	17,28,000	2,39,88,000
Ms. Ekta Kapoor	Joint Managing Director	2,22,60,000	-	-	-	17,28,000	2,39,88,000
Mr. Pradeep Kumar Sarda	Independent Director	-	-	1,00,000	2,11,560	-	3,11,560
Mr. Duraiswamy Gunaseela Rajan	Independent Director	-	-	6,00,000	2,11,560	-	8,11,560
Mr. Ashutosh Khanna	Independent Director	-	-	5,00,000	2,11,560	-	7,11,560
Mr. Devender Kumar Vasal	Independent Director	-	-	6,00,000	2,11,560	-	8,11,560
Mr. Virendra Babubhai Dalal	Independent Director	-	-	4,75,000	2,11,560	-	6,86,560
Mr. Arun Kumar Purwar	Independent Director	-	-	5,00,000	2,11,560	-	7,11,560
Mr. Anshuman Thakur	Non-Executive Director	-	-	2,00,000	2,11,560	-	4,11,560
Ms. Jyoti Deshpande	Non-Executive Director	-	-	3,00,000	2,11,560	-	5,11,560
**Mr. Ramesh Sippy	Non-Executive Director	-	-	1,00,000	2,11,560	-	3,11,560

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. Ramesh Sippy was appointed as Director of the Company w.e.f. September 01, 2019.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The Committee is entrusted with the following roles and responsibilities:

- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 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.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.



Composition

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

Meetings and Attendance

During the year under review, Stakeholder Relationship Committee held 4 (four) meetings, the dates being May 22, 2019, August 09, 2019, November 13, 2019 and February 12, 2020. 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	1
Mr. Devender Kumar Vasal	4	4

Compliance Officer

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

Shareholder's Complaints during the financial year 2019-20.

Sr. No.	Nature of Complaints	Opening Bal.	Received	Disposed	Pending
1.	Non-receipt of Dividend	0	14	14	0
2.	Non-receipt of Annual Report	0	1	1	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
Mr. Shobha Kapoor	Executive Director	Member
Mr. Duraiswamy Gunaseela Rajan	Independent Director	Member
Mr. Ashutosh Khanna	Independent Director	Member
Mrs. Simmi Singh Bisht	Group Head Secretarial	Secretary

Meetings and Attendance

During the year under review, Corporate Social Responsibility Committee held four (4) meetings, the dates being May 22, 2019, August 09, 2019, November 13, 2019 and February 12, 2020. 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
Mr. Duraiswamy Gunaseela Rajan	4	4
Mr. Ashutosh Khanna	4	4

INTERNAL COMPLAINTS COMMITTEE**Terms of Reference**

The Board of Directors in its Board meeting held on November 13, 2019 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 current 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	Member
Mr. Bhargav Vyas	AVP – Finance and Accounts	Member
Ms. Neha Kedia	Vice President – ComplyKaro	External Independent Member

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

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



GENERAL BODY MEETINGS:

Annual General Meeting

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

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

Financial Year	Date and Time	Time	Special Resolutions passed
2018-19	Friday, August 30, 2019	12:00 Noon	• 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; • 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;
2017-18	Friday, August 31, 2018	12:00 Noon	• Re-appointment of Mrs. Shobha Kapoor (DIN: 00005124) as Managing Director of the Company; • Re-appointment of Ms. Ekta Kapoor (DIN:00005093) as Joint Managing Director of the Company; • Re-appointment of Mr. Duraiswamy Gunaseela Rajan (DIN: 00303060) as Independent Director of the Company; • Re-appointment of Mr. Pradeep Kumar Sarda (DIN: 00021405) as Independent Director of the Company; • Re-appointment of Mr. Ashutosh Khanna (DIN: 03153990) as Independent Director of the Company; • Re-appointment of Mr. Devender Kumar Vasal (DIN: 06858991) as Independent Director of the Company; • Continuation of Directorship of Mr. Jeetendra Kapoor (DIN: 00005345) as Chairman, Non-Executive Director of the Company.
2016-17	Thursday, August 31, 2017	12:00 Noon	• Payment of Commission to Non-Executive Director for a period of 5 years w.e.f April 01, 2017.

No special resolution was passed by the Company during the financial year 2019-20 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. Pursuant to SEBI Circular dated SEBI/HO/CFD/CMD1/OR/P/2020/106 dated June 24, 2020, the Annual Audited Financial Results were announced after sixty days from the close of the financial year as per the requirements of the Listing Regulations. The aforesaid financial results are sent to BSE Limited (BSE) & National Stock Exchange of India Ltd. (NSE) and are published in Business Standard (All India) and Mumbai Lakshadeep (Regional Daily) within forty-eight hours after they are approved by the Board. Simultaneously, they are also put on the Company's website and can be accessed at <http://www.balajitelefilms.com/outcome-board-meetings-agm-egm.php>

ii) Website and New releases

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

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place

for all transactions between the Company and Related Parties.

This policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All Related Party Transactions are placed before the Audit Committee for review. Prior omnibus approval is obtained for Related Party Transactions on an annual basis for transactions which are of repetitive nature and / or entered in the ordinary course of business and are at arm's length. All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis except those 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. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other Statutory Authorities relating to the above.

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

The Board of Directors periodically reviews the compliance of all 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. In addition, the Company has also adopted the following non- mandatory requirements of Listing Regulations as on March 31, 2020 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.

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

1. Group Chief Financial Officer
2. Group Head - Human Resource

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

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

In case the Whistle-Blower is not satisfied with action taken on his/her complaint, then the Whistle-Blower can write to the Chairman of the Audit Committee (Email- 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 2019-20.

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-subsidiary.php>.

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

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

viii) Disclosure on Risk Management

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

ix) CEO/CFO Certification

As required under Regulation 17(8) of the Listing Regulations, a Certificate from 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 2019-20. 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.

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 2019-20.

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 ₹ 71.77/- 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 2019-20 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	30-September 2020
Time	12.00 Noon
Venue	Pursuant to MCA Circular dated May 05, 2020, and SEBI Circular May 12, 2020 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, September 23, 2020 to Wednesday, September 30, 2020
3. Financial Calendar	
Financial Year	April 01, 2020 to March 31, 2021
*Financial reporting for 1 st quarter ending 30 th June, 2020	Second week of August 2020
*Financial reporting for 2 nd quarter ending 30 th September, 2020	Third week of November 2020
*Financial reporting for 3 rd quarter ending 31 st December, 2020	Second week of February 2021
*Financial reporting for the year ending 31 st March, 2021	Fourth week of May 2021
*Annual General Meeting for year ending 31 st March, 2021	August 2021
*Tentative and subject to change.	
4. Payment of Dividend	N.A.
5. Listing details	
Name of Stock Exchange(s)	BSE 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, 5 th 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@balajitelefims.com Website: www.balajitelefims.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 Mandal, Hyderabad – 500 032. Tel: +91-40-33211500/70/71 Fax No. +91-40-23440674 Email: einward.ris@kfintech.com Website: www.kfintech.com
8. Share Transfer System	Shares sent for physical transfer are registered and returned within fifteen days from the date of receipt, if the documents are clear in all respects. The Stakeholders Relationship Committee meets as often as required. There were no transactions in transfers of shares in physical form during the year 2019-20 and no share transfer pending as on March 31, 2020.
9. Dematerialisation of Equity Shares	The Company's shares are traded in dematerialised form. To facilitate trading in dematerialised form there are two depositories, i.e., National Securities Depository Limited. (NSDL) and Central Depository Services (India) Ltd. (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, 2020 about 99.99% comprising 10,11,25,895 Equity Shares were in the dematerialized form.
10. Outstanding GDRs/ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity	The Company did not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments as on March 31, 2020.

11. Stock Market Data relating to Shares listed in India

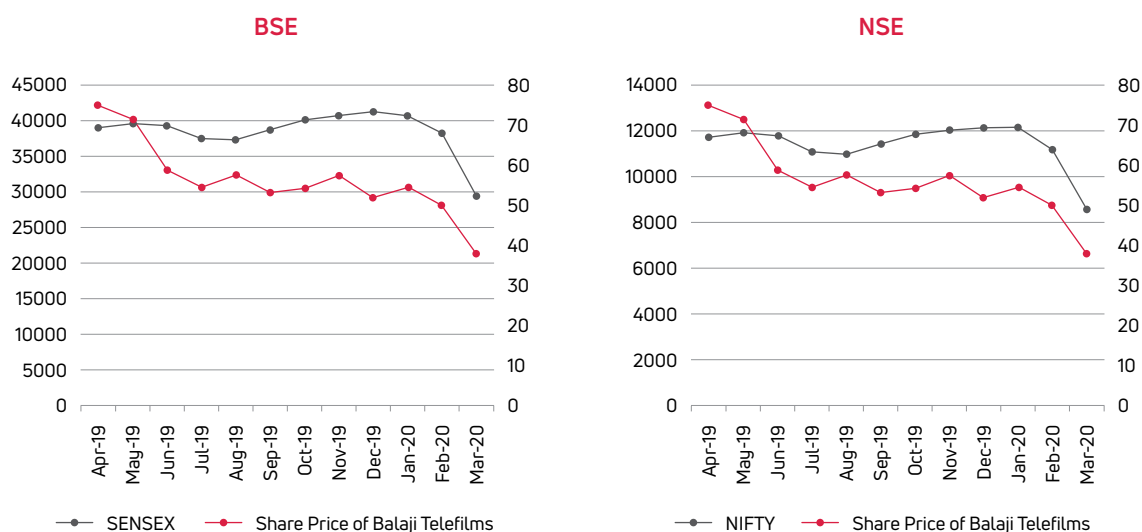
The monthly high and low prices on BSE Limited and National Stock Exchange of India Limited as well as the volume of shares traded during the financial year 2019-20 are as below:

MONTH	BSE			NSE		
	HIGH	LOW	NO. OF SHARES TRADED	HIGH	LOW	NO. OF SHARES TRADED
April	86.95	74.70	6,75,728	87.30	74.35	10,97,348
May	78.75	68.00	85,525	77.80	67.40	7,36,070
June	74.00	56.40	1,17,347	72.90	56.85	9,02,994
July	60.00	51.00	1,60,423	59.50	52.00	14,25,900
August	66.80	44.85	29,74,318	65.05	45.00	26,04,137
September	61.00	48.00	1,11,321	59.90	52.40	9,07,001
October	56.50	48.00	1,59,554	57.10	47.95	17,91,609
November	61.95	52.50	1,58,078	62.00	52.30	19,93,564
December	56.90	48.00	96,669	59.70	48.20	11,81,232
January	55.85	48.45	1,25,907	56.30	48.55	24,35,052
February	61.45	49.60	1,77,733	62.00	49.50	30,05,090
March	52.00	28.00	3,11,409	52.00	27.90	17,62,641

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 BSE 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, 2020 (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, 2020

Description	No. of Shareholders	Shares	% Equity
BANKS	2	1,400	0.00
CLEARING MEMBERS	53	76,093	0.08
DIRECTORS	3	22,200	0.02
DIRECTORS AND THEIR RELATIVES	3	15,170	0.02
FOREIGN NATIONALS	1	181	0.00
FOREIGN PORTFOLIO - CORP	5	99,48,703	9.84
FOREIGN PORTFOLIO INVESTORS	2	86,58,287	8.56
H U F	513	4,69,016	0.46
I E P F	1	44,729	0.04
INDIAN FINANCIAL INSTITUTIONS	2	8,10,827	0.80
BODIES CORPORATES	319	3,15,91,448	31.24
MUTUAL FUNDS	4	5,16,339	0.51
NBFC	1	800	0.00
NON RESIDENT INDIANS	260	3,76,480	0.37
NON RESIDENT INDIAN NON REPATRIABLE	156	5,88,983	0.58
PROMOTERS	4	3,47,22,002	34.33
RESIDENT INDIVIDUALS	20,373	1,32,86,985	13.14
TRUSTS	2	800	0.00
Grand Total	21,704	10,11,30,443	100.00

15. Distribution of shareholding as on March 31, 2020

Number of Share	No. of Share Holders	% of Total Shareholders	Total Shares	Amount	% to equity
1 - 5000	21,358	98.40	54,54,690	1,09,09,380	5.39
5001 - 10000	159	0.73	1,176,531	23,53,062	1.16
10001 - 20000	75	0.35	11,30,346	22,60,692	1.12
20001 - 30000	27	0.12	6,87,787	13,75,574	0.68
30001 - 40000	12	0.06	4,44,172	8,88,344	0.44
40001 - 50000	9	0.04	4,12,204	8,24,408	0.41
50001 - 100000	19	0.09	13,48,822	26,97,644	1.33
100001 and above	46	0.21	9,04,75,891	18,09,51,782	89.46
TOTAL	21,705	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
Mrs. Simmi Singh Bisht Group Head Secretarial 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: investor@balajitelefilms.com simmi.bisht@balajitelefilms.com	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



**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, 2020 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

Mumbai, July 22, 2020

Sd/-
Sanjay Dwivedi
Group Chief Financial Officer

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, 2020.

Mumbai, July 22, 2020

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, 2020 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
1.	JEETENDRA AMARNATH KAPOOR	00005345	01-02-2000
2.	PRADEEP KUMAR SARDA	00021405	17-05-2004
3.	DURAI SWAMY GUNASEELA RAJAN	00303060	19-07-2010
4.	ASHUTOSH KHANNA	03153990	27-08-2010
5.	VIRENDRA BABUBHAI DALAL	00247971	12-08-2014
6.	DEVENDER KUMAR VASAL	06858991	15-05-2014
7.	ARUN KUMAR PURWAR	00026383	20-05-2015
8.	SHOBHA RAVI KAPOOR	00005124	10-11-1994
9.	EKTA KAPOOR RAVI	00005093	10-11-1994
10.	ANSHUMAN THAKUR	03279460	01-09-2017
11.	JYOTI DESHPANDE	02303283	23-03-2018
12.	RAMESH GOPAL SIPPY	00652881	01-09-2019

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/-

Rashmi Shah

Proprietor

ACS No.: 24722

C P No.: 22489

Place: Mumbai

Date: 08/06/2020

UDIN: A024722B000326595

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, 2020 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 Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Sachin Parekh

Partner

Membership No.: 107038

UDIN: 20107038AAAABS8286

Place: Mumbai
Date: July 22, 2020



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	simmi.bisht@balajitelefilms.com
6.	Financial Year reported	2019-20
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: • 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.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital	₹ 20,22,60,886/-
2.	Total Turnover	₹ 57,662.80/- lacs
3.	Total profit after taxes (INR)	₹ 5,786.94/- lacs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The total spend on CSR for 2019-20 is Rs. 54.62 lacs which is more than 2% of average net profits of the last three financial years.
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

- Does the Company have any Subsidiary Company/ Companies?

As on March 31, 2020 the Company has 4 subsidiary companies.
- 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.
- 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

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: Mrs. Simmi Singh Bisht
Designation: Group Head Secretarial

- **DIN:** N.A.
Name: Mr. Sanjay Dwivedi
Designation: Group Chief Financial Officer

(b) Details of the BR head

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	simmi.bisht@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	Y	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 with the applicable laws and Industry standards.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The policy has been approved by the Board of Directors and signed by Mrs. Shobha Kapoor, Managing Director of the Company.								
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 policy is 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 and Group Head Secretarial 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 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	NA								
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_2019-2020.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.

- 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, 15 complaints were received from investors during FY 2019-20, of which all 15 have been resolved.

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

- 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

- 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.

- 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.

- 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.

- 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

- Please indicate the Total number of employees: 103
- Please indicate the Total number of employees hired on temporary/contractual/casual basis: 31
- Please indicate the Number of permanent women employees: 18
- Please indicate the Number of permanent employees with disabilities: 1
- Do you have an employee association that is recognized by management?
Yes, Maharashtra Rajgarashtriya Kamgar Sangh (INTUC), Mumbai
- What percentage of your permanent employees is members of this recognized employee association? 41%
- 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
- What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

The Company had Health Camp & Health Talk program which was held for all Employees on February 20, 2020 and Self Defence program was held on March 06, 2020 for Women's Day with 26 participants.



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 received on violation of any human rights during the financial year 2019-20.

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 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.

One complaint has been filed against the Company.

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, 2020, 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, 2020, 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 45 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, 2020, from one of its co-producer and a film director against whom arbitration proceedings are in progress for recovery.

Our opinion is not modified in respect of 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
Assessment of carrying value of investments in and loans to Subsidiaries (Refer notes 5, 15 and 33 to the Standalone Financial Statements) The carrying value of Company's investments in and loans to subsidiaries (Alt Digital Media Entertainment Limited, Balaji Motion Pictures Limited and Marinating Films Private Limited) is Rs. 65,112.20 lacs as at March 31, 2020. The value of such investments and loans form a significant part of the total assets of the Company. Accumulated losses have eroded/partly eroded the net worth of the respective subsidiaries. This is an indication of potential impairment of carrying value these investments and loans. The Company assesses the carrying value of these investments and recoverability of loans by taking into account forecast business plans which are based on various assumptions including growth rate and discount factor. Management uses an independent external professional valuer to determine the fair value of these investments. Based on this, the Company assessed that there is no requirement of considering impairment provision in the carrying value of its investments in and loans to such subsidiaries at March 31, 2020. We considered this as a Key Audit Matter due to uncertainties and significant judgement required by the Management in preparation of future cash flows based on the business plans and the underlying assumptions such as discount rate, growth rate and valuation model.	Our audit procedures included the following: • Understanding and evaluating the design and testing the operating effectiveness of the controls over valuation of investments and recoverability of loans; • Assessing the historical accuracy of the Management's forecasted business plans by comparing the forecasts used in the prior year with the actual performance in the current year; • Comparing the forecasts with the latest approved budgets; • Evaluating the competence, capabilities and objectivity of the independent professional valuer engaged by the Company; • Together with auditor's valuation experts – • assessing Management's forecasts to evaluate whether the forecasts are reasonable in comparison with the past performance and industry trends; • testing appropriateness of the method and model used for determining the fair value of investments, mathematical accuracy of the models' calculations, evaluating reasonableness and challenging key assumptions used such as growth rate, discount rate; • evaluating the sensitivity analysis in consideration of potential impact of reasonably possible upside or downside changes in the key assumptions. • Considered the results of the aforesaid procedures in evaluating the recoverability of loan given to a subsidiary. Based on the above procedures performed, the management's assessment of carrying value of investments in and loans to such subsidiaries, was considered to be appropriate.



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 skepticism 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, 2020 taken on record by the Board of



Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 to the standalone financial statements.
 - ii. The Company has long-term contracts as at March 31, 2020 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2020.
 - 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, 2020.
- 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

Sachin Parekh

Partner

Membership Number: 107038

UDIN: 20107038AAAABT3162

Place: Mumbai

Date: July 22, 2020

Annexure A

to Independent Auditor's 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, 2020

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, 2020 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, 2020, 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 report.

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

Sachin Parekh
Partner

Membership Number: 107038
UDIN: 20107038AAAABT3162

Place: Mumbai
Date: July 22, 2020

Annexure B

to Independent Auditor's 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, 2020

- 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 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.
- vii. (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, 2020 which have not been deposited on account of a dispute, are as follows:
- (b) In respect of the aforesaid loans, the principal and interest is payable on demand by the party 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 complied with the provisions of Section 185 and 186 of the Act in respect of the loans or investments made, or guarantees or security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

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	6,348.00	2006-07 and 2007-08	High Court of Judicature at Bombay
The Finance Act, 1994	Service Tax	2,943.00	April 2008 to April 2011	Commissioner of Service Tax



Name of the statute	Nature of dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where the dispute is pending
Value Added Tax and Central Sales Tax Act	Sales Tax and VAT	145.50	2012-13 and 2013-14	Joint Commissioner of Sales Tax
The Income Tax Act, 1961	Tax Deducted at Source	218.08	2009-10 and 2010-11	High Court of Judicature at Bombay

- 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 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

Sachin Parekh

Partner

Membership Number: 107038

UDIN: 20107038AAAABT3162

Place: Mumbai

Date: July 22, 2020

Balance Sheet

as at March 31, 2020

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4(a)	2,691.95	3,002.75
(b) Right-of-use Asset	4(b)	2,670.68	-
(c) Capital work-in-progress	4(a)	179.17	52.46
(d) Financial Assets			
(i) Investments	5	62,392.21	48,694.65
(ii) Trade receivables	13(ii)	164.11	431.01
(iii) Loans	6	796.56	940.19
(iv) Other financial assets	7(i)	-	326.12
(e) Deferred tax assets (net)	8	723.99	1,981.86
(f) Non-current income tax assets (net)	9	1,164.29	2,628.08
(g) Other non-current assets	10	3,701.51	3,238.08
Total non-current assets		74,484.47	61,295.20
Current assets			
(a) Inventories	11	2,377.94	6,328.14
(b) Financial assets			
(i) Investments	12	10,046.23	22,106.08
(ii) Trade receivables	13(i)	12,455.40	10,283.76
(iii) Cash and cash equivalents	14(a)	1,382.01	1,577.71
(iv) Bank balances other than (iii) above	14(b)	10.54	9.33
(v) Loans	15	3,081.95	316.13
(vi) Other financial assets	7(ii)	5,010.00	1,543.02
(c) Contract assets	7(a)	4,899.90	1,755.38
(d) Other current assets	16	7,620.27	4,482.86
Total current assets		46,884.24	48,402.41
Total Assets		121,368.71	109,697.61
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	2,022.61	2,022.61
(b) Other equity	18	103,716.53	98,970.11
Total equity		105,739.14	100,992.72
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4(b)	685.84	-
Total non-current liabilities		685.84	-
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	19		
(i) total outstanding dues of micro and small enterprises		46.19	-
(ii) total outstanding dues other than (i) (i) above		9,841.52	7,210.55
(ii) Lease liabilities	4(b)	2,067.51	-
(iii) Other financial liabilities	20	51.10	127.20
(b) Provisions	21(i)	18.25	15.99
(c) Other current liabilities	21(ii)	2,112.44	1,281.60
(d) Current Tax Liabilities (net)	22	806.72	69.55
Total current liabilities		14,943.73	8,704.89
Total Equity and Liabilities		121,368.71	109,697.61

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

Sachin Parekh
Partner
Membership No: 107038
Place : Mumbai
Date : July 22, 2020

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 : July 22, 2020



Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
(I) Revenue from operations	23	57,662.80	44,030.15
(II) Other Income	24	605.67	2,482.16
(III) Total income (I+II)		58,268.47	46,512.31
(IV) Expenses			
(a) Cost of Production / Acquisition and Telecast Fees	25	31,940.05	36,705.29
(b) Changes in inventories	25	3,950.20	(1,963.00)
(c) Marketing and distribution expenses	26	3,618.48	2,035.94
(d) Employee benefits expense	27	1,389.04	2,271.11
(e) Depreciation and amortization expense	28	3,313.46	1,308.79
(f) Finance cost	29	242.44	-
(g) Other expenses	30	4,348.65	3,509.14
(V) Total expenses		48,802.32	43,867.27
(VI) Profit Before Tax (III-V)		9,466.15	2,645.04
(VII) Tax expense:	31		
(a) Current tax:			
Current tax		2,347.23	695.81
(b) Deferred tax:			
Deferred tax		49.21	30.87
MAT Credit Entitlement		-	(94.10)
MAT Credit Utilisation		1,282.77	-
Total tax expense		3,679.21	632.58
(VIII) Profit for the year (VI-VII)		5,786.94	2,012.46
(IX) Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the post employment benefit obligations gain/(loss)		(12.70)	(5.82)
Income tax relating to items that will not be reclassified to profit or loss		3.20	2.01
Other comprehensive income for the year, net of tax		(9.50)	(3.81)
(X) Total comprehensive income for the year (VIII+IX)		5,777.44	2,008.65
(XI) Basic and diluted earnings per share (In ₹)	37	5.72	1.99
(Face value of ₹ 2 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

Sachin Parekh
Partner
Membership No: 107038
Place : Mumbai
Date : July 22, 2020

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 : July 22, 2020

Statement of Cash Flows

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	9,466.15	2,645.04
Adjustments for:		
Depreciation and amortisation expenses	3,313.46	1,308.79
Advances written off	996.63	598.37
Interest cost - Leases	240.24	-
Provision for doubtful debts and advances (net)	255.13	255.57
Loss on fixed assets written off /disposals (net)	3.11	10.47
Security deposit written off	29.15	-
Net gains on financial assets measured at fair value through profit and loss	(47.83)	(2,068.36)
Diminution in value of investments	241.08	-
Provision for gratuity expenses	16.70	11.89
Advances / creditors written back	(186.69)	(192.07)
Unwinding of discount on security deposit	(68.47)	(82.34)
Bad debts written off	503.79	0.02
Dividend Income on investments mandatorily measured at fair value through profit and loss	-	(10.15)
Amortisation of prepaid rent element of rental security deposit	-	75.28
Unrealised exchange (gain)/loss	(15.70)	-
Employee share based payment expenses	45.35	612.01
Interest income on fixed deposits	(10.41)	(20.02)
Interest income on deferred consideration	(42.14)	(25.03)
Interest income on income-tax refund	(108.84)	(7.57)
Interest income on loan to subsidiary	(68.41)	(35.76)
Operating profit before working capital changes	14,562.30	3,076.14
Adjustments for:		
(Increase)/decrease in trade receivable	(1,965.16)	(2,416.33)
(Increase)/decrease in other current financial assets	(3,468.26)	309.30
(Increase)/decrease in other current assets	(4,799.16)	(1,890.62)
(Increase)/decrease in contract assets	(3,144.52)	(1,626.34)
(Increase)/decrease in other non current financial assets	326.00	45.53
(Increase)/decrease in loans	13.40	36.45
(Increase)/decrease in other non current assets	(463.43)	1,781.24
(Increase)/decrease in inventories	3,950.20	527.82
Increase/(decrease) in trade payables	2,863.85	3,134.19
Increase/(decrease) in other financial liabilities	1.28	-
Increase/(decrease) in other current liabilities	803.70	633.93
	(5,882.10)	535.17
Cash generated from operations	8,680.20	3,611.31
Income-tax refund/(paid)	(146.27)	(1,759.07)
Net cash flow generated from operating activities (A)	8,533.93	1,852.24
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant and equipment	(1,013.70)	(1,125.05)
Payments for purchase of current investments	(17,842.00)	(15,018.85)
Proceeds from sale of current investments	29,961.22	28,701.22
Payments for purchase of non current investments	(15,050.00)	(15,325.00)



Statement of Cash Flows

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Proceeds from sale of non current investments	1,131.20	1,506.61
Loans to related parties (net)	(2,784.16)	594.25
Interest income received	175.16	88.38
Net cash (used in) investing activities (B)	(5,422.28)	(578.44)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of principal portion of lease liability	(2,014.39)	-
Interest expenses on lease liability	(240.24)	-
Dividend paid to company's shareholders (including DDT)	(975.34)	(487.67)
Net cash (used in) financing activities (C)	(3,229.97)	(487.67)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(118.32)	786.13
Cash and cash equivalents at the beginning of the year	1,459.77	673.64
Cash and cash equivalents at the end of the year	1,341.45	1,459.77
D. Non-cash financing and investing activities		
Acquisition of Right of use asset	1,511.78	-

Components of cash and cash equivalents

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash and cash equivalents above comprises of		
- Cash and cash equivalent	1,382.01	1,577.71
- Temporarily overdrawn book balances	(40.56)	(117.94)
Cash and cash equivalents at the end of the year	1,341.45	1,459.77

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

Sachin Parekh
Partner
Membership No: 107038
Place : Mumbai
Date : July 22, 2020

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 : July 22, 2020

Statement of Changes in Equity

for the year ended March 31, 2020

A. Equity share capital (Refer Note 17)

Particulars	(₹ in Lacs)
As at April 1, 2018	2,022.61
Changes in equity share capital during the year	-
As at March 31, 2019	2,022.61
As at April 1, 2019	2,022.61
Changes in equity share capital during the year	-
As at March 31, 2020	2,022.61

B. Other Equity (Refer Note 18)

(₹ in Lacs)

Particulars	Reserves and surplus					Total
	General reserve	Securities premium account	Retained earnings	Capital reserve	Share options outstanding account	
As at April 1, 2018	5,133.10	68,749.34	22,472.53	(47.08)	-	96,307.89
Adjustment consequent to adoption of Ind AS 115	-	-	83.98	-	-	83.98
Profit for the year	-	-	2,012.46	-	-	2,012.46
Other comprehensive income for the year	-	-	(3.81)	-	-	(3.81)
Total comprehensive income for the year	-	-	2,008.65	-	-	2,008.65
Employee share options expense (Refer note 41)	-	-	-	-	1,057.26	1,057.26
Transactions with owners in their capacity as owners:						
Payment of dividends (Refer note 46)	-	-	(404.52)	-	-	(404.52)
Dividend distribution tax (Refer note 46)	-	-	(83.15)	-	-	(83.15)
Balance as at March 31, 2019	5,133.10	68,749.34	24,077.49	(47.08)	1,057.26	98,970.11
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 46)	-	-	(809.04)	-	-	(809.04)
Dividend distribution tax (Refer note 46)	-	-	(166.30)	-	-	(166.30)
Balance as at March 31, 2020	5,133.10	68,749.34	28,747.56	(47.08)	1,133.61	103,716.53

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

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

Sachin Parekh
Partner
Membership No: 107038
Place : Mumbai
Date : July 22, 2020

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

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

Sanjay Dwivedi
(Group CFO)

Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date : July 22, 2020



Notes forming part of Financial Statements

for the year ended March 31, 2020

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, 2019:

The Company applied Ind AS 116 for the first time by using the modified retrospective method of adoption with the date of initial application of April 1, 2019. Under the method, Leases are recognized as a right of use assets and a corresponding liability with cumulative effect of initially applying this standard as an adjustment to the opening balance of retained earnings at the date of initial application. The Company had to change its accounting policies and make certain adjustments following the adoption of Ind AS 116. This is disclosed in note 4b.

(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 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

Notes forming part of Financial Statements

for the year ended March 31, 2020

carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(d) Revenue

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

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



Notes forming part of Financial Statements

for the year ended March 31, 2020

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.

Minimum Alternate Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of credit to the statement of profit and loss and included in deferred tax asset. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(g) Leases

Till March 31, 2019:

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to

the company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

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

With effective from April 1, 2019:

As a lessee

The Company mainly has lease arrangements for building (offices and studio). The Company assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether there is an identified asset, whether the Company has the right to direct the use of the asset and whether the Company obtains substantially all the economic benefits from the use of that asset.

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 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 component.

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

Notes forming part of Financial Statements

for the year ended March 31, 2020

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.

- (i) Impact on the statement of profit and loss account

The adoption of this accounting standard did not have significant impact on the profit for the period and the earnings per share. Operating lease rentals which were recognised in the statement of profit and loss will be now be recognised as depreciation expense for the right to use asset and finance cost for interest accrued on lease liability.

- (ii) Adjustments recognized in the balance sheet on 1 April, 2019 – Refer Note 4(b)

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term, unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

(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 do 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.



Notes forming part of Financial Statements

for the year ended March 31, 2020

(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.

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

Notes forming part of Financial Statements

for the year ended March 31, 2020

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.

(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



Notes forming part of Financial Statements

for the year ended March 31, 2020

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.

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

Notes forming part of Financial Statements

for the year ended March 31, 2020

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
- 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



Notes forming part of Financial Statements

for the year ended March 31, 2020

- 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. 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.

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.

Notes forming part of Financial Statements

for the year ended March 31, 2020

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 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 45

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



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 4(a) - Property, plant and equipment and 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
I. Gross Carrying Amount											
Balance as at April 1, 2018	472.57	1,161.46	2,561.22	6,709.00	1,289.44	336.57	455.77	96.18	454.70	13,536.91	226.79
Additions	-	100.54	67.19	-	12.09	-	15.60	0.13	-	195.55	929.50
Write-off	-	-	-	-	-	-	-	-	-	-	(10.47)
Transfer from CWIP	-	-	-	1,093.36	-	-	-	-	-	1,093.36	(1,093.36)
Balance as at March 31, 2019	472.57	1,262.00	2,628.41	7,802.36	1,301.53	336.57	471.37	96.31	454.70	14,825.82	52.46
II. Accumulated Depreciation											
Balance as at April 1, 2018	(104.70)	(1,111.33)	(2,055.45)	(5,394.01)	(601.80)	(302.34)	(413.33)	(76.62)	(454.70)	(10,514.28)	-
Depreciation expense	(7.90)	(36.09)	(78.49)	(1,037.04)	(110.78)	(9.46)	(21.73)	(7.30)	-	(1,308.79)	-
Balance as at March 31, 2019	(112.60)	(1,147.42)	(2,133.94)	(6,431.05)	(712.58)	(311.80)	(435.06)	(83.92)	(454.70)	(11,823.07)	-
III. Net Carrying Amount as at March 31, 2019	359.97	114.58	494.47	1,371.31	588.95	24.77	36.31	12.39	-	3,002.75	52.46
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

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 mainly includes sets for TV serials under construction.

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 4b: Right-of-use Asset

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Right-of-use Asset (Premises)		
Cost	4,789.47	-
Less: Accumulated amortisation	2,118.79	-
	2,670.68	-

(i) Amounts recognised in balance sheet

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

(₹ in Lacs)

Particulars	Total
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	-
Balance as of March 31, 2020	4,789.47
Accumulated Amortisation	
Amount recognised on adoption of April 1, 2019	-
Add: Amortisation for the year	2,118.79
Less: Disposals	-
Balance as at March 31, 2020	2,118.79
Net Carrying Value as at March 31, 2020	2,670.68

The following is the movement in lease liabilities for the year ended March 31, 2020*

(₹ in Lacs)

Particulars	Total
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)

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

The following is the break-up of current and non-current lease liabilities as of March 31, 2020:

(₹ in Lacs)

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

*The Company has adopted Ind AS 116 w.e.f April 1, 2019 with a modified retrospective approach where the cumulative effect is adjusted to retained earnings as at April 1, 2019. Accordingly, previous year information has not been restated.

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, Leases. These liabilities were measured at the present value of the remaining lease



Notes forming part of Financial Statements

for the year ended March 31, 2020

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

payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 7.3% p.a. The difference between the right-of-use assets and lease liability of ₹ 132.03 lacs (net of deferred tax asset of ₹ 70.91 lacs) has been adjusted to retained earnings as at April 01, 2019.

In the statement of profit and loss for the current period, operating lease expenses which were recognised under cost of production and other expenses in corresponding periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard did not have any material impact on the profit for the period and earnings per share.

Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments. The company only has operating leases.

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

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

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Amortisation charge on right of use assets (Refer note 28)		
Premises		
- Studio	1,977.25	-
- Office Space	141.54	-
Total	2,118.79	-

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Interest expense (included in finance cost) (Refer note 29)		
Interest on lease liability	240.24	-
Total	240.24	-

The total cash outflow for leases for the year ended 31 March 2020 was ₹ 2,254.63 lacs

iii) Practical expedients applied - Transition

In applying Ind AS 116 for the first time, the Company has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application.

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 5 Non-current investments

(₹ in Lacs)

Particulars	As at March 31, 2020		As at March 31, 2019	
(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)	137.10	337.10	75.91	275.91
60,00,50,000 (Previous year 45,00,50,000) Equity shares of ₹ 10/- each in Alt Digital Media Entertainment Limited	60,005.00		45,005.00	
Add : Capital contribution on account of employee stock option plan (Refer note 41)	339.16	60,344.16	369.34	45,374.34
(ii) Subsidiaries :				
(a) 44,57,550 (Previous year 44,55,100) Equity Shares of ₹ 10/- each in Marinating Films Private Limited		1,023.99		1,023.99
(b) 5,25,000 (Previous year 25,000) Equity Shares of ₹ 10/- each in Chhayabani Balaji Entertainment Private Limited	52.50		2.50	
Add: Conversion of Preference shares to 75,000 Equity Shares of ₹ 10/- each (Previous year NIL)	188.20		-	
Less : Impairment of investments	(240.70)	-	-	2.50
(2) Investment in fully paid-up preference shares of subsidiaries (unquoted) (at fair value through profit or loss)				
(i) Subsidiary :				
(a) NIL (Previous year 7,50,000) Preference shares of ₹ 10/- each in Chhayabani Balaji Entertainment Private limited	188.20		188.20	
Less : Conversion into Equity Shares	(188.20)	-	-	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
(ii) Indus Balaji Education Capital Advisors LLP		-		0.38



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 5 Non-current investments (Contd..)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
(5) Investment in Indus Balaji Investor Trust (unquoted) (at fair value through profit or loss)		
(i) 19,53,763.97 (Previous year 22,42,859) Class A units of ₹ 100 each	360.89	1,502.86
(ii) 3,428.35 (Previous year 3,880) Class B units of ₹ 100 each	0.57	0.97
	361.46	1,503.83
Aggregate carrying value of unquoted investments	62,392.21	48,694.65
Aggregate amount of impairment in the value of investments	240.70	-

Note 6 Loans (Non-Current)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposit	796.56	991.11
Less: Loss allowance	-	(50.92)
Total	796.56	940.19
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	796.56	940.19
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	50.92
Total	796.56	991.11
Less: Loss allowance	-	(50.92)
Total loans	796.56	940.19

Note: Security Deposits include deposits (undiscounted) given to three directors (Previous year : three directors) of the company of ₹ 740.00 lacs (Previous year : ₹ 708.32 lacs) for the properties taken on lease from them.

Note 7 Other financial assets

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Non-current financial assets		
Unsecured, Considered good		
Fixed deposits with banks having more than 12 months maturity (Refer Note below)	-	326.12
Total	-	326.12
(ii) Current financial assets		
Unsecured, Considered good		
(a) Other Receivables	1,985.36	1,543.02
(b) Unbilled revenue	3,024.64	-
Total	5,010.00	1,543.02

Note: The above fixed deposits with banks were kept in lien against bank guarantees

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 7(a) Contract assets

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Contract assets relating to commissioned television programs and internet programs	4,899.90	1,755.38
Total Contract Assets	4,899.90	1,755.38

Note 8 Deferred tax asset (net)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets		
Lease Liabilities	20.80	-
Depreciation on fixed assets	715.01	903.43
Loss allowance on financial assets	74.35	226.23
Deferred sales consideration	6.74	24.08
Minimum Alternate Tax credit entitlement	-	1,282.77
Carried forward tax losses	-	109.27
	816.90	2,545.78
Deferred tax liabilities		
Fair valuation of investments	(92.91)	(552.86)
Security deposits	-	(11.06)
	(92.91)	(563.92)
Deferred tax assets (net)	723.99	1,981.86

(i) 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 Fixed Assets	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
Net deferred tax asset/ (liabilities)	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 Financial Statements

for the year ended March 31, 2020

Movement in deferred tax balances

(₹ in Lacs)

Particulars	For year ended March 31, 2019			
	Opening Balance	On Account of adoption of Ind AS 115	(Charged)/ Credited to profit or loss	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Fair value of investments	768.63	-	(215.77)	552.86
Adjusted to retained earnings as at April 01, 2018	-	45.06	(45.06)	-
Security deposits	(27.64)	-	38.70	11.06
	740.99	45.06	(222.13)	563.92
Tax effect of items constituting deferred tax assets				
Depreciation on fixed assets	783.00	-	(120.43)	903.43
Carried forward tax losses	619.05	-	509.78	109.27
Deferred sales consideration	-	-	(24.08)	24.08
Loss allowance on financial assets	113.96	-	(112.27)	226.23
MAT Credit entitlement / (utilisation)	1,188.67	-	(94.10)	1,282.77
	2,704.68	-	158.90	2,545.78
Net deferred tax asset/ (liabilities)	1,963.69	45.06	(63.23)	1,981.86

Section 115BAA of The Income-tax Act, 1962 provides an option to pay income tax at lower rates subject to certain conditions. The Management has evaluated the option and decided to exercise the option under Section 115BAA w.e.f FY 2020-2021 (AY 2021-22). Accordingly, the Deferred tax is calculated at the tax rate of 25.17% as on March 31, 2020.

Note 9 Non-current income tax assets (Net)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance payment of income-tax (Provision netted off of ₹ 695.90 lacs (previous year: ₹ 802.57 lacs))	1,164.29	2,628.08
Total	1,164.29	2,628.08

Note 10 Other non-current assets

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance to vendors (considered good – unsecured) (Refer Note 40)	3,701.51	3,238.08
Total	3,701.51	3,238.08

Note 11 Inventories (cost or net realisable value, whichever is lower)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Finished		
Television serials	-	79.53
Work in process		
Films	2,377.94	6,248.61
Total	2,377.94	6,328.14

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 12 Current investments

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Investment in mutual funds (Non trade) (Unquoted) (measured at fair value through profit or loss)	10,046.23	22,106.08
Aggregate amount of unquoted Investments	10,046.23	22,106.08

Note 13 Trade receivables

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Trade Receivables from contract with customers - Others	12,261.81	9,742.32
Trade Receivables from contract with customers - Related Party	357.70	1,318.15
Less: Loss allowance	-	(345.70)
Total Receivables	12,619.51	10,714.77
13(i) Current portion	12,455.40	10,283.76
13(ii) Non-current portion	164.11	431.01
Break-up of trade receivables		
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	12,619.51	11,060.47
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	12,619.51	11,060.47
Less: Loss allowance	-	(345.70)
Total Trade Receivables	12,619.51	10,714.77

Note 14 (a) Cash and cash equivalents

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
(a) Cash on hand	29.13	25.62
(b) Balances with banks-		
(i) In current accounts	1,303.13	1,533.65
(ii) In deposit accounts with original maturity of less than three months	49.75	18.44
Total	1,382.01	1,577.71

Note 14(b) Other balances with banks

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Unpaid dividend accounts	10.54	9.33
Total	10.54	9.33



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 15 Loans (Current)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans to related parties (Refer Note 35)	3,081.95	292.13
Loans to professional staff	-	24.00
Less: Loss allowance	-	-
Total	3,081.95	316.13
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	3,081.95	316.13
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	3,081.95	316.13
Less: Loss allowance	-	-
Total loans	3,081.95	316.13

Note 16 Other Current assets

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
<u>(Unsecured considered good, unless otherwise stated)</u>		
(a) Prepaid expenses	30.76	68.81
(b) Balances with government authorities	808.83	1,404.46
(c) Advances to vendors	6,676.59	2,049.93
(d) Other Receivables		
- considered good	104.09	959.66
- considered doubtful	255.13	-
Less: Provision for doubtful receivable	(255.13)	-
Total	7,620.27	4,482.86

Note 17 Equity share capital

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
(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 forming part of Financial Statements

for the year ended March 31, 2020

Note 17 Equity share capital (Contd..)

Notes :

- (i) Details of Equity shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	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 [#]	1,84,22,380	18.22	1,83,08,208	18.10
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:

Particulars	As at March 31, 2020		As at March 31, 2019	
	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 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, 2020, 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, 2020	As at March 31, 2019
(a) General reserve	5,133.10	5,133.10
(b) Securities premium account	68,749.34	68,749.34
(c) Retained earnings	28,747.56	24,077.49
(d) Capital Reserve	(47.08)	(47.08)
(e) Share options outstanding account	1,133.61	1,057.26
Total	103,716.53	98,970.11



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 18(a) Retained earnings

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	24,077.49	22,472.53
Adjustment on adoption of Ind AS 115	-	83.98
Adjustment on adoption of Ind AS 116	(132.03)	-
Profit for the year	5,786.94	2,012.46
Items of other comprehensive income recognised directly in retained earnings	(9.50)	(3.81)
Payment of dividends	(809.04)	(404.52)
Dividend distribution tax	(166.30)	(83.15)
Balance at the end of the year	28,747.56	24,077.49

Note 18(b) Share options outstanding account

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	1,057.26	-
Add: Additions during the year (Refer Note no. 41)	76.35	1,057.26
Balance at the end of the year	1,133.61	1,057.26

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 can be utilised in accordance with the provisions of the Companies Act, 2013.
- 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.
- Share options outstanding account : The share options outstanding account is used to recognise the grant date fair value of option issued to employees under Balaji Telefilms ESOP, 2017.

Note 19 Trade payables

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Trade payables- micro and small enterprises	46.19	-
Trade payables- Others	9,841.52	7,210.55
Total	9,887.71	7,210.55

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 19 Trade payables (Contd..)

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

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
	Current	Current
Principal amount remaining unpaid to any supplier as at the end of each accounting year	44.46	-
Interest due thereon remaining unpaid to any supplier as at the end of each accounting year	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	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.

Note 20 Other financial liabilities (current)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unpaid dividends (Refer Note below)	10.54	9.26
Temporarily overdrawn book balances	40.56	117.94
Total	51.10	127.20

Note

As at March 31, 2020, 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, 2020	As at March 31, 2019
Provision for Gratuity (Refer Note 36(b))	18.25	15.99
Total	18.25	15.99



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 21(ii) Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Contract liabilities/ advances from customers	1,652.45	811.45
Statutory liabilities	434.34	330.94
Employee Benefit Payables	25.65	139.21
Total	2,112.44	1,281.60

(₹ in Lacs)

Particulars	As at March 31, 2020 Current	As at March 31, 2019 Current
Advance received for commissioned television programs and internet programs	173.97	158.68
Advance received from Movies related contracts	1,478.48	652.77
Total Contract Liabilities	1,652.45	811.45

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, 2020	April 1, 2018 to March 31, 2019
Revenue recognised that was included in contract liability balance at the beginning of the year		
Commissioned television programs and internet programs	158.68	210.60
Movie related contracts	594.80	25.83
	753.48	236.43

Note 22 Current tax liabilities (net)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for tax (net of advance tax of ₹ 2,956.56 lacs (previous year: ₹ 1,239.83 lacs))	806.72	69.55
Total	806.72	69.55

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 23 Revenue from operations

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Revenue from contracts with customers		
- Sale of service		
Commissioned television programs	30,158.54	27,934.08
Internet programs	8,238.88	5,059.57
Sale and licensing of movies	16,624.77	9,906.60
Sale of television programs/ movies concept rights	57.47	58.20
Event Management	1,265.00	939.00
(b) Other Operating Income		
Facilities / equipment hire Income	70.69	132.70
Service Income for Curation of Digital Content	1,247.45	-
Total	57,662.80	44,030.15

Unsatisfied long-term licensing contracts:

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

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Aggregate amount of the transaction price allocated to long-term licensing contracts that are fully unsatisfied as at reporting date	1,400.00	9,900.00

Management expects that 100% of transaction price allocated to the unsatisfied contracts as on March 31, 2020 will be recognised as revenue during the next reporting period. 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

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest income		
On fixed deposits with banks	10.41	20.02
On Income-tax refund	108.84	7.57
On loan given to subsidiary company	68.41	35.76
(b) Unwinding of discount on security deposit	68.47	82.34
(c) Interest income on deferred considerations	42.14	25.03
(d) Net gains on financial assets measured at fair value through profit and loss	99.74	2,068.36
(e) Dividend Income on investments measured at fair value through profit and loss	-	10.15
(f) Insurance claim received	-	1.97
(g) Advances / Creditors written back	186.69	192.07
(h) Net foreign exchange differences	20.97	38.89
Total	605.67	2,482.16



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 25 Cost of Production / Acquisition and Telecast Fees

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Production expenses including purchase of costumes and dresses	2,167.55	2,271.20
Artists, Directors, technicians and Professional Fees	16,603.18	16,393.94
Location hire charges	1,604.51	2,958.32
Shooting and location expenses	4,462.62	4,594.18
Telecasting fees / purchase of rights	-	168.02
Food and refreshment charges	544.62	480.30
Sets & studio maintenance charges	1,023.55	882.04
Uplinking charges	115.14	39.36
Insurance expense	37.07	36.29
Line production cost	1,912.41	5,844.71
Set properties and equipment hire charges	2,437.50	2,286.87
Sound expense	92.73	82.54
Other production expenses	939.17	667.52
Total	31,940.05	36,705.29

Changes in Inventories :

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening balance :		
Television serials and Films	6,328.14	6,855.95
Less: Derecognition of inventory on account of adoption of Ind AS 115	-	(2,490.81)
	6,328.14	4,365.14
Closing balance :		
Films	2,377.94	6,328.14
Total changes in inventories	3,950.20	(1,963.00)

Note 26 Marketing and distribution expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Marketing expenses	1,676.38	1,127.66
Distribution expenses	1,942.10	908.28
Total	3,618.48	2,035.94

Note 27 Employee Benefits Expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages*	1,199.94	1,501.73
Contributions to provident and other funds (Refer Note 36(a))	119.11	126.91
Gratuity (Refer Note 36(b))	16.70	11.89
Staff welfare expenses	7.94	18.57
Employee share based payment expenses (Refer Note no. 41)	45.35	612.01
Total	1,389.04	2,271.11

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

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 28 Depreciation and amortisation expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment (Refer Note 4a)	1,194.67	1,308.79
Amortisation on Right of use Asset (Refer Note 4b)	2,118.79	-
Total	3,313.46	1,308.79

Note 29 Finance cost

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on lease liability	240.24	-
Interest on others	2.20	-
Total	242.44	-

Note 30 Other Expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Power and fuel	72.10	78.38
Rent including lease rentals	-	191.51
Repairs and maintenance - Others	143.76	158.43
Insurance	58.86	61.39
Rates and taxes	342.70	158.03
Communication expenses	40.24	40.67
Legal and professional charges (Refer Note 30.1)	942.33	978.10
Directors Commission	95.20	-
Security and housekeeping expenses	82.61	61.53
Business promotion expenses	172.75	145.06
Travelling and conveyance expenses	112.37	85.28
Donations and contributions	21.84	22.44
Expenditure on corporate social responsibility (Refer Note 30.2)	54.62	85.26
Advances written off (Net of provision - ₹ 50.92) (previous year: Nil)	996.63	598.37
Provision for doubtful debts and advances	255.13	255.57
Bad debts written off net (Net of provision for doubtful debts - ₹ 345.70) (previous year: Nil)	503.79	0.02
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	1.91	13.58
Directors sitting fees	37.75	42.50
Loss of fixed assets written off/ disposals	3.11	10.47
Miscellaneous expenses	117.96	522.55
Total	4,348.65	3,509.14



Notes forming part of Financial Statements

for the year ended March 31, 2020

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

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
As Auditors :		
Audit fee	41.10	35.00
In respect of other audit services :		
Other services (including certification)	4.00	2.50
Reimbursement of expenses	0.72	1.63
Total	45.82	39.13

Note 30.2 Corporate social responsibility expenditure

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Amounts required to be spent as per section 135 of the Act	53.72	78.96
Amounts spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	54.62	85.26
Total	54.62	85.26

Note 31 Tax expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Income tax expense		
<u>Current tax</u>		
Current tax on profits for the year	2,347.23	695.81
	2,347.23	695.81
<u>Deferred tax</u>		
Decrease/ (increase) in deferred tax assets	520.22	253.00
(Decrease)/ increase in deferred tax liabilities	(471.01)	(222.13)
<u>MAT Credit</u>		
MAT Credit entitlement	-	(94.10)
MAT Credit utilisation	1,282.77	-
Total deferred tax expense/(benefit)	1,331.98	(63.23)
Income tax expense	3,679.21	632.58

Notes forming part of Financial Statements

for the year ended March 31, 2020

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

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax	9,466.15	2,645.04
Income Tax calculated at 34.944% (PY:34.944%)	3,307.85	924.28
Tax effect of amounts that are not deductible in determining taxable profit	20.17	54.38
Effect of set off of carried forward long term capital losses	-	(330.34)
Tax on deductions under chapter VI-A	(3.82)	(3.92)
Income taxed at lower rates (Long Term Capital Gains)	(31.07)	(20.00)
Deferred Tax at the year end recognised at lower tax rates	280.89	-
Others	105.19	8.18
Total	3,679.21	632.58
Income Tax expense recognised in profit & loss	3,679.21	632.58

32 Contingent liabilities (to the extent not provided for)

(₹ in Lacs)

Claims against the company not acknowledged as debts	As at March 31, 2020	As at March 31, 2019
In respect of Service Tax Matters	2,943.00	2,943.00
In respect of VAT Matters	145.50	179.86
In respect of Income Tax Matters	218.08	218.08
In respect of Labour Matters	-	54.00

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.

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 ₹ 62,030.25 lacs (Previous year ₹ 46,999.24 lacs). Further, the Company has also given loans and advances aggregating to ₹ 3,081.95 lacs to BMPL (Previous year ₹ 292.13 lacs given to BMPL). As per the latest audited balance sheet of BMPL for the year ended March 31, 2020, 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, 2020. 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, Company has taken an impairment charge of ₹ 240.7 lacs based on the approvals of Company's Board of Directors that Chhayabani Balaji Entertainment Private Limited will be liquidated in the foreseeable future.



Notes forming part of Financial Statements

for the year ended March 31, 2020

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, 2020	Maximum balance outstanding during the year
Balaji Motion Pictures Limited	wholly owned subsidiary	3,081.95	3,081.95
		(292.13)	(885.37)

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	Subsidiary Company
IPB Capital Advisors LLP	Associate
Indus Balaji Education Capital Advisors LLP	Associate (struck off from ROC register during the year ended March 31, 2020)
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Key management person (upto March 27, 2019) and relative of key management person thereafter.
Mr. Sunil Lulla	Key management person (from May 25, 2018 to August 14, 2019)
Mr. Anshuman Thakur	Key management person
Mr. Arun K. Purwar	Key management person
Mr. D G Rajan	Key management person
Mr. Ashutosh Khanna	Key management person
Mr. Devender Kumar Vasal	Key management person
Mr. V B Dalal	Key management person
Mr. Pradeep Sarda	Key management person
Ms. Jyoti Deshpande	Key management person
Mr. Ramesh Sippy	Key management person (from September 1, 2019)

Notes forming part of Financial Statements

for the year ended March 31, 2020

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

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel
Loans given		
Balaji Motion Pictures Limited	3,291.69	-
	(96.00)	(-)
Loans Recovered (including interest)		
Balaji Motion Pictures Limited	570.28	-
	(725.50)	(-)
Sale of internet programs and licensing of movies		
Alt Digital Media Entertainment Limited	8,324.60	-
	(5,654.13)	(-)
Reimbursement of Expenses received		
Alt Digital Media Entertainment Limited	964.36	-
	(-)	(-)
Interest income on deferred consideration		
Alt Digital Media Entertainment Limited	34.81	-
	(25.03)	(-)
Interest Income on Loan Given		
Balaji Motion Pictures Limited	68.41	-
	(35.76)	(-)
Commission (Distribution expenses) Paid to		
Balaji Motion Pictures Limited	615.24	-
	(320.10)	(-)
Reimbursement of Employee Benefit Expense		
Alt Digital Media Entertainment Limited	715.65	-
	(578.92)	(-)
Reimbursement of Expense		
Alt Digital Media Entertainment Limited	182.90	-
	(-)	(-)
Marinating Films Private Limited	-	-
	(9.98)	(-)
Rent Income		
Balaji Motion Pictures Limited	6.00	-
	(6.00)	(-)
Directors sitting fees		
Mr. Jeetendra Kapoor	-	4.00
	(-)	(4.00)
Mr. Tusshar Kapoor	-	-
	(-)	(3.00)
Mr. Anshuman Thakur	-	2.00
	(-)	(2.00)
Mr. Arun K. Purwar	-	5.00
	(-)	(5.00)
Mr. Ashutosh Khanna	-	5.00
	(-)	(4.00)
Mr. D.G. Rajan	-	6.00
	(-)	(6.00)



Notes forming part of Financial Statements

for the year ended March 31, 2020

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

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	-	3.00
	(-)	(4.00)
Mr. Pradeep Sarda	-	1.00
	(-)	(2.50)
Mr. V.B. Dalal	-	4.75
	(-)	(6.00)
Mr. Ramesh Sippy	-	1.00
	(-)	(-)
Directors Commission		
Mr. Jeetendra Kapoor	-	76.16
	(-)	(-)
Mr. D.G. Rajan	-	2.12
	(-)	(-)
Mr. P.K. Sarda	-	2.11
	(-)	(-)
Mr. Ashutosh Khanna	-	2.12
	(-)	(-)
Mr. Devender Kumar Vasal	-	2.11
	(-)	(-)
Mr. V.B. Dalal	-	2.12
	(-)	(-)
Mr. A. K. Purwar	-	2.11
	(-)	(-)
Ms. Jyoti Deshpande	-	2.12
	(-)	(-)
Mr. Anshuman Thakur	-	2.11
	(-)	(-)
Mr. Ramesh Sippy	-	2.12
	(-)	(-)
Rent paid		
Mr. Jeetendra Kapoor	-	58.89
	(-)	(55.55)
Mrs. Shobha Kapoor	-	1,599.53
	(-)	(1,505.33)
Mr. Tusshar Kapoor	-	14.76
	(-)	(13.92)
Ms. Ekta Kapoor	-	253.47
	(-)	(234.99)
Remuneration (Refer note (iii) below)		
Mrs. Shobha Kapoor	-	239.88
	(-)	(239.88)
Ms. Ekta Kapoor	-	239.88
	(-)	(239.88)
Mr. Sunil Lulla	-	89.23
	(-)	(222.92)

Notes forming part of Financial Statements

for the year ended March 31, 2020

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

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel
Service Income for Curation of Digital Content		
Alt Digital Media Entertainment Limited	1,247.45	-
	(-)	(-)
Capital contribution on account of Employee stock option addition/(reversal)		
Alt Digital Media Entertainment Limited	(30.18)	-
	(369.34)	(-)
Balaji Motion Pictures Limited	61.19	-
	(75.91)	(-)
Investment made		
Marinating Films Private Limited	-	-
	(325.00)	(-)
Chhayabani Balaji Entertainment Limited	50.00	-
	(-)	(-)
Alt Digital Media Entertainment Limited	15,000.00	-
	(15,000.00)	(-)
Impairment made		
Chhayabani Balaji Entertainment Limited	240.70	-
	(-)	(-)
Amount receivable as at March 31, 2020		
Security Deposit amount receivable		
Mrs. Shobha Kapoor *	-	340.00
	(-)	(308.32)
Mr. Jeetendra Kapoor *	-	300.00
	(-)	(300.00)
Mr. Tusshar Kapoor *	-	100.00
	(-)	(100.00)
Ms. Ekta Kapoor *	-	100.00
	(-)	(100.00)
Loans		
Balaji Motion Pictures Limited	3,081.95	-
	(292.13)	(-)
Trade Receivable		
Alt Digital Media Entertainment Limited	357.70	-
	(1,318.15)	(-)
Other Receivable		
Alt Digital Media Entertainment Limited	800.18	-
	(190.26)	(-)
Marinating Films Private Limited	9.98	-
	(9.98)	(-)
Unbilled Receivable		
Alt Digital Media Entertainment Limited	2,492.89	-
	(-)	(-)



Notes forming part of Financial Statements

for the year ended March 31, 2020

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

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel
Contract Asset		
Alt Digital Media Entertainment Limited	4,836.65	-
	(1,073.23)	(-)
Amount Payable as at March 31, 2020		
Commission payable to Balaji Motion Pictures Limited	43.02	-
	(-)	(-)
Amount payable		
Mr. Jeetendra Kapoor	-	78.00
	(-)	(-)
Mrs. Shobha Kapoor	-	12.48
	(-)	(-)
Mr. Tusshar Kapoor	-	1.70
	(-)	(-)
Ms. Ekta Kapoor	-	22.97
	(-)	(-)
Mr. D.G. Rajan	-	2.12
	(-)	(-)
Mr. P.K. Sarda	-	2.11
	(-)	(-)
Mr. Ashutosh Khanna	-	2.12
	(-)	(-)
Mr. Devender Kumar Vasal	-	2.11
	(-)	(-)
Mr. V.B. Dalal	-	2.12
	(-)	(-)
Mr. A. K. Purwar	-	2.11
	(-)	(-)
Ms. Jyoti Deshpande	-	2.12
	(-)	(-)
Mr. Anshuman Thakur	-	2.11
	(-)	(-)
Mr. Ramesh Sippy	-	2.12
	(-)	(-)
Contract liabilities		
Alt Digital Media Entertainment Limited	158.00	-
	(156.46)	(-)

* - 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.

Notes forming part of Financial Statements

for the year ended March 31, 2020

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 ₹ 119.11 lacs (Previous Year ₹ 126.91 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, 2020	Valuation as at March 31, 2019
Discount rate(s)	6.24%	7.64%
Expected rate(s) of salary increase	5.00%	5.00%
Rate of employee turnover	16.00%	10.00%
Mortality Rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Defined benefit plans – as per actuarial valuation

Particulars	(₹ in Lacs)	
	Funded Plan	Funded Plan
	Gratuity	Gratuity
	March 31, 2020	March 31, 2019
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Actuarial (Gains)/Losses on Obligation for the year	12.36	5.18
Return on Plan Assets, Excluding Interest Income	0.34	0.64
Change in asset ceiling	-	-
Net amount recognised in Other Comprehensive Income (OCI)	12.70	5.82
Expenses recognised in the Statement of Profit or Loss for the current year		
Current Service Cost	15.48	12.03
Net interest cost	1.22	(0.14)
Expenses Recognized	16.70	11.89
I. Net Asset/(Liability) recognised in the Balance Sheet		
Present value of defined benefit obligation at the end of the year	(150.52)	(113.98)
Fair value of plan assets at the end of the year	132.28	97.99
Surplus/(Deficit)	(18.25)	(15.99)
Net (liability)/ Asset recognized in the Balance sheet	(18.25)	(15.99)



Notes forming part of Financial Statements

for the year ended March 31, 2020

Defined benefit plans – as per actuarial valuation (Contd..)

Particulars	(₹ in Lacs)	
	Funded Plan	Funded Plan
	Gratuity	Gratuity
	March 31, 2020	March 31, 2019
II. Change in the obligation during the year ended		
Present value of defined benefit obligation at the beginning of the year	113.98	90.10
Current Service Cost	15.48	12.03
Interest Cost	8.71	7.03
(Benefit paid from the Fund)	(0.01)	(0.36)
Actuarial (Gains)/ Losses on Obligations - Due to change in demographic assumptions	8.21	-
Actuarial (Gains)/ Losses on Obligations - Due to change in financial assumptions	4.01	1.03
Actuarial (Gains)/ Losses on Obligations- Due to experience	0.14	4.15
Present value of defined benefit obligation at the end of the year	150.52	113.98
III. Change in fair value of assets during the year ended 31st March		
Fair value of plan assets at the beginning of the year	97.99	91.82
Interest Income	7.49	7.17
Contributions by the employer	27.14	-
(Benefit paid from the Fund)	-	(0.36)
Return on Plan Assets, excluding Interest Income	(0.34)	(0.64)
Fair value of plan assets at the end of the year	132.28	97.99

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

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Projected Benefit Obligation on Current Assumptions	150.52	113.98
Delta Effect of +1% Change in Rate of Discounting	(5.78)	(6.16)
Delta Effect of -1% Change in Rate of Discounting	6.30	6.88
Delta Effect of +1% Change in Rate of Salary Increase	4.44	5.96
Delta Effect of -1% Change in Rate of Salary Increase	(3.52)	(5.47)
Delta Effect of +1% Change in Rate of Employee Turnover	0.61	0.83
Delta Effect of -1% Change in Rate of Employee Turnover	(0.67)	(0.96)

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.

Notes forming part of Financial Statements

for the year ended March 31, 2020

36 Employee Benefits (Contd..)

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

The company expects to contribute ₹ 27.25 lacs to the gratuity fund during the next financial year. (Previous Year ₹ 31.47 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, 2020	For the year ended March 31, 2019
1st Following year	24.38	14.41
2nd Following year	24.01	11.06
3rd Following year	20.89	12.05
4th Following year	18.44	11.65
5th Following year	16.07	11.57
Sum of Years 6 to 10	58.08	55.89
Sum of Years 11 and above	39.93	79.60

Plan Assets

The fair value of Company's gratuity plan asset as of March 31, 2020 by category are as follows:

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Asset category:		
Insurer managed funds	132.28	97.99
	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:

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.



Notes forming part of Financial Statements

for the year ended March 31, 2020

36 Employee Benefits (Contd..)

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 Earnings per share

Basic and Diluted earnings per share is calculation is as below:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the year attributable to equity share holders (₹ in Lacs) (a)	5,786.94	2,012.46
Weighted average number of equity shares outstanding during the year (Nos.) (b)	101,130,443	101,130,443
Earnings per share - Basic (₹) (a/b)	5.72	1.99
Nominal value of shares (₹)	2	2

As at the year-end, the stock options granted as referred in Note 41 are not dilutive in nature and accordingly, basic and diluted earnings 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.

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

Particulars	Names of partners in the LLP	As at March 31, 2020		As at March 31, 2019	
		Total capital (₹ In Lacs)	Share of each partner in the profits of the LLP	Total capital (₹ In Lacs)	Share of each partner in the profits of the LLP
IPB Capital Advisors LLP	Balaji Telefilms Limited	0.500	50.00%	0.500	50.00%
	IP Capital Advisors LLP	0.490	49.00%	0.490	49.00%
	IPM Capital Advisors LLP	0.010	1.00%	0.010	1.00%
		1.000	100%	1.000	100%

Notes forming part of Financial Statements

for the year ended March 31, 2020

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

Particulars	Names of partners in the LLP	As at March 31, 2020		As at March 31, 2019	
		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
Indus Balaji Education Capital Advisors LLP	Balaji Telefilms Limited	-	-	0.375	18.75%
	IP Capital Advisors LLP	-	-	0.375	18.75%
	IPX Capital Advisors LLP	-	-	0.250	12.50%
	Mohit Ralhan	-	-	0.500	25.00%
	IPM Capital Advisors LLP	-	-	0.500	25.00%
		-	-	2.000	100.00%

40 The Company has advances / receivable from one of its co-producer and a film director. The advances / receivable amounting to ₹ 1,619 lacs are subject to litigation as at March 31, 2020. On the basis of the evaluation carried out by the management, in consultation with the lawyer, 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

When exercisable, each option is convertible into one equity share. The exercise price of the options is based on the stock exchange last closing market price after deducting 25% discount as determined by the Members of Nomination and Remuneration Committee.

The vesting schedule and exercise period of the Options granted on May 19, 2018 is as follows:

Year	Vesting of options	Vesting dates	Exercise Period up to
1	25%	May 18, 2019	May 18, 2024
2	35%	May 18, 2020	May 18, 2024
3	40%	May 18, 2021	May 18, 2024



Notes forming part of Financial Statements

for the year ended March 31, 2020

The vesting schedule and exercise period of the Options granted on June 20, 2018 is as follows:

Year	Vesting of options	Vesting dates	Exercise Period up to
1	25%	June 19, 2019	June 19, 2024
2	35%	June 19, 2020	June 19, 2024
3	40%	June 19, 2021	June 19, 2024

During the year ended March 31, 2020 the Company recorded an employee compensation expenses of ₹ 45.35 lacs (previous year ₹ 612.01 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, ₹ 476.26 lacs (previous year : ₹ 445.25 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:

	As at March 31, 2020		As at March 31, 2019	
	Average Exercise price per share option (₹)	Number of options	Average Exercise price per share option (₹)	Number of options
Opening balance	91.67	31,53,856	-	-
Granted during the year	-	-	91.68	37,88,973
Exercised during the year	-	-	-	-
Forfeited/(lapsed) during the year	-	12,48,924	-	635,117
Closing balance	91.34	19,04,932	91.67	31,53,856

Number of option exercisable as at March 31, 2020: 4,76,233 (previous year: NIL)

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, 2020	Exercise price (₹)	Share options March 31, 2019
May 19, 2018	May 18, 2024	90.00	10,54,570	90.00	14,02,455
June 20, 2018	June 19, 2024	93.00	850,362	93.00	17,51,401
Total			19,04,932		31,53,856

Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2019 was ₹ 72.01 per option for options granted on May 19, 2018 (Tranche 1) and ₹ 74.33 per option for options granted on June 20, 2018 (Tranche 2). The fair value at grant date is determined using the Binomial Tree Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted included:

- 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) and ₹ 93 (Tranche 2)

Notes forming part of Financial Statements

for the year ended March 31, 2020

Fair value of options granted (Contd..)

- c) Grant date: May 19, 2018 (Tranche 1) and June 20, 2018 (Tranche 2)
- d) Expiry date: May 18, 2024 (Tranche 1) and June 19, 2024 (Tranche 2)
- e) Share price at grant date: ₹ 119.80 (Tranche 1) and ₹ 123.45 (Tranche 2)
- f) Expected price volatility of the company's shares: 46.05% (Tranche 1) and 45.87% (Tranche 2)
- g) Expected dividend yield: 0.91% (Tranche 1 and 2)
- h) Risk-free interest rate: 7.92% (Tranche 1) and 8.05% (Tranche 2)

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

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, 2020			March 31, 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Non-current financial assets						
Investments	361.46	-	-	1,692.03	-	-
Loans	-	-	796.56	-	-	940.19
Other financial assets	-	-	-	-	-	326.12
Trade receivable	-	-	164.11	-	-	431.01
Current financial assets						
Investments	10,046.23	-	-	22,106.08	-	-
Trade receivables	-	-	12,455.40	-	-	10,283.76
Cash and cash equivalents	-	-	1,382.01	-	-	1,577.71
Other balances with bank	-	-	10.54	-	-	9.33
Loans	-	-	3,081.95	-	-	316.13
Other financial assets	-	-	5,010.00	-	-	1,543.02
Total Financial Assets	10,407.69	-	22,900.57	23,798.11	-	15,427.27
Current Financial Liabilities						
Trade payables	-	-	9,887.71	-	-	7,210.55
Other financial liabilities	-	-	51.10	-	-	127.20
Total Financial Liabilities	-	-	9,938.81	-	-	7,337.75



Notes forming part of Financial Statements

for the year ended March 31, 2020

(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, 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 Financial Assets	-	-	960.67	960.67

(₹ in Lacs)

Financial assets and liabilities measured at fair value- recurring fair value measurement March 31, 2019	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial instrument at FVPL				
Investment in unquoted preference shares	-	-	188.20	188.20
Investment in trusts	-	-	1,503.83	1,503.83
Mutual Fund	22,106.08	-	-	22,106.08
Total Financial Assets	22,106.08	-	1,692.03	23,798.11

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2019	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Loans	-	-	941.35	941.35
Other financial assets	-	-	326.12	326.12
Trade receivable	-	-	434.81	434.81
Total Financial Assets	-	-	1,702.28	1,702.28

Notes forming part of Financial Statements

for the year ended March 31, 2020

42 Fair Value Measurements (Contd..)

The carrying value of current trade receivables, cash and cash equivalents, current loans, trade payables and other financial assets and liabilities are considered to be the same as their fair values due to their short term nature. The fair value of 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.

(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, 2020

(₹ in Lacs)

Particulars	Investment in unquoted preference shares	Investment in units of trusts
As at March 31, 2018	1,112.19	3,166.06
Converted into Equity shares	(923.99)	-
Sales	-	(2,142.88)
Gains/(Losses) recognised in profit or loss	-	480.65
As at March 31, 2019	188.20	1,503.83
Sales	-	(1,090.46)
Gains/(Losses) recognised in profit or loss	-	-
Converted into Equity shares	(188.20)	-
Gains/(Losses) recognised in profit or loss	-	(51.91)
As at March 31, 2020	-	361.46



Notes forming part of Financial Statements

for the year ended March 31, 2020

(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, 2020		March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Trade receivable	164.11	164.11	431.01	434.81
Loans	796.56	796.56	940.19	941.35
Other financial assets	-	-	326.12	326.12

43 Financial Risk Management (Also refer Note 45)

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, 2020 and March 31, 2019 is the carrying value of each class of financial assets as disclosed in note 42.

Notes forming part of Financial Statements

for the year ended March 31, 2020

Security deposits given to lessors

The Company has given security deposit to lessors for premises leased by it as at March 31, 2020 and March 31, 2019. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

Trade receivables and contract assets

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past dues. The Contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rate for the contract assets.

Trade receivables and contract assets are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses.

The Company measures the expected credit loss of trade receivables, contract assets and other financial assets which are subject to credit risk, based on historical trend, industry practices and the business environment in which the entity operates and adjusted for forward looking information. Loss rates are based on actual credit loss experience and past trends.

The Company has used practical expedient by computing the expected credit loss allowance for trade receivables 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, 2020		March 31, 2019	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivables	12,619.51	-	11,060.47	(345.70)
Loans	3,878.51	-	1,307.24	(50.92)
Unbilled Revenue	3,024.64	-	-	-
Contract assets	4,899.90	-	1,755.38	-

The following table summarizes the changes in the Provisions made for the receivables & loans:

(₹ in Lacs)

Particulars	Trade receivables		Loans	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening balance	345.70	345.72	50.92	50.92
Provided during the year	503.79	-	-	-
Written off during the year	(849.49)	(0.02)	(50.92)	-
Reversals of provisions	-	-	-	-
Closing balance	-	345.70	-	50.92



Notes forming part of Financial Statements

for the year ended March 31, 2020

43 Financial Risk Management (Also refer Note 45) (Contd..)

Of the Trade Receivables balance as at March 31, 2020 of ₹ 12,619.51 lacs (as at March 31, 2019 of ₹ 11,060.47 lacs), the top 3 customers of the company represent the balance of ₹ 9,151.87 lacs as at March 31, 2020 (as at March 31, 2019 of ₹ 7,964.90 lacs).

No significant changes in estimation techniques or assumptions were made during the reporting period.

(B) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The responsibility for liquidity risk management rests with the Board of directors, which has an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by regularly monitoring forecast and actual cash flows.

(i) Maturities of financial liabilities (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, 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

(₹ in Lacs)				
Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2019				
Trade payables	7,210.55	-	-	7,210.55
Other Financial Liabilities	127.20	-	-	127.20
Total financial liabilities	7,337.75	-	-	7,337.75

(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, 2020 (Previous year Nil).

Notes forming part of Financial Statements

for the year ended March 31, 2020

(b) Interest rate risk

The Company does not have any borrowings and is thus not exposed to interest rate risk as at March 31, 2020 (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.

(ii) Sensitivity

Particulars	Impact on profit before tax	
	March 31, 2020	March 31, 2019
Net asset value - Increase 5% (March 31, 2019 5%)*	326.78	719.07
Net asset value - Decrease 5% (March 31, 2019 2%)*	(326.78)	(287.63)

*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 Impact assessment due to Covid-19 pandemic

The COVID-19 pandemic and the resultant lockdown declared by the Government in March 2020 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 on June 26, 2020. The resumption of business has been undertaken with the required precautions stipulated by the authorities.



Notes forming part of Financial Statements

for the year ended March 31, 2020

45 Impact assessment due to Covid-19 pandemic (Contd..)

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, 2020 and concluded that there were no material adjustments required in the financial statements as on March 31, 2020. 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.

46 Dividends

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Equity Shares		
(i) Final Dividend paid Dividend of ₹ 0.40 per fully paid share pertaining to the immediately preceding financial year	404.52	404.52
(ii) Dividend not recognised at the end of the reporting period In addition to the above dividends, since the year end, the Company has proposed dividend of Nil for the financial year 2019-20 (₹ 0.40 per fully paid share for the financial year 2018-19)	-	404.52
(iii) Interim Dividend of Rs.0.40 per fully paid-up share for the financial year 2019-20	404.52	-

Signatures to note 1 to 46

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

Sachin Parekh
Partner
Membership No: 107038
Place : Mumbai
Date : July 22, 2020

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 : July 22, 2020

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 37 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2020, 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, 2020, 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 50 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 44 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, 2020, from one of its co-producer and a film director against whom arbitration proceedings are in progress for recovery.

Our opinion is not modified in respect of 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.

Below Key Audit Matters have 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
Assessment of carrying value of investments in and loans to Subsidiaries (Refer notes 5, 15 and 33 to the standalone financial statements of the Holding Company) The carrying value of Company's investments in and loans to subsidiaries (Alt Digital Media Entertainment Limited, Balaji Motion Pictures Limited and Marinating Films Private Limited) is ₹ 65,112.20 lacs as at March 31, 2020. 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 value of these investments and loans. The Holding Company assesses the carrying value of these investments and recoverability of loans by taking into account forecast business plans which are based on various assumptions including growth rate and discount factor. Management uses an independent external professional valuer to determine the fair value of these investments. Based on this, the Holding Company assessed that there is no requirement of considering impairment provision in the carrying value of its investments in and loans to such subsidiaries as at March 31, 2020 in the Standalone Financial Statements of the Holding Company. We considered this as a Key Audit Matter due to uncertainties and significant judgement required by the Management in preparation of future cash flows based on the business plans and the underlying assumptions such as discount rate, growth rate and valuation model.	Our audit procedures included the following: • Understanding and evaluating the design and testing the operating effectiveness of the controls over valuation of investments and recoverability of loans; • Assessing the historical accuracy of the Management's forecasted business plans by comparing the forecasts used in the prior year with the actual performance in the current year; • Comparing the forecasts with the latest approved budgets; • Evaluating the competence, capabilities and objectivity of the independent professional valuer engaged by the Management; • Together with auditor's valuation experts – • assessing Management's forecasts to evaluate whether the forecasts are reasonable in comparison with the past performance and industry trends; • testing appropriateness of the method and model used for determining the fair value of investments, mathematical accuracy of the models' calculations, evaluating reasonableness and challenging key assumptions used such as growth rate, discount rate; • evaluating the sensitivity analysis in consideration of potential impact of reasonably possible upside or downside changes in the key assumptions. • Considered the results of the aforesaid procedures in evaluating the recoverability of loan given to a subsidiary. Based on the above procedures performed, the management's assessment of carrying value of investments in and loans to such subsidiaries, was considered to be appropriate.

Other Information

- 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, 2020 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, 2020 taken on record by the respective Board of

Directors, none of the directors of the Group companies is disqualified as on March 31, 2020 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 Note 36 to the consolidated financial statements.
 - ii. The Group and its associate entity had long term contracts as at March 31, 2020 for which there were no material foreseeable losses. The Group and its associate entity did not have any derivative contracts as at March 31, 2020.
 - 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, 2020.
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

Sachin Parekh
Partner

Membership Number: 107038
UDIN: 20107038AAAABW6927

Place: Mumbai
Date: July 22, 2020

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, 2020

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, 2020, 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, 2020, 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 report.

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

Sachin Parekh
Partner

Membership Number: 107038
UDIN: 20107038AAAABW6927

Place: Mumbai
Date: July 22, 2020

Consolidated Balance Sheet

as at March 31, 2020

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4a	2,790.73	3,161.95
(b) Right of use Asset	4b	2,883.78	-
(c) Capital work-in-progress	4a	179.17	52.46
(d) Goodwill on consolidation	5	146.91	146.91
(e) Other intangible assets	5	72.03	455.33
(f) Financial assets			
(i) Investments	6	361.91	1,504.69
(ii) Trade receivables	14(ii)	-	150.12
(iii) Loans	7	796.56	940.19
(iv) Other financial assets	8(i)	-	326.12
(g) Deferred tax assets (net)	9	723.99	1,981.86
(h) Non-current income tax assets (net)	10	1,721.22	3,017.15
(i) Other non-current assets	11	3,701.51	3,238.08
Total non-current assets		13,377.81	14,974.86
Current assets			
(a) Inventories	12	15,577.80	19,583.91
(b) Financial assets			
(i) Investments	13	12,263.98	28,525.52
(ii) Trade receivables	14(i)	17,668.92	9,882.50
(iii) Cash and cash equivalents	15	1,986.29	1,920.84
(iv) Bank balances other than (iii) above	16	10.54	9.33
(v) Loans	17	35.02	71.39
(vi) Other financial assets	8(ii)	6,117.28	1,471.03
(c) Contract assets	8(a)	63.25	682.25
(d) Other current assets	18	21,678.00	10,926.59
Total current assets		75,401.08	73,073.36
Total Assets		88,778.89	88,048.22
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	2,022.61	2,022.61
(b) Other equity			
- Equity component of compound financial instrument		-	66.45
- Reserves & Surplus	20	67,192.18	74,155.85
Equity attributable to owners of the Company		69,214.79	76,244.91
Non-controlling interests		6.99	(101.98)
Total equity		69,221.78	76,142.93
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	-	10.56
(ii) Lease liabilities	4b	833.14	-
Total non-current liabilities		833.14	10.56
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	22		
(i) total outstanding dues of micro and small enterprises		68.41	34.81
(ii) total outstanding dues other than (i) (i) above		11,824.82	9,026.92
(ii) Lease liabilities	4b	2,173.58	-
(iii) Other financial liabilities	23	51.10	132.74
(b) Provisions	24	18.25	15.99
(c) Other current liabilities	25	3,781.09	2,614.72
(d) Current tax liabilities (net)	26	806.72	69.55
Total current liabilities		18,723.97	11,894.73
Total Equity and Liabilities		88,778.89	88,048.22

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

Sachin Parekh
Partner
Membership No: 107038
Place : Mumbai
Date : July 22, 2020

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 : July 22, 2020



Consolidated Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
(I) Revenue from operations	27	57,355.48	42,770.87
(II) Other Income	28	860.70	3,176.67
(III) Total income (I+II)		58,216.18	45,947.54
(IV) Expenses			
(a) Cost of production / Acquisition and Telecast fees	29	34,989.09	40,044.69
(b) Changes in inventories	29	3,950.20	(2,447.28)
(c) Marketing and Distribution expenses	30	6,055.52	4,312.16
(d) Employee benefits expense	31	3,644.80	4,956.52
(e) Depreciation and amortisation expense	32	3,884.70	1,806.39
(f) Finance costs	33	266.21	2.22
(g) Other expenses	34	7,642.49	6,415.69
(V) Total expenses		60,433.01	55,090.39
(VI) Loss before Tax (III-V)		(2,216.83)	(9,142.85)
(VII) Tax expense:	35		
(a) Current tax			
Current tax		2,347.23	695.81
(b) Deferred tax			
Deferred tax		49.21	30.87
MAT Credit Entitlement		-	(94.10)
MAT Credit Utilisation		1,282.77	-
Total tax expense		3,679.21	632.58
(VIII) Loss for the year (VI-VII)		(5,896.04)	(9,775.43)
(IX) Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the post employment benefit obligations gain / (loss)		1.99	27.59
Income tax on items that may be reclassified to profit or loss		3.20	2.01
Total other comprehensive income for the year		5.19	29.60
(X) Total comprehensive income for the year (VIII+IX)		(5,890.85)	(9,745.83)
(XI) Loss for the year attributable to :			
- Owners of the Company		(5,878.01)	(9,735.33)
- Non-controlling interest		(18.03)	(40.10)
(XII) Other Comprehensive Income for the year attributable to :			
- Owners of the Company		5.19	29.60
- Non-controlling interest		-	-
(XIII) Total comprehensive income for year attributable to :			
- Owners of the Company		(5,872.82)	(9,705.73)
- Non-controlling interest		(18.03)	(40.10)
(XIV) Basic and diluted earnings per share (in ₹)	40	(5.81)	(9.63)
(Face value of ₹ 2 each)			

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

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

Sachin Parekh
Partner
Membership No: 107038
Place : Mumbai
Date : July 22, 2020

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 : July 22, 2020

Consolidated Statement of Cash Flows

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	(2,216.83)	(9,142.85)
Adjustments for:		
Depreciation and amortisation expenses	3,884.70	1,806.39
Interest cost - Leases	264.01	-
Finance cost	-	2.22
Bad debts written off	504.24	0.02
Advances written off	997.24	598.37
Provision for doubtful debts and advances (net)	430.25	255.57
Loss on fixed assets written off/ disposal (net)	19.37	10.47
Diminution in value of investments	0.38	-
Security Deposit Written-off	29.15	-
Net gains on financial assets mandatorily measured at fair value through profit and loss	(384.89)	(2,804.25)
Dividend Income on investments mandatorily measured at fair value through profit and loss	-	(10.15)
Provision for gratuity expenses	28.03	35.38
Amortisation of content	8,720.46	7,417.97
Discontinued shows written off	-	205.95
Advances / Creditors written back	(202.39)	(203.24)
Amortisation of prepaid rent element of rental security deposit	-	79.03
Unwinding of discount on security deposit	(71.76)	(86.21)
Unrealised exchange (gain)/Loss	(13.62)	(0.02)
Employee share based payment expenses	76.37	1,057.26
Interest income on fixed deposits	(10.41)	(20.02)
Interest income on income-tax refund	(110.36)	(11.94)
Interest income on deferred consideration	(7.33)	-
Operating Profit/(loss) before working capital changes	11,936.61	(810.05)
Adjustments for:		
(Increase) / decrease in trade receivable	(7,736.74)	(685.72)
(Increase) / decrease in other current financial assets	(4,654.62)	278.31
(Increase) / decrease in other current assets	(12,588.90)	(5,104.74)
(Increase) / decrease in the contract assets	619.00	(262.86)
(Increase) / decrease in non-current financial assets	326.12	46.11
(Increase) / decrease in loans	25.77	386.45
(Increase) / decrease in other non-current assets	(463.43)	1,780.49
(Increase) / decrease in inventories	(4,714.36)	(14,427.36)
Increase / (decrease) in trade payables	3,033.89	1,826.30
Increase / (decrease) in provisions	(27.76)	(9.72)
Increase / (decrease) in other financial liabilities	(4.26)	-
Increase / (decrease) in other current liabilities	1,166.37	1,160.34
Cash (used in) operations	(13,082.31)	(15,822.45)
Income-tax paid	(312.61)	(2,014.83)
Net cash flow (used in) operating activities (A)	(13,394.92)	(17,837.28)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(1,055.92)	(1,185.40)
Payments for intangible assets	(7.92)	(55.55)
Proceeds from sale of property, plant and equipment	0.65	-



Consolidated Statement of Cash Flows

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Payments for purchase of current investments	(32,841.86)	(29,083.84)
Proceeds from sale of current investments	49,499.98	47,099.07
Proceeds from sale of non current investments	1,131.20	1,506.61
Interest income received	120.77	31.96
Net cash generated from investing activities (B)	16,846.90	18,312.85
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment of principal portion of lease liability	(2,112.30)	-
Interest expenses on lease liability	(264.01)	-
Share issue costs	(7.50)	(15.00)
Dividend paid to company's shareholders (including DDT)	(975.34)	(487.87)
Proceeds from issue of shares in subsidiary to non-controlling interest	50.00	-
Net cash (used in) financing activities (C)	(3,309.15)	(502.87)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	142.83	(27.30)
Cash and cash equivalents at the beginning of the year	1,802.90	1,830.20
Cash and cash equivalents at the end of the year	1,945.73	1,802.90
D. Non-cash financing and investing activities		
Acquisition of right of use assets	1,511.78	-

Components of cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents above comprises of		
- Cash and cash equivalent as per note 15	1,986.29	1,920.84
- Temporarily overdrawn book balances as per note 23	(40.56)	(117.94)
Cash and cash equivalents at the end of the year	1,945.73	1,802.90

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

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

Sachin Parekh
Partner
Membership No: 107038
Place : Mumbai
Date : July 22, 2020

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 : July 22, 2020

Consolidated Statement of Changes in Equity

for the year ended March 31, 2020

A. Equity share capital (Refer Note 19)

Particulars	(₹ in Lacs)
As at April 1, 2018	2,022.61
Changes in equity share capital during the year	-
As at March 31, 2019	2,022.61
As at April 1, 2019	2,022.61
Changes in equity share capital during the year	-
As at March 31, 2020	2,022.61

B. Other Equity (Refer note 20)

Particulars	Attributable to owners of Balaji Telefilms Limited							(₹ in Lacs)	
	Equity component of compound financial instrument	Reserves and surplus			Share options outstanding account	Other equity (Total)	Non-controlling interest	Total	
		General Reserve	Securities Premium Account	Retained earnings					
Balance as at April 1, 2018	66.45	5,133.10	68,749.34	9,381.15	-	83,330.04	(392.81)	82,937.23	
Adjustment consequent to adoption of Ind AS 115	-	-	-	374.33	-	374.33	-	374.33	
Loss for the year	-	-	-	(9,735.33)	-	(9,735.33)	(40.10)	(9,775.43)	
Other comprehensive income for the year	-	-	-	29.60	-	29.60	-	29.60	
Total comprehensive income for the year	-	-	-	(9,705.73)	-	(9,705.73)	(40.10)	(9,745.83)	
Employee share options expense (Refer note 46)	-	-	-	-	1,057.26	1,057.26	-	1,057.26	
Share issue Expenses	-	-	-	(15.00)	-	(15.00)	-	(15.00)	
Transactions with owners in their capacity as owners:									
Payment of dividends (Refer note 51)	-	-	-	(404.52)	-	(404.52)	-	(404.52)	
Dividend distribution tax (Refer note 20(a))	-	-	-	(83.15)	-	(83.15)	-	(83.15)	
Impact of change in ownership interest (Refer note 37(a))	-	-	-	(330.93)	-	(330.93)	330.93	-	
As at March 31, 2019	66.45	5,133.10	68,749.34	(783.85)	1,057.26	74,222.30	(101.98)	74,120.32	
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 (Refer note 4(b))	-	-	-	(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)	



Consolidated Statement of Changes in Equity

for the year ended March 31, 2020

B. Other Equity (Contd..)

(₹ in Lacs)

Particulars	Equity component of compound financial instrument	Attributable to owners of Balaji Telefilms Limited				Other equity (Total)	Non-controlling interest	Total
		General Reserve	Securities Premium Account	Retained earnings	Share options outstanding account			
Employee share options expense (Refer note 46)	-	-	-	-	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 51)	-	-	-	(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 shares)	8.55	-	-	-	-	8.55	2.00	10.55
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

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

Sachin Parekh
Partner
Membership No: 107038
Place : Mumbai
Date : July 22, 2020

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 : July 22, 2020

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

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 regional television content market, 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, 2019:

The Group applied Ind AS 116 for the first time by using the modified retrospective method of adoption with the date of initial application of April 1, 2019. Under the method, Leases are recognized as a right of use assets and a corresponding liability at the date at which leased asset is available for use by the Group. The Group had to change its accounting policies and made certain adjustments following the adoption of Ind AS 116. This is disclosed in note 4b.

(b) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

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.

During the year, one of the associate, Indus Balaji Education Capital Advisors LLP, has been struck-off from the ROC register and investment has been written-off.

(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 42 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 generally recognized in the Statement of Profit and Loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(e) Revenue Recognition

The Group derives revenue from producing television programs, Internet series, sale or licensing movie rights, delivering events to its customers, distribution of films, service fees for content development and licensing and subscription of its content to its customers. Some of the contracts include multiple deliverables, such as promises to provide a library of content at inception

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

as well as content updates over the term. The Group identifies and evaluate each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

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

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

Revenue from licensing of digital content right: The Group has determined that most license revenues in respect of digital content are satisfied at a point in time due to their being limited ongoing involvement in the use of the license following its transfer to the customer.

Revenue from events is recognised over the period of time.

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 by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

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.

Minimum Alternate Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be

recognised as an asset, the said asset is created by way of credit to the statement of profit and loss and included in deferred tax asset. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal income tax during the specified period.

(h) Leases

Till March 31, 2019:

As a lessee

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

As a lessor

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

With effective from April 1, 2019:

As a lessee

The Group mainly has lease arrangements for building (offices and studio). The Group assesses whether a contract is or contains a lease at inception of the contract. This assessment involves the exercise of judgement about whether there is an identified asset, whether the Group has the right to direct the use of the asset and whether the Group obtains substantially all the economic benefits from the use of that asset.

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

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

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

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.

- (i) Impact on the statement of profit and loss account

The adoption of this accounting standard did not have significant impact on the profit for the period and the earnings per share. Operating lease rentals which were recognised in the statement of profit and loss will be now be recognised as depreciation expense for the right to use asset and finance cost for interest accrued on lease liability.

- (ii) Adjustments recognized in the balance sheet on 1 April, 2019 – Refer Note 4(b)

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. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

- (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 Company 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.



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

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

Inventory of internet series is amortized as per the amortization policy of the company based on expected pattern of realization of economic benefits.

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.

(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.

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.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

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 48 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.

(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.



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

(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 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

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

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:

- (a) defined benefit plans such as gratuity;
- (b) defined contribution plans such as provident fund.

Defined benefit plans:

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

The liability recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the 'Projected Unit Credit Method'.

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

Contributions are made to LIC in respect of gratuity based upon actuarial valuation done at the end of every financial year using 'Projected Unit Credit Method'.

Defined contribution plans:

Contributions to Provident Fund and Pension Fund are charged to the Statement of Profit and Loss as incurred. Provident fund



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

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.

(u) Rounding of Amounts

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

Note 3: Critical Estimates and Judgments

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

The areas involving critical estimates or judgments are:

- Estimated useful life of Tangible/Intangible Assets

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

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

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

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

• 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. 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 47.

• 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).



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

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 50

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

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

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
I. Gross Carrying Amount											
Balance as at April 1, 2018	472.57	1,319.84	2,562.47	6,746.95	1,289.44	342.17	495.41	96.39	512.89	13,838.13	226.79
Additions	-	140.94	67.19	-	12.09	0.32	25.18	0.13	-	245.85	929.50
Write-off	-	-	-	-	-	-	-	-	-	-	(10.47)
Transfer from CWIP	-	-	-	1,093.36	-	-	-	-	-	1,093.36	(1,093.36)
Balance as at March 31, 2019	472.57	1,460.78	2,629.66	7,840.31	1,301.53	342.49	520.59	96.52	512.89	15,177.34	52.46
II. Accumulated Depreciation											
Balance as at April 1, 2018	(104.70)	(1,156.84)	(2,055.72)	(5,396.72)	(601.80)	(303.35)	(424.41)	(76.68)	(484.04)	(10,604.26)	-
Depreciation expense	(7.90)	(96.37)	(78.61)	(1,049.70)	(110.78)	(10.04)	(31.01)	(7.32)	(19.40)	(1,411.13)	-
Balance as at March 31, 2019	(112.60)	(1,253.21)	(2,134.33)	(6,446.42)	(712.58)	(313.39)	(455.42)	(84.00)	(503.44)	(12,015.39)	-
III. Net Carrying Amount as at											
March 31, 2019	359.97	207.57	495.33	1,393.89	588.95	29.10	65.17	12.52	9.45	3,161.95	52.46
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
Written 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

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 mainly includes sets for TV serials under construction.



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 4b: Right of use Asset

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Right of use Asset (Premises)		
Cost	5,096.77	-
Less: Accumulated amortisation	2,212.99	-
	2,883.78	-

(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*	224.67
Add: Additions during the year	1,287.11
Add: Reclassified on account of adoption of Ind AS 116	10.37
Less: Disposals	-
Balance as of March 31, 2020	5,096.77

Accumulated Amortisation

(₹ in Lacs)	
Particulars	Amount
Amount recognised on adoption of April 1, 2019	-
Add: Amortisation for the year	2,212.99
Less: Disposals	-
Balance as at March 31, 2020	2,212.99
Net Carrying Value as at March 31, 2020	2,883.78

The following is the movement in lease liabilities for the year ended March 31, 2020[#]

(₹ 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)

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

The following is the break-up of current and non-current lease liabilities as of March 31, 2020:

(₹ in Lacs)	
Particulars	Amount
Current Lease liabilities	2,173.58
Non-current lease liabilities	833.14
Total	3,006.72

*The Group has adopted Ind AS 116 w.e.f April 1, 2019 with a modified retrospective approach where the cumulative effect is adjusted to retained earnings as at April 1, 2019. Accordingly, previous year information has not been restated.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

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

On adoption of Ind AS 116, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 01, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on April 01, 2019 was 7.3% p.a. The difference between the right-of-use assets and lease liability of ₹ 186.38 lacs (net of deferred tax asset of ₹ 70.91 lacs) has been adjusted to retained earnings as at April 01, 2019.

In the statement of profit and loss for the current period, operating lease expenses which were recognised under cost of production and other expenses in corresponding periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard did not have any material impact on the profit for the period and earnings per share.

Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments. The Group only has operating leases.

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

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

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Amortisation charge on right of use assets (Refer note 32)		
Premises		
- Studio	1,977.25	-
- Office Space	235.74	-
Total	2,212.99	-

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Interest expense (included in finance cost) (Refer note 33)		
Interest on lease liability	264.01	-
Total	264.01	-

The total cash outflow for leases for the year ended 31 March 2020 was ₹ 2,376.31 lacs

iii) Practical expedients applied - Transition

In applying Ind AS 116 for the first time, the Group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review
- accounting for operating leases with a remaining lease term of less than 12 months as at April 1, 2019 as short-term leases
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application.



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 5 Intangible assets & Goodwill on consolidation

(₹ in Lacs)

Particulars	Other Intangible assets (Computer software)	Goodwill on consolidation
I. Gross Carrying Amount		
Balance as at April 1, 2018	1,118.66	146.91
Additions	55.55	-
Balance as at March 31, 2019	1,174.21	146.91
II. Accumulated Depreciation		
Balance as at April 1, 2018	(323.62)	-
Amortisation expense	(395.26)	-
Balance as at March 31, 2019	(718.88)	-
III. Net Carrying Amount as at March 31, 2019	455.33	146.91
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

Note 6 Non-current investments

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
(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
(ii) Indus Balaji Education Capital Advisors LLP	-	0.38
(2) Investment in Indus Balaji Investor Trust (unquoted) (at fair value through profit or loss)		
(i) 1,953,763.97 (Previous year 2,242,859) Class A units of ₹100 each	360.89	1,502.89
(ii) 3,428.35 (Previous year 3,880) Class B units of ₹100 each	0.57	0.97
	361.46	1,503.86
Aggregate carrying value of unquoted investments	361.91	1,504.69
Aggregate amount of impairment in the value of investments	-	-

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 7 Loans (Non-current)

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Security deposit	796.56	991.11
Less: Loss allowance	-	(50.92)
Total	796.56	940.19
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	796.56	940.19
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	50.92
Total	796.56	991.11
Less: Loss allowance	-	(50.92)
Total loans	796.56	940.19

Note: Security Deposits include deposits (undiscounted) given to three directors (Previous year : three directors) of the company of ₹ 740.00 lacs (Previous year : ₹ 708.32 lacs) for the properties taken on lease from them.

Note 8 Other financial assets

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
(i) Non-current financial assets		
Unsecured, considered good		
Fixed deposits with banks having more than 12 months maturity (Refer Note below)	-	326.12
Total	-	326.12
(ii) Current financial assets		
(a) Receivable from co-distributor	2,900.16	-
(b) Other receivables	1,173.78	1,358.91
(c) Unbilled revenue	2,043.34	112.12
Total	6,117.28	1,471.03

Note: The above fixed deposits with banks are kept in lien against bank guarantees

Note 8(a) Contract assets

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Contract assets relating to commissioned television programs	63.25	682.25
Total	63.25	682.25



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 9 Deferred tax assets/liabilities (net)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets		
Lease Liabilities	20.80	-
Depreciation on fixed assets	715.01	903.43
Loss allowance on financial assets	74.35	226.23
Deferred sales consideration	6.74	24.08
Minimum alternate tax credit entitlement	-	1,282.77
Carried forward tax losses	-	109.27
	816.90	2,545.78
Deferred tax liabilities		
Fair valuation of investments	(92.91)	552.86
Security deposits	-	11.06
	(92.91)	563.92
Deferred tax asset (net)	723.99	1,981.86

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 fixed assets	903.43	-	188.42	-	715.01
Carried forward tax losses	109.27	-	109.27	-	-
Deferred Sales Consideration	24.08	-	17.34	-	6.74
Loss allowance on financial assets	226.23	-	155.08	(3.20)	74.35
MAT Credit entitlement / (utilisation)	1,282.77	-	1,282.77	-	-
	2,545.78	70.91	1,802.99	(3.20)	816.90
Net deferred tax asset / (liabilities)	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 Consolidated Financial Statements

for the year ended March 31, 2020

Note 9 Deferred tax assets/liabilities (net) (Contd..)

Movement in deferred tax balances (Contd..)

(₹ in Lacs)

Particulars	For year ended March 31, 2019			
	Opening Balance	On Account of adoption of Ind AS 115	Charged/ (Credited) to profit or loss	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Fair value of investments	966.05	-	(413.19)	552.86
Adjusted to retained earnings as at April 01, 2018	-	45.06	(45.06)	-
Security deposits	-	-	11.06	11.06
	966.05	45.06	(447.19)	563.92
Tax effect of items constituting deferred tax assets				
Depreciation on fixed assets	783.00	-	(120.43)	903.43
Carried forward tax losses	816.47	-	707.20	109.27
Minimum alternate tax credit entitlement	-	-	(24.08)	24.08
Loss allowance on financial assets	113.96	-	(112.27)	226.23
Security deposits	27.64	-	27.64	-
MAT Credit entitlement / (utilisation)	1,188.67	-	(94.10)	1,282.77
	2,929.74	-	383.96	2,545.78
Net deferred tax asset / (liabilities)	1,963.69	45.06	(63.23)	1,981.86

Section 115BAA of The Income-tax Act, 1962 provides an option to pay income tax at lower rates subject to certain conditions. The Management of the Holding Company has evaluated the option and decided to exercise the option under Section 115BAA w.e.f FY 2020-2021 (AY 2021-22). Accordingly, the Deferred tax is calculated at the tax rate of 25.17% as on March 31, 2020.

Note 10 Non-current income tax assets (net)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance payment of income tax (Provision netted off of ₹ 799.39 lacs (previous year: ₹ 802.57 lacs))	1,721.22	3,017.15
Total	1,721.22	3,017.15

Note 11 Other non-current assets

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance to vendors (considered good – unsecured) (Refer note 44)	3,701.51	3,238.08
Total	3,701.51	3,238.08

Note 12 Inventories (cost or net realisable value, whichever is lower)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Finished		
Television serials	-	79.53
Internet series	8,416.10	8,031.33
Work in process		
Films	2,377.94	6,248.61
Internet series	4,783.76	5,224.44
Total	15,577.80	19,583.91



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 13 Current investments (unquoted)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment in mutual funds (Non trade) (Unquoted) (measured at fair value through profit and loss)	12,263.98	28,525.52
Aggregate amount of unquoted investments Total	12,263.98	28,525.52

Note 14 Trade receivables

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivables from contract with customers	17,871.62	10,457.85
Less: Loss allowance	(202.70)	(425.23)
Total Receivables	17,668.92	10,032.62
14(i) Current portion	17,668.92	9,882.50
14(ii) Non-current portion	-	150.12
Break-up of trade receivables		
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	17,871.62	10,457.85
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	17,871.62	10,457.85
Less: Loss allowance	(202.70)	(425.23)
Total Trade receivables	17,668.92	10,032.62

Note 15 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Cash on hand	29.26	27.05
(b) Balances with banks-		
(i) In current accounts	1,907.28	1,875.35
(ii) In deposit accounts with original maturity of less than three months	49.75	18.44
Total	1,986.29	1,920.84

Note 16 Other balances with banks

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unpaid dividend accounts	10.54	9.33
Total	10.54	9.33

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 17 Loans (current)

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Security deposit	35.02	47.39
Loans to professional staff	-	24.00
Less : Loss allowance	-	-
Total	35.02	71.39
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	35.02	71.39
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	35.02	71.39
Less: Loss allowance	-	-
Total loans	35.02	71.39

Note 18 Other current assets

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
<u>(unsecured considered good, unless otherwise stated)</u>		
Prepaid expenses	96.71	141.23
Balances with government authorities	8,289.24	6,961.58
Advance to vendors	8,710.64	2,864.12
Others receivables		
- considered good	4,581.41	959.66
- considered doubtful	255.13	-
Less: Provision for doubtful receivable	(255.13)	-
Total	21,678.00	10,926.59



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 19 Equity share capital

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
(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, 2020		As at March 31, 2019	
	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*	1,84,22,380	18.22	1,83,08,208	18.10
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, 2020		As at March 31, 2019	
	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 group has only one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the company, the shareholders will be eligible to receive remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

- (iv) During the five years immediately preceding March 31, 2020, 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 ESOP, 2017 including details of option issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note no 46.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 20 Other equity - Reserves and Surplus

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
(a) General reserve	5,133.10	5,133.10
(b) Securities premium account	68,749.34	68,749.34
(c) Retained earnings	(7,823.89)	(783.85)
(d) Share options outstanding account	1,133.63	1,057.26
Total	67,192.18	74,155.85

Note 20(a) Retained earnings

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year (as originally presented)	(783.85)	9,381.15
Adjustment consequent to adoption of Ind AS 115	-	374.33
Adjustment consequent to adoption of Ind AS 116	(186.38)	-
Impact of change in ownership interest	-	(330.93)
Conversion of preference shares into equity	2.00	-
Loss for the year	(5,878.01)	(9,735.33)
Items of other comprehensive income recognised directly in retained earnings	5.19	29.60
Share issue costs	(7.50)	(15.00)
Payment of dividends (Refer note 51)	(809.04)	(404.52)
Dividend distribution tax	(166.30)	(83.15)
Balance at end of the year	(7,823.89)	(783.85)

Note 20(b) Share options outstanding account

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	1,057.26	-
Add: Additions during the year (Refer Note no 46)	76.37	1,057.26
Balance at the end of the year	1,133.63	1,057.26

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.



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 21 Borrowings (Non-current)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured :		
Liability component of compound financial instrument		
Nil (previous year 750,000) Zero dividend redeemable optionally convertible preference Shares of ₹ 10/- each	-	10.56
Total	-	10.56

Terms of issue

Particulars	Maturity date	Terms of repayment
250,000 Zero dividend redeemable optionally convertible Preference Shares	September 22, 2025	Single repayment at the end of the term
250,000 Zero dividend redeemable optionally convertible Preference Shares	February 4, 2026	
250,000 Zero dividend redeemable optionally convertible Preference Shares	November 28, 2037	

Zero dividend redeemable optionally convertible Preference Shares to be redeemed at par at any time within the redemption period from the date of allotment with mutual consent of the Group and the preference shareholders.

The equity component relating to above of Nil (Previous year ₹ 66.45 lacs) is disclosed under Equity Component of Compound Financial Instrument in the Balance Sheet.

750,000 Zero dividend redeemable optionally convertible Preference Shares of ₹ 10/- each were converted into 750,000 equity shares of ₹ 10 each on March 18, 2020. Upon conversion of above preference shares, the carrying amount of the Equity Component of compound financial instruments and borrowing component of ₹ 66.45 lacs and ₹ 10.56 lacs respectively was derecognised and ₹ 75 lacs was transferred to equity share capital and balance ₹ 2.01 lacs transferred to retained earnings.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2020

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents	1,986.29	1,920.84
Non-current borrowings	-	(10.56)
Total	1,986.29	1,910.28

Particulars	Other Asset	Liabilities from financing activities	Total
	Cash and cash equivalents	Non-current borrowings	
Net debt as at March 31, 2018	2,191.54	(8.33)	2,183.21
Cash flows	(270.70)	-	(270.70)
Interest expense	-	(2.23)	(2.23)
Net debt as at March 31, 2019	1,920.84	(10.56)	1,910.28
Cash flows	65.45	-	65.45
Derecognition on conversion of Preference Shares	-	10.56	10.56
Net debt as at March 31, 2020	1,986.29	-	1,986.29

Refer Note 4b for movement of Lease Liabilities.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 22 Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Liabilities		
Trade payables		
(a) Trade payables: micro and small enterprises	68.41	34.81
(b) Trade payables: others	11,822.55	9,000.43
(c) Trade payables to related parties	2.27	26.49
Total	11,893.23	9,061.73

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

(₹ in Lacs)

Particulars	As at March 31, 2020 Current	As at March 31, 2019 Current
Principal amount remaining unpaid to any supplier as at the end of each accounting year	60.83	30.01
Interest due thereon remaining unpaid to any supplier as at the end of each accounting year	7.58	4.80
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	4.80
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 23 Other financial liabilities (current)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unpaid dividends (Refer Note below)	10.54	9.26
Temporarily overdrawn book balances	40.56	117.94
Payables for purchase of fixed assets	-	5.54
Total	51.10	132.74

Note

As at March 31, 2020, there are no amounts due to be transferred to Investor Education and Protection Fund as required under Section 125 of the Companies Act, 2013.



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 24 Provisions - current

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Gratuity (Refer Note - 39)	18.25	15.99
Total	18.25	15.99

Note 25 Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory liabilities	563.37	746.58
Advances from customers / contract liabilities	1,667.91	892.50
Employee benefit payables	191.27	317.00
Deferred revenue / Contract Liabilities	1,357.55	658.17
Others	0.99	0.47
Total	3,781.09	2,614.72

(₹ in Lacs)

Particulars	As at March 31, 2020 Current	As at March 31, 2019 Current
Advance received commissioned television programs and internet programs	189.43	239.73
Advance received from Movies related contracts	1,478.48	652.77
Total Contract Liabilities	1,667.91	892.50

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, 2020	April 1, 2018 to March 31, 2019
Commissioned television programs and internet programs	0.68	54.14
Movie related contracts	594.80	25.83
Total	595.48	79.97

Note 26 Current tax liabilities (net)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for tax (net of advance tax of ₹ 2,851.55 lacs (previous year ₹ 1,239.83 lacs))	806.72	69.55
Total	806.72	69.55

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 27 Revenue from operations

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Revenue from contracts with customers		
- Sale of service		
Commissioned television programs	30,158.54	28,033.73
Subscription income	3,705.06	1,554.64
License rights	900.00	104.35
Licensing of digital content rights	2,050.20	2,610.73
Service income	2,333.78	-
Franchise / Participation fees	127.83	-
Internet programs	23.79	11.59
Sale and licensing of movies	16,574.77	9,300.55
Sale of television programs / movies concept rights	57.47	58.20
Event management	1,265.00	939.00
Film distribution service	0.17	0.48
Free commercial time	29.00	3.16
Marketing income	59.18	21.74
(b) Other operating income		
Facilities / equipment hire Income	70.69	132.70
Total	57,355.48	42,770.87

Unsatisfied long-term licensing contracts:

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

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Aggregate amount of the transaction price allocated to long-term licensing contracts that are fully unsatisfied as at reporting date	1,400.00	9,900.00

Group expects that 100% of transaction price allocated to the unsatisfied contracts as on March 31, 2020 will be recognised as revenue during the next reporting period. 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 28 Other Income

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income		
On fixed deposits with banks	10.41	20.02
On Income-tax Refund	110.36	11.94
Unwinding of discount on security deposit	71.76	86.21
Interest income on deferred considerations	7.33	-
Net gains on financial assets measured at fair value through profit and loss	436.80	2,804.25



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 28 Other Income (Contd..)

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Dividend Income on investments measured at fair value through profit and loss	-	10.15
Insurance claim received	-	1.97
Advance / Creditors written back	202.39	203.24
Other income	0.60	-
Net foreign exchange differences	20.97	38.89
Gain on disposal of Assets	0.08	-
Total	860.70	3,176.67

Note 29 Cost of production / Acquisition and Telecast fees

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Amortisation of content	8,720.46	7,417.97
Production expenses including purchase of costumes and dresses	1,726.97	1,970.17
Artists, Directors, technicians and Professional Fees	13,270.26	13,804.71
Location hire charges	900.00	2,636.89
Shooting and location expenses	3,394.02	3,892.24
Telecasting fees / purchase of rights	900.00	168.02
Food and refreshments charges	416.72	406.13
Sets & studio maintenance charges	707.83	765.25
Uplinking charges	115.14	39.36
Insurance expense	27.62	36.29
Dubbing & Subtitling	86.04	356.03
Line production cost	1,912.41	5,844.71
Set properties and equipment hire charges	1,841.54	1,847.56
Discontinued Shows written off	-	205.95
Sound expense	92.27	66.72
Other production expenses	877.81	586.69
Total	34,989.09	40,044.69

Change in Inventories :

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening balance :		
Television serials, internet series, events and films	19,583.91	12,780.46
Less: Derecognition of inventory on account of adoption of Ind AS 115	-	(2,490.81)
	19,583.91	10,289.65
Closing balance :		
Television serials, internet series, events and films	15,577.80	19,583.91
	4,006.11	(9,294.26)
Changes in inventories subject to amortisation	(55.91)	6,846.98
Net changes in inventories	3,950.20	(2,447.28)

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 30 Marketing and distribution expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Marketing expenses	4,728.66	3,723.99
Distribution expenses	1,326.86	588.17
Total	6,055.52	4,312.16

Note 31 Employee Benefits Expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages	3,345.84	3,642.95
Contributions to provident and other funds (Refer Note 39(a))	181.27	197.89
Gratuity (Refer Note 39(b))	28.03	35.38
Staff welfare expenses	13.29	23.04
Employee share based payment expenses (Refer Note 46)	76.37	1,057.26
Total	3,644.80	4,956.52

Note 32 Depreciation and amortisation expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment (Refer Note 4a)	1,280.49	1,411.13
Amortisation of Intangible assets (Refer Note 5)	391.22	395.26
Depreciation on Right to use asset (Refer Note 4b)	2,212.99	-
Total	3,884.70	1,806.39

Note 33 Finance Costs

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on liability component of compound financial instrument	-	2.22
Interest on lease liability	264.01	-
Interest on others	2.20	-
Total	266.21	2.22



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 34 Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Power and fuel	93.20	101.54
Rent including lease rentals	6.71	340.45
Repairs and maintenance - Others	152.24	166.83
Insurance	58.86	61.39
Rates and taxes	485.56	292.64
Communication expenses	58.69	89.69
Legal and professional charges (Refer Note 34.1)	2,004.93	1,841.24
Directors Commission	95.20	-
Security and housekeeping expenses	82.61	61.53
Business promotion expenses	172.75	145.06
Travelling and conveyance expenses	126.61	130.65
Digital space charges	958.96	788.45
Donations and contributions	21.84	22.44
Expenditure on corporate social responsibility (Refer Note 34.2)	54.62	85.26
Advances written off (Net of provision - ₹ 50.92) (previous year: Nil)	997.24	598.37
Provision for doubtful debts and advances	430.25	255.57
Bad debts written off net (Net of provision for doubtful debts - ₹ 345.70) (previous year: Nil)	504.24	0.02
Investment written off	0.38	-
Financial assets measured at fair value through profit and loss	51.91	-
Software expenses	234.92	115.87
Directors sitting fees	62.25	71.25
License and hosting fees	383.06	509.18
Sales Commission	405.47	149.66
Loss of fixed assets written off / disposal	19.37	10.47
Foreign Exchange Loss (net)	6.36	5.77
Miscellaneous expenses	174.26	572.36
Total	7,642.49	6,415.69

Note 34.1 Details of auditors remuneration (included in legal and professional charges)

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
As auditors :		
Audit fees	60.50	60.50
In respect of other audit services :		
Other services - Certification	11.27	5.00
Reimbursement of expenses	0.90	2.03
Total	72.67	67.53

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

Note 34.2 Corporate social responsibility expenditure

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Amounts required to be spent as per section 135 of the Act	53.72	78.96
Amounts spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	54.62	85.26
Total	54.62	85.26

Note 35 Tax expenses

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Income tax expense		
Current tax		
Current tax on profits for the year	2,347.23	695.81
	2,347.23	695.81
Deferred tax		
Decrease/ (increase) in deferred tax assets	520.22	478.06
(Decrease)/ increase in deferred tax liabilities	(471.01)	(447.19)
MAT Credit		
MAT Credit entitlement	-	(94.10)
MAT Credit utilisation	1,282.77	-
Total deferred tax expense/(benefit)	1,331.98	(63.23)
Total	3,679.21	632.58

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

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
(Loss) before tax	(2,216.83)	(9,142.85)
Income Tax calculated at 34.944% (Previous year- 34.944%)	(774.65)	(3,194.88)
Tax effect of amounts that are not deductible in determining taxable profit	20.17	66.06
Effect of set off of carried forward long term capital losses	-	(330.34)
Tax impact on losses of Subsidiaries for which no deferred tax recognised	3,820.22	3,913.86
Tax impact on temporary differences for which no deferred tax recognised	116.41	193.62
Tax on deductions under chapter VI-A	(3.82)	(3.92)
Deferred Tax at the year end recognised at lower tax rates	280.89	-
Income taxed at lower rates (Long Term Capital Gains)	(31.08)	(20.00)
Others	251.07	8.18
Total	3,679.21	632.58
Income Tax expense recognised in profit & loss	3,679.21	632.58



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

36 Contingent liabilities (to the extent not provided for)

(₹ in Lacs)

Claims against the company not acknowledged as debts	As at March 31, 2020	As at March 31, 2019
In respect of Service Tax Matters	2,943.00	2,943.00
In respect of VAT Matters	145.50	179.86
In respect of Income Tax Matters	218.08	218.08
In respect of Labour Matters	-	54.00

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.

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.

37 Interest in other entities

(a) Subsidiaries

The Group's subsidiaries as at March 31, 2020 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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
Balaji Motion Pictures Limited	India	100%	100%	-	-	Distribution of films
ALT Digital Entertainment Limited	India	100%	100%	-	-	Subscription based sale & licensing of digital content
Marinating Films Private Limited	India	99.95%	99.90%	0.05%	0.10%	Event management relating to film and television industry
Chhayabani Balaji Entertainment Private Limited*	India	50%	50%	50%	50%	Production of television content

* The Group controls the composition of the Board of directors of the company and accordingly it has been considered for consolidation as a subsidiary. During the year Chhayabani Balaji Entertainment Private Limited has issued equity shares (nos 5,00,000) at ₹ 10 each to Balaji Telefilms Limited & Chhayabani Private Limited. Also during the year Chhayabani Balaji Entertainment Private Limited has converted its Zero dividend redeemable optionally convertible preference share (no's 15,00,000) of ₹ 10 each into equity shares.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

37 Interest in other entities (Contd..)

(b) Interest in associates

Set out below are the interest of the Group in associates which are individually immaterial to the Group. The country of incorporation or registration is also their principal place of business and the proportion of ownership is the same as voting rights held.

(₹ in Lacs)

Name of entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying value	
					March 31, 2020	March 31, 2019
IPB Capital Advisors LLP	India	50.00%	Associate	Equity method	0.45	0.45
Indus Balaji Education Capital Advisors LLP	India	0.00%	Associate	Equity method	-	0.38

38 Related Party Transactions

(a) Name of related parties and description of relationship.

Name of the Related Party	Relationship
Balaji Motion Pictures Limited	Subsidiary Company
Marinating Films Private Limited	Subsidiary Company
ALT Digital Media Entertainment Limited	Subsidiary Company
Chhayabani Balaji Entertainment Private Limited	Subsidiary Company
IPB Capital Advisors LLP	Associate
Indus Balaji Education Capital Advisors LLP	Associate (struck off from ROC register during the year ended March 31, 2020)
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Key management person (upto March 27, 2019) and relative of key management person thereafter.
Mr. Arun K. Purwar	Key management person
Mr. Anshuman Thakur	Key management person
Ms. Jyoti Deshpande	Key management person
Mr. D G Rajan	Key management person
Mr. Ashutosh Khanna	Key management person
Mr. Devender Kumar Vasal	Key management person
Mr. V B Dalal	Key management person
Mr. Pradeep Sarda	Key management person
Mr. Ramesh Sippy	Key management person (from September 1, 2019)
Mr. Sunil Lulla	Key management person (from May 25, 2018 to August 14, 2019)



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

38 Related Party Transactions (Contd..)

(b) Details of transactions during the year

(₹ in Lacs)

Nature of Transactions	Key Management Person and relative of key management personnel
Directors sitting fees	
Mr. Jeetendra Kapoor	6.00
	(6.00)
Mr. Tusshar Kapoor	-
	(4.50)
Mr. Anshuman Thakur	2.00
	(2.00)
Mr. Arun K. Purwar	5.00
	(5.00)
Mr. Ashutosh Khanna	7.00
	(5.50)
Mr. D.G. Rajan	14.00
	(14.00)
Mr. Devender Kumar Vasal	13.00
	(13.75)
Ms. Jyoti Deshpande	3.00
	(4.00)
Mr. Pradeep Sarda	1.00
	(2.50)
Mr. V.B. Dalal	10.25
	(14.00)
Mr. Ramesh Sippy	1.00
	(-)
Artist Fees	
Tusshar Kapoor	47.25
	(163.75)
Directors Commission	
Mr. Jeetendra Kapoor	76.16
	(-)
Mr. D.G. Rajan	2.12
	(-)
Mr. P.K. Sarda	2.11
	(-)
Mr. Ashutosh Khanna	2.12
	(-)
Mr. Devender Kumar Vasal	2.11
	(-)
Mr. V.B. Dalal	2.12
	(-)
Mr. A. K. Purwar	2.11
	(-)
Ms. Jyoti Deshpande	2.12
	(-)

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

38 Related Party Transactions (Contd..)

(b) Details of Transactions during the year (Contd..)

(₹ in Lacs)

Nature of Transactions	Key Management Person and relative of key management personnel
Mr. Anshuman Thakur	2.11
	(-)
Mr. Ramesh Sippy	2.12
	(-)
Rent paid	
Mr. Jeetendra Kapoor	58.89
	(55.55)
Mrs. Shobha Kapoor	1,599.53
	(1,505.33)
Mr. Tusshar Kapoor	14.76
	(13.92)
Ms. Ekta Kapoor	253.47
	(234.99)
Remuneration (Refer note (iii) below)	
Mrs. Shobha Kapoor	239.88
	(239.88)
Ms. Ekta Kapoor	239.88
	(239.88)
Mr. Sunil Lulla	89.23
	(222.92)

(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, 2020	
Security Deposit amount receivable	
Mrs. Shobha Kapoor *	340.00
	(308.32)
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	78.00
	(-)
Mrs. Shobha Kapoor	12.48
	(-)
Mr. Tusshar Kapoor	1.70
	(-)



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

38 Related Party Transactions (Contd..)

(c) Closing balances as at year end (Contd..)

(₹ in Lacs)

Nature of Transactions	Key Management Person and relative of key management personnel
Ms. Ekta Kapoor	22.97
	(-)
Mr. D.G. Rajan	2.12
	(-)
Mr. P.K. Sarda	2.11
	(-)
Mr. Ashutosh Khanna	2.12
	(-)
Mr. Devender Kumar Vasal	2.11
	(-)
Mr. V.B. Dalal	2.12
	(-)
Mr. A. K. Purwar	2.11
	(-)
Ms. Jyoti Deshpande	2.12
	(-)
Mr. Anshuman Thakur	2.11
	(-)
Mr. Ramesh Sippy	2.12
	(-)

* - 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.

39 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 ₹ 181.27 lacs (previous year ₹ 197.89 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.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

39 Employee Benefits (Contd..)

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	March 31, 2020	March 31, 2019
Discount rate(s)	5.45% - 6.84%	6.76% - 7.64%
Expected rate(s) of salary increase	5% - 10%	5% - 10%
Rate of Employee Turnover	2% - 25%	10% - 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 on March 31, 2020

Particulars	Funded Plan	
	Gratuity	Gratuity
	March 31, 2020	March 31, 2019
(₹ in Lacs)		
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Actuarial (Gains)/Losses on Obligation for the year	(2.83)	(27.90)
Return on Plan Assets, Excluding Interest Income	0.84	0.98
Total	(1.99)	(26.92)
Net amount recognised in Other Comprehensive Income (OCI)	(1.99)	(27.59)
Expenses recognised in the Statement of Profit or Loss for Current year		
Current Service Cost	27.11	35.11
Net interest cost	0.92	0.45
Total	28.03	35.56
Expense recognised	28.03	35.38
I. Net Asset/(Liability) recognised in the Balance Sheet		
Present value of defined benefit obligation at the end of the year	185.24	152.54
Fair value of plan assets at the end of the year	(191.54)	(150.66)
(Surplus)* / Deficit	(6.30)	1.88
Net liability recognized in the Balance sheet		
Current provision (Refer note 24)	18.25	15.99
II. Change in the obligation during the year ended		
Present value of defined benefit obligation at the beginning of the year	152.54	135.14
Current Service Cost	27.11	35.11
Interest Cost	10.79	10.55
(Benefit paid from the Fund)	(2.37)	(0.36)
Actuarial (Gains)/ Losses on Obligations - Due to change in Demographic Assumptions	8.21	(16.00)
Actuarial (Gains)/ Losses on Obligations - Due to change in Financial Assumptions	3.13	2.55
Actuarial (Gains)/ Losses on Obligations- Due to experience	(14.17)	(14.45)
Present value of defined benefit obligation at the end of the year	185.24	152.54



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

39 Employee Benefits (Contd..)

Defined benefit plans – as per actuarial valuation on March 31, 2020 (Contd..)

Particulars	(₹ in Lacs)	
	Funded Plan	Funded Plan
	Gratuity	Gratuity
	March 31, 2020	March 31, 2019
III. Change in fair value of assets during the year ended 31st March		
Fair value of plan assets at the beginning of the year	150.66	129.38
Interest Income	9.87	10.10
Contributions by the employer	34.22	12.52
Benefit paid from the Fund	(2.37)	(0.36)
Return on Plan Assets, excluding Interest Income	(0.84)	(0.98)
Fair value of plan assets at the end of the year	191.54	150.66

* Note : In two subsidiaries the plan assets are higher than the defined benefit obligation. Further these subsidiaries do 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:

Particulars	(₹ in Lacs)	
	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Projected Benefit Obligation on Current Assumptions	185.24	152.54
Delta Effect of +1% Change in Rate of Discounting	(6.97)	(8.04)
Delta Effect of -1% Change in Rate of Discounting	7.60	8.95
Delta Effect of +1% Change in Rate of Salary Increase	5.70	7.96
Delta Effect of -1% Change in Rate of Salary Increase	(4.45)	(7.34)
Delta Effect of +1% Change in Rate of Employee Turnover	1.31	0.03
Delta Effect of -1% Change in Rate of Employee Turnover	(1.41)	(0.14)

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 ₹ 27.25 lacs to the gratuity trusts during the next financial year. (Previous Year ₹ 38.58 lacs)

Maturity profile of defined benefit obligation (undiscounted):

Particulars	(₹ in Lacs)	
	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
1st Following year	25.73	15.28
2nd Following year	27.47	15.70
3rd Following year	25.18	18.30
4th Following year	22.92	17.92
5th Following year	20.15	17.71
Sum of Years 6 to 10	70.01	74.84
Sum of Years 11 and above	46.29	95.63

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

39 Employee Benefits (Contd..)

Plan Assets

The fair value of Group's gratuity plan asset as of March 31, 2020 and 2019 by category are as follows:

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Asset category:		
Deposits with Insurance companies	191.54	150.66
	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 Group 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.

40 Earning per share

Basic and diluted earnings per share calculation is as below:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Profit for the year attributable to equity share holders (₹ in Lacs)	(5,878.01)	(9,735.33)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	10,11,30,443	10,11,30,443
(c) Earnings per share - Basic and diluted (₹) (a/b)	(5.81)	(9.63)
(d) Nominal value of shares (₹)	2	2

As at the year-ends, the stock options granted as referred in Note 46 are not dilutive in nature and accordingly, basic and diluted earning per share is same.



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

41 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 ₹ 8,859.11 lacs (Previous year ₹ 6,334.30 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.

42 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)

Type of services	Commissioned Programmes		Films		Digital		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue	42,144.86	34,401.83	17,240.18	10,227.19	7,774.91	4,187.11	67,159.95	48,816.13
Less: Inter Segment sale	9,512.54	5,119.10	665.24	926.16	(373.31)	-	9,804.47	6,045.26
Total Revenue	32,632.32	29,282.73	16,574.94	9,301.03	8,148.22	4,187.11	57,355.48	42,770.87
Segment results	8,306.01	4,908.62	5,413.90	826.24	(9,215.82)	(12,080.66)	4,504.09	(6,345.80)
Unallocable expenses							(7,581.62)	(5,973.72)
Unallocable income							860.70	3,176.67
Profit / (Loss) before tax							(2,216.83)	(9,142.85)
Tax expense							(3,679.21)	(632.58)
(Loss) for the year							(5,896.04)	(9,775.43)
Segment assets	18,065.23	14,777.29	16,731.24	11,143.61	37,556.14	27,621.91	72,352.61	53,542.81
Unallocable assets							16,426.28	34,505.41
Total assets							88,778.89	88,048.22
Segment liabilities	12,081.53	6,774.29	2,241.10	1,512.00	3,898.41	2,936.11	18,221.04	11,222.40
Unallocated liabilities							1,336.07	682.89
Total Liabilities							19,557.11	11,905.29
Other Information								
Additions to Non-current assets (allocable)*	1,005.07	996.69	-	-	50.16	105.06	1,055.23	1,101.75
Additions to Non-current assets (unallocable)*							8.62	129.15
Depreciation / Amortisation (allocable)	1,457.95	1,113.56	18.66	16.64	564.15	482.94	2,040.76	1,613.14
Depreciation / Amortisation (unallocable)							1,843.94	193.25

* 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.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

42 Segment Information (Contd..)

Geographic Information

(₹ in Lacs)

Particulars	Within India		Outside India		Total	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Revenue from operations	55,990.07	41,584.52	1,365.41	1,186.35	57,355.48	42,770.87
Carrying amount of Non-current assets*	11,495.35	10,071.88	-	-	11,495.35	10,071.88

* Other than financial assets and deferred tax assets.

Information about major customers

During the year 2019-2020, revenue from four customer amounted to more than 10% of the total revenue aggregating to ₹ 49,001.93 lacs

During the year 2018-2019, revenue from three customer amounted to more than 10% of the total revenue aggregating to ₹ 31,295.25 lacs

Relationship between disclosure of disaggregated revenue (Refer note 27) 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	30,158.54	28,033.73	-	-	-	-	30,158.54	28,033.73
Subscription income	-	-	-	-	3,705.06	1,554.64	3,705.06	1,554.64
License rights	900.00	104.35	-	-	-	-	900.00	104.35
Licensing of digital content rights	-	-	-	-	2,050.20	2,610.73	2,050.20	2,610.73
Service income	-	-	-	-	2,333.78	-	2,333.78	-
Franchise / Participation fees	127.83	-	-	-	-	-	127.83	-
Internet programs	23.79	11.59	-	-	-	-	23.79	11.59
Sale and licensing of movies	-	-	16,574.77	9,300.55	-	-	16,574.77	9,300.55



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

42 Segment Information(Contd..)

Relationship between disclosure of disaggregated revenue (Refer note 27) and revenue information disclosed for each reportable segment (Contd..)

(₹ 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
Sale of television programs / movies concept rights	57.47	58.20	-	-	-	-	57.47	58.20
Event management	1,265.00	939.00	-	-	-	-	1,265.00	939.00
Film distribution service	-	-	0.17	0.48	-	-	0.17	0.48
Free commercial time	29.00	3.16	-	-	-	-	29.00	3.16
Advertisement income	-	-	-	-	59.18	21.74	59.18	21.74
Facilities / equipment hire Income	70.69	132.70	-	-	-	-	70.69	132.70
Total	32,632.32	29,282.73	16,574.94	9,301.03	8,148.22	4,187.11	57,355.48	42,770.87

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

Name of LLP	Names of partners in the LLP	As at March 31, 2020		As at March 31, 2019	
		Total capital (₹ In Lacs)	Share of each partner in the profits of the LLP	Total capital (₹ In Lacs)	Share of each partner in the profits of the LLP
IPB Capital Advisors LLP	Balaji Telefilms Limited	0.500	50.00%	0.500	50.00%
	IP Capital Advisors LLP	0.490	49.00%	0.490	49.00%
	IPM Capital Advisors LLP	0.010	1.00%	0.010	1.00%
		1.000	100.00%	1.000	100%
Indus Balaji Education Capital Advisors LLP	Balaji Telefilms Limited	-	-	0.375	18.75%
	IP Capital Advisors LLP	-	-	0.375	18.75%
	IPX Capital Advisors LLP	-	-	0.250	12.50%
	Mohit Ralhan	-	-	0.500	25.00%
	IPM Capital Advisors LLP	-	-	0.500	25.00%
		-	-	2.000	100%

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

44 The Group has advances / receivable from one of its co-producer and a film director. The advances / receivable amounting to ₹ 1,619 lacs are subject to litigation as at March 31, 2020. On the basis of the evaluation carried out by the management, in consultation with the lawyer, the amounts are considered good and fully recoverable.

45 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, 2020	152.75%	1,05,739.14	-98.15%	5,786.94	-183.04%	(9.50)	-98.07%	5,777.44
March 31, 2019	132.64%	1,00,992.72	-20.59%	2,012.46	-12.87%	(3.81)	-20.61%	2,008.65
Subsidiaries (group's share)								
Balaji Motion Pictures Limited								
March 31, 2020	-0.13%	(96.38)	-1.86%	109.71	0.00%	-	-1.86%	109.71
March 31, 2019	-0.34%	(267.28)	0.47%	(45.56)	0.00%	-	0.47%	(45.56)
ALT Digital Entertainment Limited								
March 31, 2020	38.02%	26,320.17	188.92%	(11,138.96)	283.04%	14.69	188.84%	(11,124.27)
March 31, 2019	29.60%	22,536.47	117.56%	(11,492.18)	112.87%	33.41	117.58%	(11,458.77)
Marinating Films Private Limited								
March 31, 2020	0.18%	123.02	1.61%	(95.08)	0.00%	-	1.61%	(95.08)
March 31, 2019	0.29%	217.98	0.14%	(13.49)	0.00%	-	0.14%	(13.49)
Chhayabani Balaji Entertainment Private Limited								
March 31, 2020	0.01%	6.94	0.30%	(17.98)	0.00%	-	0.31%	(17.98)
March 31, 2019	0.04%	30.82	0.41%	(40.09)	0.00%	-	0.41%	(40.09)
Non-controlling interests in all subsidiaries								
March 31, 2020	0.01%	6.99	0.31%	(18.03)	0.00%	-	0.31%	(18.03)
March 31, 2019	-0.13%	(101.98)	0.41%	(40.10)	0.00%	-	0.41%	(40.10)
Associates								
IPB Capital Advisors LLP								
March 31, 2020	*	0.45	*	-	0.00%	-	*	-
March 31, 2019	*	0.45	*	-	0.00%	-	*	-
Indus Balaji Education Capital Advisors LLP								
March 31, 2020	*	-	0.00%	-	0.00%	-	0.00%	-
March 31, 2019	*	0.38	0.00%	-	0.00%	-	0.00%	-
Total								
March 31, 2020	190.84%	1,32,100.33	91.14%	(5,373.40)	100.00%	5.19	91.14%	(5,368.21)



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

45 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
March 31, 2019	162.08%	1,23,409.56	98.40%	(9,618.96)	100.00%	29.60	98.40%	(9,589.36)
Adjustment on consolidation								
March 31, 2020	-90.84%	(62,878.55)	8.86%	(522.64)	0.00%	-	8.87%	(522.64)
March 31, 2019	-62.08%	(47,266.63)	1.60%	(156.47)	0.00%	-	1.60%	(156.47)
Net Total								
March 31, 2020	100%	69,221.78	100%	(5,896.04)	100%	5.19	100%	(5,890.85)
March 31, 2019	100%	76,142.93	100%	(9,775.43)	100%	29.60	100%	(9,745.83)

*percentage disclosure is below the rounding off norms of the group

46 Share based payments

The Nomination and Remuneration Committee ("NRC") of the Board of Directors of the Company has formulated the Balaji Telefilms ESOP, 2017 ("the ESOP Scheme") to grant Stock Options in the form of Options to the eligible employees of the Company and its subsidiaries. The ESOP Scheme has been adopted by the NRC by a Resolution passed at its meeting held on February 13, 2018 pursuant to the enabling authority granted under resolution passed by the members of the Company by way of Postal Ballot or electronic voting held on December 30, 2017. ESOP Scheme has been formulated in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("the SEBI Regulations"), as amended.

The NRC, vide a resolution passed at its meeting held on May 19, 2018, and June 20, 2018 has granted Options ("Options"), 16,63,734 Options on May 19, 2018 and 21,25,239 Options on June 20, 2018 to the eligible employees of the Company and its subsidiaries (as per terms decided by the NRC).

The Options granted would vest over a period of 3 years – the first 25% to vest at the end of one year from the grant date, 35% to vest at the end of second year from the grant date and balance 40% to vest at the end of third year from the grant date. Once vested, the option remain exercisable for the period of 3 years from the last vesting date

When exercisable, each option is convertible into one equity share. The exercise price of the options is based on the stock exchange last closing market price after deducting 25% discount as determined by the Members of Nomination and Remuneration Committee.

The vesting schedule and exercise options granted on May 19, 2018 is as follows:

Year	Vesting of options	Vesting dates	Exercise Period up to
1	25%	May 18, 2019	May 18, 2024
2	35%	May 18, 2020	May 18, 2024
3	40%	May 18, 2021	May 18, 2024

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

46 Share based payments (Contd..)

The vesting schedule and exercise period of the Options granted on June 20, 2018 is as follows:

Year	Vesting of options	Vesting dates	Exercise Period up to
1	25%	June 19, 2019	June 19, 2024
2	35%	June 19, 2020	June 19, 2024
3	40%	June 19, 2021	June 19, 2024

During the year ended March 31, 2020 the Group recorded an employee compensation expenses of ₹ 76.37 lacs (previous year ₹ 1,057.26 lacs) in the statement of profit and loss.

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Average Exercise price per share option (₹)	Number of options	Average Exercise price per share option (₹)	Number of options
Opening balance	91.67	31,53,856	-	-
Granted during the year	-	-	91.68	37,88,973
Exercised during the year	-	-	-	-
Forfeited/(lapsed) during the year	-	12,48,924	-	6,35,117
Closing balance	91.34	19,04,932	91.67	31,53,856

Number of option exercisable as at March 31, 2020: 4,76,233 (previous year: NIL)

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, 2020	Exercise price (₹)	Share options March 31, 2019
May 19, 2018	May 18, 2024	90.00	10,54,570	90.00	14,02,455
June 20, 2018	June 19, 2024	93.00	8,50,362	93.00	17,51,401
Total			19,04,932		31,53,856

Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2019 was ₹ 72.01 per option for options granted on May 19, 2018 (Tranche 1) and ₹ 74.33 per option for options granted on June 20, 2018 (Tranche 2). The fair value at grant date is determined using the Binomial Tree Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted included :

- 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) and ₹ 93 (Tranche 2)
- Grant date: May 19, 2018 (Tranche 1) and June 20, 2018 (Tranche 2)
- Expiry date: May 18, 2024 (Tranche 1) and June 19, 2024 (Tranche 2)
- Share price at grant date: ₹ 119.80 (Tranche 1) and ₹ 123.45 (Tranche 2)



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

46 Share based payments (Contd..)

Fair value of options granted (Contd..)

- f) Expected price volatility of the company's shares: 46.05% (Tranche 1) and 45.87% (Tranche 2)
- g) Expected dividend yield: 0.91% (Tranche 1 and 2)
- h) Risk-free interest rate: 7.92% (Tranche 1) and 8.05% (Tranche 2)

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

47 Fair Value Measurements

Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

(a) Financial instrument by category.

(₹ in Lacs)

Particulars	March 31, 2020			March 31, 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Non-current financial assets						
Investments	361.46	-	-	1,503.86	-	-
Loans	-	-	796.56	-	-	940.19
Other financial assets	-	-	-	-	-	326.12
Trade receivables	-	-	-	-	-	150.12
Current financial assets						
Investments	12,263.98	-	-	28,525.52	-	-
Trade receivables	-	-	17,668.92	-	-	9,882.50
Cash and cash equivalents	-	-	1,986.29	-	-	1,920.84
Other balances with bank	-	-	10.54	-	-	9.33
Loans	-	-	35.02	-	-	71.39
Other financial assets	-	-	6,117.28	-	-	1,471.03
Total Financial Assets	12,625.44	-	26,614.61	30,029.38	-	14,771.52
Financial Liabilities						
Non-current financial liabilities						
Borrowings	-	-	-	-	-	10.56
Current financial liabilities						
Trade payables	-	-	11,893.23	-	-	9,061.73
Other financial liabilities	-	-	51.10	-	-	132.74
Total Financial Liabilities	-	-	11,944.33	-	-	9,205.03

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

47 Fair Value Measurements (Contd..)

(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, 2020	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial instrument at FVPL				
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 Financial assets	-	-	796.56	796.56

(₹ in Lacs)

Financial assets and liabilities measured at fair value- recurring fair value measurement March 31, 2019	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial instrument at FVPL				
Investment in trusts	-	-	1,503.86	1,503.86
Mutual Fund	28,525.52	-	-	28,525.52
Total Financial Assets	28,525.52	-	1,503.86	30,029.38

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2019	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Loans	-	-	941.35	941.35
Trade receivable	-	-	150.12	150.12
Other financial assets	-	-	326.12	326.12
Total Financial assets	-	-	1,417.59	1,417.59
Non-current financial liabilities				
Borrowings	-	-	10.56	10.56
Total Financial liabilities	-	-	10.56	10.56



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

47 Fair Value Measurements (Contd..)

The carrying value of the current trade receivables, cash and cash equivalents, other bank balances, current loans, trade payables and other current financial assets and liabilities are considered to be the same as their fair values due to their short term nature. The fair value of 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.

(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, 2020

(₹ in Lacs)

Particulars	Investment in units of trusts
As at April 1, 2018	3,166.05
Changes during the year	-
Acquisitions	-
Sales	(2,142.84)
Gains/(Losses) recognised in profit or loss	480.65
As at March 31, 2019	1,503.86
Acquisitions	-
Sales	(1,090.49)
Impairment loss	(51.91)
As at March 31, 2020	361.46

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

47 Fair Value Measurements (Contd..)

(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

Particulars	March 31, 2020		March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Trade receivable	-	-	150.12	150.12
Loans	796.56	796.56	940.19	941.35
Other financial assets	-	-	326.12	326.12
Financial liabilities				
Borrowings	-	-	10.56	10.56

48 Financial Risk Management (Also refer note 50)

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.

(A) Credit Risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Group. The Group deals with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The group uses publicly available financial information and its own trading records to rate its major customers. The Group's exposure and credit ratings of its counterparties are regularly monitored and the aggregate value of transactions concluded is spread amongst counterparties.

(i) Credit Risk Management

Financial instruments and cash deposits

The Group maintains exposure in cash and cash equivalents, term deposits with banks and investments in mutual funds. The group has diversified portfolio of investment with various number of counter-parties which have good credit ratings and hence the risk is reduced. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good. As a practice, the group only invests with high rated banks/institutions.

The Group's maximum exposure to credit risk as at March 31, 2020 and March 31, 2019 is the carrying value of each class of financial assets as disclosed in note 47.



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

48 Financial Risk Management (Also refer note 50) (Contd..)

Security deposits given to lessors

The group has given security deposit to lessors for premises leased by it as at March 31, 2020 and March 31, 2019. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

Trade receivables and Contract assets

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past dues. The Contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rate for the contract assets.

Trade receivables and contract assets are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses.

The Group measures the expected credit loss of trade receivables, contract assets, loans and other financial assets which are subject to credit risk, based on historical trend, industry practices and the business environment in which the entity operates and adjusted for forward looking information. Loss rates are based on actual credit loss experience and past trends.

The Group has used practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix taken into account historical credit loss experience and adjusted to reflect current and forward looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The following table summarizes the Gross carrying amount of the financial assets and provision made:

(₹ in Lacs)

Particulars	March 31, 2020		March 31, 2019	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivables	17,871.62	(202.70)	10,457.85	(425.23)
Loans	831.58	-	1,062.50	(50.92)
Unbilled Revenue	2,043.34	-	112.12	-
Contract assets	63.25	-	682.25	-

The following table summarizes the changes in the Provisions made for the receivables and loans:

(₹ in Lacs)

Particulars	Trade receivable and unbilled		Loans	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening balance	425.23	425.25	50.92	50.92
Provided during the year	679.36	-	-	-
Written off during the year	(901.89)	(0.02)	(50.92)	-
Reversals of provisions	-	-	-	-
Closing balance	202.70	425.23	-	50.92

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

48 Financial Risk Management (Contd..)

Of the Trade Receivables balance as at March 31, 2020 of ₹ 17,668.92 lacs (as at March 31, 2019 of ₹ 10,032.62 lacs), the top 3 customers of the group represent the balance of ₹ 14,312.02 lacs as at March 31, 2020 (as at March 31, 2019 of ₹ 7,964.90 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, 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

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2019				
Borrowings	-	-	10.56	10.56
Trade payables	9,061.73	-	-	9,061.73
Other Financial Liabilities	132.74	-	-	132.74
Total financial liabilities	9,194.47	-	10.56	9,205.03

(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, 2020, 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 ₹ 111.40 lacs and ₹21.64 lacs (March 31, 2019 ₹ 83.75 lacs and ₹138.93 lacs)



Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

48 Financial Risk Management (Contd..)

(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, 2020 (Previous year Nil).

(c) Price risk

(i) Exposure

The group's exposure to investments arises from investment held by the group in mutual funds and classified in the balance sheet as fair value through profit or loss.

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. Investments in Preference shares of subsidiaries are held for strategic purpose and are not trading in nature.

(ii) Sensitivity

(₹ in Lacs)

Particulars	Impact on profit before tax	
	March 31, 2020	March 31, 2019
Net asset value - Increase 5% (March 31, 2019 5%)*	613.20	1,040.04
Net asset value - Decrease 5% (March 31, 2019 2%)*	(613.20)	(416.02)

*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.

49 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.

Notes forming part of Consolidated Financial Statements

for the year ended March 31, 2020

50 Impact assessment due to Covid-19 pandemic

The COVID-19 pandemic and the resultant lockdown declared by the Government in March 2020 has adversely impacted the entire media and entertainment industry and consequently, the business activities of the Group are also affected. Group has resumed its operations for the TV business as per the directives and permissions of the State Government and other statutory and trade bodies on June 26, 2020. The resumption of business has been undertaken with the required precautions stipulated by the authorities. 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. We expect the production of Digital content and Films to be resumed in due course. 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 as at March 31, 2020 and concluded that there were no material adjustments required in the financial statements as on March 31, 2020. However, 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

51 Dividends

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
Equity Shares		
(i) Final Dividend paid Dividend of ₹ 0.40 per fully paid share pertaining to the immediately preceding financial year	404.52	404.52
(ii) Dividend not recognised at the end of the reporting period In addition to the above dividends, since the year end, the Company has proposed dividend of nil for the financial year 2019-20 (₹ 0.40 per fully paid share for the financial year 2018-19)	-	404.52
(iii) Interim Dividend of ₹ 0.40 per fully paid-up share for the financial year 2019-2020	404.52	-

Signatures to notes 1 to 51

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

Sachin Parekh
Partner
Membership No: 107038
Place : Mumbai
Date : July 22, 2020

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 : July 22, 2020



BALAJI MOTION PICTURES LIMITED

Board's Report

The Directors present the 14th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2020.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

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

(₹ in Lacs)		
Particulars	2019-20	2018-19
Income		
Turnover	615.41	320.59
Total	615.41	320.59
Expenditure	437.30	330.39
Profit/(Loss) before depreciation, interest & tax	178.11	(9.80)
Finance costs	68.40	35.76
Depreciation and amortization	-	-
Profit/(Loss) before tax	109.71	(45.56)
Provision for taxation	-	-
Profit/ (Loss) after tax	109.71	(45.56)
Balance brought forward from previous year	(543.19)	(497.63)
Other comprehensive income for the year	-	-
Balance carried to the balance sheet	(433.48)	(543.19)

RESULTS OF OPERATIONS

During the year under review, your Company has achieved a turnover of ₹ 615.41 Lacs as against ₹ 320.59 Lacs during the previous fiscal. In the current financial year, the Company has reported profit of ₹ 109.71 Lacs as against loss of ₹ 45.56 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 borrowed ₹30,81.95 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, 2020 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, 2020 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 in March 2020 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 investments, other assets and liabilities as at March 31, 2020 and concluded that there were no material adjustments required in the financial statements as on March 31, 2020. 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)

Change in designation of Independent Directors to Non-Executive Directors

During the year under review, the designation of Mr. Duraiswamy Gunaseela Rajan and Mr. Ashutosh

Khanna has been changed from Independent Director to Non-Executive Director w.e.f. May 22, 2019 due to non-requirement of Independent Directors on the Board of the Company pursuant to Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Retirement by rotation and subsequent re-appointment

Mr. Jeetendra 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 himself for re-appointment. Appropriate resolution for his re-appointment is being placed for the approval of the Members of the Company at the ensuing AGM. The Board recommends his re-appointment as Non-Executive Director of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

During the year under review, the Company had 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. Further, since there were no Independent directors on the Board of the Company as on March 31, 2020, there was no requirement to receive such declaration.

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 of the Companies Act, 2013 as applicable to the Company.

AUDIT REPORTS

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

DISCLOSURES RELATED TO BOARD AND POLICIES

i) BOARD MEETINGS

During the year under review, 4 (four) Meetings of the Board of Directors were held on, May 22, 2019, August 09, 2019, November 13, 2019 & February 12, 2020. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

ii) BUSINESS RISK MANAGEMENT

The Holding Company i.e. Balaji Telefilms Limited has Risk Management Policy which is applicable to all its subsidiaries. The risk management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage. Major risks identified by the business and functions are systematically addressed through mitigation actions on a periodic basis.

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

The Holding Company i.e. Balaji Telefilms Limited has Corporate Social Responsibility Policy which is applicable to all its subsidiaries. However, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

The provisions of Section 177, 178 & 135 of the Companies Act, 2013 with respect to constitution of various Committees are not applicable to the Company.

OTHER DISCLOSURES

i) EXTRACT OF ANNUAL RETURN

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

ii) REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors have not reported to the Board 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 2019-20, no sexual harassment complaint has been registered with the Company.

x) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**ENERGY CONSERVATION MEASURES TAKEN BY THE COMPANY**

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

TECHNOLOGY ABSORPTION

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to technology absorption do not apply to the Company. The Company's research and development initiative mainly consists of ideation of new subjects for our content production business, which are used in the creation of new storyline and tracks. The expenses incurred on such initiatives are not practically quantifiable. The Company is an integrated player in the entertainment industry and our business is such that there is limited scope for new technology absorption, adaptation and innovation. However, the Company uses the latest technology, wherever possible to deliver superior production value, as a regular process.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, there were no foreign exchange earnings or outgo.



MECHANISM FOR EVALUATING BOARD MEMBERS

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board lays down the evaluation criteria for the performance evaluation of Executive 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, 2020, 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, 2020 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
Place: Mumbai	Chairman
Date: July 22, 2020	DIN: 00005345

Annexure I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U22300MH2007PLC168515
2.	Registration Date	09/03/2007
3.	Name of the Company	Balaji Motion Pictures Limited.
4.	Category/Sub-category of the Company	Company Limited by Shares/ Public Non-Government Company
5.	Address of the Registered office & Contact details	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai-400 053, Maharashtra. Tel: +91-022-40698000 Fax: +91-022-40698181/82 Email: neha.shah@balajitelefilms.com Website: www.balajitelefilms.com
6.	Whether listed Company	No
7.	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	NSDL Database Management Limited 4 th 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-400053, 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, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual /HUF	0	6*	6	0.0003	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	0	19,99,994	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)	0	20,00,000	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)	0	20,00,000	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)									
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) FII's	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

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)= (B)(1) +(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	20,00,000	20,00,000	100.00	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, 2019			Shareholding at the end of the year i.e. March 31, 2020			% 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 2019-20.

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

The entire share capital of the Company is held by the Holding Company, Promoters and Directors of the Company.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Directors/KMP	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Mr. Jeetendra Kapoor*				
	At the beginning of the year	1	0.00005	1	0.00005
	Bought during the year	-	-	1	0.00005
	Sold during the year	-	-	1	0.00005
	At the end of the year	1	0.00005	1	0.00005
2.	Mrs. Shobha Kapoor*				
	At the beginning of the year	1	0.00005	1	0.00005
	Bought during the year	-	-	1	0.00005
	Sold during the year	-	-	1	0.00005
	At the end of the year	1	0.00005	1	0.00005
3.	Ms. Ekta Kapoor*				
	At the beginning of the year	1	0.00005	1	0.00005
	Bought during the year	-	-	1	0.00005
	Sold during the year	-	-	1	0.00005
	At the end of the year	1	0.00005	1	0.00005

Notes:

*Shares are held jointly with Balaji Telefilms Limited.

1. Directors: Mr. Duraiswamy Gunaseela Rajan, Mr. Ashutosh Khanna and KMP: Ms. Neha Shah did not hold any shares during the financial year 2019-20.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans from Holding Company	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	232.61	-	232.61
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	59.52	-	59.52
Total (i+ii+iii)	-	292.13	-	292.13
Change in Indebtedness during the financial year				
Addition	-	3,291.69	-	3,291.69
Interest for the year	-	68.40	-	68.40
Reduction	-	570.27	-	570.27
Net Change	-	2,789.82	-	2,789.82
Indebtedness at the end 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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

The Company does not have any Managing Director, Whole time Director or Manager during the year under review.

B. Remuneration to other Directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
1.	Independent Directors	Duraiswamy Gunaseela Rajan	Ashutosh Khanna				
	Fee for attending Board and Committee Meetings	0.5	0.5				1.0
	Commission	-	-				-
	Others	-	-				-
	Total (1)	0.5	0.5				1.0
2.	Non-Executive Directors	Jeetendra Kapoor	Shobha Kapoor	Ekta Kapoor	Duraiswamy Gunaseela Rajan	Ashutosh Khanna	
	Fee for attending Board and Committee Meetings	2.0	-	-	1.5	1.5	5.0
	Commission	-	-	-	-	-	-
	Others	-	-	-	-	-	-
	Total (2)	2.0	-	-	1.5	1.5	5.0
	Total B (1+2)	2.5	0.5	-	1.5	1.5	6.0
	Total Managerial Remuneration (A+B)						6.0
	Ceiling as per the Act (per annum)			N.A.			

Note:

- Sittings fees paid to Mr. Duraiswamy Gunaseela Rajan and Mr. Ashutosh Khanna for the period from April 01, 2019 to May 22, 2019 as Independent Directors of the Company. Thereafter due to change in their designation from Independent Director to Non-Executive Director w.e.f. May 22, 2019, sitting fees for the period from May 23, 2019 to March 31, 2020 was paid to them as Non-Executive Directors of the Company.

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	6.40	6.40
	(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	0.33	0.33
	Total	6.73	6.73



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

Place: Mumbai
Date: July 22, 2020

Sd/-
Jeetendra Kapoor
Chairman
DIN: 00005345

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, 2020, 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, 2020 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 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 skepticism 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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, 2020 which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2020.
 - 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, 2020.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.
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
UDIN: 20117839AAAAW6811

Place: Mumbai
Date: July 22, 2020

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, 2020

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, 2020 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, 2020, 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
UDIN: 20117839AAAAAW6811

Place: Mumbai
Date: July 22, 2020

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, 2020

- 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. 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 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 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
UDIN: 20117839AAAAW6811

Place: Mumbai
Date: July 22, 2020

Balance Sheet

as at March 31, 2020

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
(a) Current tax asset	4	47.22	16.01
Total Non-Current Assets		47.22	16.01
Current assets			
(a) Financial assets			
(i) Trade receivables	5	43.02	-
(ii) Loans	6	0.20	0.20
(iii) Cash and cash equivalents	7	25.86	48.87
(iv) Other financial assets	8	2,901.48	-
(b) Other current assets	9	-	1.46
Total Current Assets		2,970.56	50.53
Total Assets		3,017.78	66.54
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	200.00	200.00
(b) Other equity	11	(296.38)	(467.28)
Total Equity		(96.38)	(267.28)
Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	3,081.95	292.13
(ii) Trade payables	13		
(I) total outstanding dues of micro and small enterprises		-	-
(II) total outstanding dues other than (ii) (I) above		4.71	2.54
(b) Other current liabilities	14	27.50	39.15
Total current liabilities		3,114.16	333.82
Total Equity and Liabilities		3,017.78	66.54

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

Ali Akbar
Partner
Membership No: 117839

Place : Mumbai
Date : July 22, 2020

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : July 22, 2020

Shobha Kapoor
(Director)
DIN: 00005124

Neha Shah
(Company Secretary)



Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Continuing operations			
(I) Revenue from operations	15	615.41	320.59
(II) Total income		615.41	320.59
(III) Expenses			
(a) Employee benefit expense	16	420.18	279.72
(b) Finance costs	17	68.40	35.76
(c) Other expenses	18	17.12	50.67
(IV) Total expenses		505.70	366.15
(V) Profit/(Loss) before tax (II-IV)		109.71	(45.56)
(VI) Tax expense			
(a) Current tax		-	-
(b) Deferred tax		-	-
Total tax expense		-	-
(VII) Profit / (Loss) for the year from continuing operations (V-VI)		109.71	(45.56)
(VIII) 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)		-	-
(IX) Total comprehensive income for the year(VII+VIII)		109.71	(45.56)
(X) Basic and diluted earnings/(loss) per share (In ₹)	20	5.49	(2.28)
(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

Ali Akbar

Partner

Membership No: 117839

For and on behalf of the Board of Directors

Jeetendra Kapoor

(Chairman)

DIN: 00005345

Shobha Kapoor

(Director)

DIN: 00005124

Sanjay Dwivedi

(Group CFO)

Neha Shah

(Company Secretary)

Place : Mumbai

Date : July 22, 2020

Place : Mumbai

Date : July 22, 2020

Statement of Cash Flows

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash Flow from Operating Activities		
Profit/(Loss) before tax from continuing operations	109.71	(45.56)
<i>Adjustments for:</i>		
Finance costs	68.40	35.76
Employee stock option expenses	61.19 129.59	75.91 111.67
Operating profit before working capital changes	239.30	66.11
Decrease/(Increase) in Loans	-	349.80
Decrease/(Increase) in Trade Receivables	(43.02)	14.93
Decrease/(Increase) in Other Financial Assets	(2,901.48)	-
Decrease/(Increase) in Other Current Assets	1.46	7.56
Increase/(Decrease) in Trade payables	2.17	(6.84)
Increase/(Decrease) in Other Financial Liabilities	-	(110.26)
Increase/(Decrease) Other current liabilities	(11.65) (2,952.52)	31.22 286.41
Cash flow generated (used in)/from Operating Activities before taxes	(2,713.22)	352.52
Income taxes (Paid)	(31.21)	(16.01)
Net cash flow generated (used in)/from Operating Activities (A)	(2,744.43)	336.51
B. Cash Flow from Investing Activities		
Bank Balance not considered as cash and cash equivalents	-	0.58
Net cash flow from investing activities (B)	-	0.58
C. Cash Flow from Financing Activities		
Proceeds from current borrowings	3,291.69	96.00
Repayment of current borrowings	(570.27)	(725.50)
Net cash from/(used in) Financing Activities (C)	2,721.42	(629.50)
Net (Decrease) in Cash and cash equivalents (A+B+C)	(23.01)	(292.41)
Cash and cash equivalents at the beginning of the year (Refer note 7)	48.87	341.28
Cash and cash equivalents at the end of the year (Refer note 7)	25.86	48.87

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

Ali Akbar
Partner
Membership No: 117839

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Director)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Neha Shah
(Company Secretary)

Place : Mumbai
Date : July 22, 2020

Place : Mumbai
Date : July 22, 2020



Statement of Changes in Equity

for the year ended March 31, 2020

A. Equity share capital

Particulars	(₹ in Lacs)
Balance as at April 1, 2018	200.00
Changes in equity share capital during the year	-
Balance as at March 31, 2019	200.00
Balance as at April 1, 2019	200.00
Changes in equity share capital during the year	-
Balance as at March 31, 2020	200.00

B. Other Equity

Particulars	Reserves and surplus		(₹ in Lacs)
	Retained earnings (Deficit in statement of profit and loss)	Share options outstanding account	Total
Balance as at April 1, 2018	(497.63)	-	(497.63)
Loss for the year	(45.56)	-	(45.56)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	(45.56)	-	(45.56)
Employee stock option expenses (Refer note 29)	-	75.91	75.91
Balance as at March 31, 2019	(543.19)	75.91	(467.28)
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)

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

Ali Akbar

Partner

Membership No: 117839

For and on behalf of the Board of Directors

Jeetendra Kapoor

(Chairman)

DIN: 00005345

Shobha Kapoor

(Director)

DIN: 00005124

Sanjay Dwivedi

(Group CFO)

Neha Shah

(Company Secretary)

Place : Mumbai

Date : July 22, 2020

Place : Mumbai

Date : July 22, 2020

Notes forming part of Financial Statements

for the year ended March 31, 2020

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

New and amended standards adopted by the Company:

Ind AS 116 – Lease : The Company has applied Ind AS 116, for the first time beginning April 1, 2019. Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. The adoption of the standard does not have any impact on the Company's financial statements and hence no adjustment to the opening balance of retained earnings as at April 01, 2019 is required.

(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



Notes forming part of Financial Statements

for the year ended March 31, 2020

in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(d) Revenue

The Company derives revenue from distribution of films. The Company identifies and evaluate each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

Revenue generated from film distribution is recognized at a point in time as the films are screened.

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

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

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

(e) Income Taxes

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

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

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

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

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

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

Notes forming part of Financial Statements

for the year ended March 31, 2020

(f) Leases

Till March 31, 2019:

As a lessee

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

With effective from April 1, 2019:

As a lessee

From 1 April 2019, 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

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



Notes forming part of Financial Statements

for the year ended March 31, 2020

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 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

Notes forming part of Financial Statements

for the year ended March 31, 2020

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

Derecognition

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

(j) Offsetting Financial Instruments

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

(k) Impairment of assets

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

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate

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

(l) Provisions and Contingent Liabilities

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

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

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

(m) Employee Benefits

(i) Short-term obligations

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



Notes forming part of Financial Statements

for the year ended March 31, 2020

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity;
- (b) defined contribution plans such as provident fund

Defined benefit plans:

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

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

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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

Defined contribution plans:

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

(n) **Share Based Payment**

Under the Balaji Telefilms ESOP, 2017 ("the ESOP Scheme"), Balaji Telefilms Limited (the Parent company) has granted employee stock options to the Company's employees, where new shares of the parent company will be issued directly to the Company's eligible employees. The fair value of the stock option is calculated using Binomial model. The cost calculated using this method is recognised as an employee benefit expenses over the vesting period of the options; and a corresponding credit is recognised in equity.

(o) **Earnings Per Share**

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

Notes forming part of Financial Statements

for the year ended March 31, 2020

(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 Financial Statements

for the year ended March 31, 2020

Note 4 Non-current tax asset

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Advance payment of income-tax	47.22	16.01
Total	47.22	16.01

Note 5 Trade receivables

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
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

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
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

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Current loans		
Security Deposit	0.20	0.20
Less : Loss allowance	-	-
Total	0.20	0.20

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 6 Loans (Contd..)

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Break-up of security details		
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

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
(a) Cash on hand	0.01	-
(b) Balances with banks		
In current accounts	25.85	48.87
Total	25.86	48.87

(Note: 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

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Other advances	2,900.16	-
Other receivables	1.32	-
Total	2,901.48	-

Note 9 Other current assets

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	-	1.46
Total	-	1.46



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 10 Equity share capital

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised		
350,00,000 (Previous year 350,00,000) Equity shares of ₹ 10/- each	3,500.00	3,500.00
Total	3,500.00	3,500.00
Issued, Subscribed and fully paid-up		
20,00,000 (Previous year 20,00,000) Equity shares of ₹ 10/- each	200.00	200.00
Total	200.00	200.00

Notes :

(i) Shares held by holding company / ultimate holding company :

	As at March 31, 2020 No. of shares	As at March 31, 2019 No. of shares
Balaji Telefilms Limited (immediate and ultimate holding company)	20,00,000	20,00,000

(ii) Details of Equity Shares held by each shareholder holding more than 5% Equity Shares:

Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Balaji Telefilms Limited	20,00,000	100%	20,00,000	100%

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

Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	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, 2020.

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 11 Other Equity - Reserves & Surplus

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
(i) Retained earnings/(Deficit in statement of profit and loss)	(433.48)	(543.19)
(ii) Share options outstanding account	137.10	75.91
Total	(296.38)	(467.28)

(i) Retained earnings/(Deficit in statement of profit and loss)

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	(543.19)	(497.63)
Profit/(Loss) for the year	109.71	(45.56)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	109.71	(45.56)
Balance at the end of the year	(433.48)	(543.19)

(ii) Share options outstanding account

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	75.91	-
Add : Additions during the year (Refer note 29)	61.19	75.91
Balance at the end of the year	137.10	75.91

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 12 Current borrowings

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Loans from holding company (Unsecured)	3,081.95	292.13
Total	3,081.95	292.13

Note: Loan is taken from Holding Company, basis the simple interest on reducing balance and is repayable on demand.



Notes forming part of Financial Statements

for the year ended March 31, 2020

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2020

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents	25.86	48.87
Current borrowings	(3,081.95)	(292.13)
Net debt	(3,056.09)	(243.26)

(₹ in Lacs)

Particulars	Other Assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Borrowings	
Net debt as at March 31, 2018	341.28	(885.87)	(544.59)
Cash flows	(292.41)	629.50	337.09
Interest expense	-	(35.76)	(35.76)
Net debt as at March 31, 2019	48.87	(292.13)	(243.26)
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)

Note 13 Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables : due to micro and small enterprises	-	-
Trade payables : others	4.71	2.54
Trade payables : Related Parties	-	-
Total	4.71	2.54

Notes:

(a) Micro, Small and Medium Enterprises :

The balances above includes ₹ Nil (Previous Year Nil) due to Micro and Small Enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act).

No interest is paid / payable during the year to any Micro / Small Enterprise registered under the MSME. There were no delayed payments during the year to any Micro or Small Enterprise registered under the MSME Act.

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Management regarding the status of suppliers under the MSME Act.

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 14 Other current liabilities

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Employee benefits payable	11.48	11.72
Statutory liabilities	16.02	27.43
Total	27.50	39.15

Note 15 Revenue from operations

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from contracts with customers		
- Sale of Services		
Film distribution service	615.41	320.59
Total	615.41	320.59

Unsatisfied long term contracts :

As on March 31, 2020, 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 16 Employee benefit expense

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages	352.54	199.04
Contributions to provident fund (Refer note 25)	6.45	4.77
Employee stock options expenses (Refer note 29)	61.19	75.91
Total	420.18	279.72

Note 17 Finance costs

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on borrowings (Refer Note 19)	68.40	35.76
Total	68.40	35.76



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 18 Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rent including lease rentals	6.00	6.00
Legal and professional charges (Refer note 18.1)	14.93	18.50
Directors sitting fees	6.00	8.00
Rates and taxes (Refer note 18.2)	(17.93)	13.27
Miscellaneous expenses	8.12	4.90
Total	17.12	50.67

Note 18.1 Details of auditors remuneration (included in Legal and Professional charges)

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
As Auditors :		
Audit fee	2.50	2.50
In other capacities :		
Other services (including certification)	1.00	2.50
Reimbursement of expenses	0.05	0.14
Total	3.55	5.14

Note 18.2 Rates and taxes

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rates and taxes	6.41	13.27
Write back of Excess GST Credit in books	(24.34)	-
Total	(17.93)	13.27

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
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Key management person (upto March 27, 2019)
Mr. D G Rajan	Key management person
Mr. Ashutosh Khanna	Key management person
Mr. Devender Kumar Vasal	Key management person (upto May 19, 2018)
Mr. V B Dalal	Key management person (upto May 19, 2018)
Mr. Pradeep Sarda	Key management person (upto May 19, 2018)

Notes forming part of Financial Statements

for the year ended March 31, 2020

(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	3,291.69 (96.00)	- (-)	- (-)
Loan Repaid			
Balaji Telefilms Limited	570.27 (725.50)	- (-)	- (-)
Interest Expense			
Balaji Telefilms Limited	68.40 (35.76)	- (-)	- (-)
Contributed equity on account of Employee stock options			
Balaji Telefilms Limited	61.19 (75.91)	- (-)	- (-)
Distribution Commission Income			
Balaji Telefilms Limited	615.24 (320.10)	- (-)	- (-)
Rent Paid			
Balaji Telefilms Limited	6.00 (6.00)	- (-)	- (-)
Directors sitting fees			
Mr. D G Rajan	- (-)	2.00 (2.00)	- (-)
Mr. Ashutosh Khanna	- (-)	2.00 (1.50)	- (-)
Mr. Devender Kumar Vasal	- (-)	- (0.50)	- (-)
Mr. V B Dalal	- (-)	- (0.50)	- (-)
Mr. Jeetendra Kapoor	- (-)	2.00 (2.00)	- (-)
Mr. Tusshar Kapoor	- (-)	- (1.50)	- (-)

(c) Closing balances as at year end

(₹ in Lacs)

Nature of Transactions.	Holding Company	Key Management Person	Fellow Subsidiary
Current borrowings			
Balaji Telefilms Limited	3,081.95 (292.13)	- (-)	- (-)
Trade receivable			
Balaji Telefilms Limited	43.02 (-)	- (-)	- (-)

Note:

i). Figures in bracket relate to the previous financial year



Notes forming part of Financial Statements

for the year ended March 31, 2020

20 Earning per share

Basic and diluted earnings per share

Earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as under :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic and diluted earnings per share for continuing operation		
Profit/(Loss) for the year attributable to equity shareholders (A) (₹ in Lacs)	109.71	(45.56)
Weighted average number of equity shares outstanding during the year (Nos.) (B)	2,000,000	2,000,000
Earnings per share - Basic and diluted (₹) (A/B)	5.49	(2.28)
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 ₹ 58 lacs (previous year ₹ 87 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, 2020. 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 ₹ 615.24 lacs is derived from single external customer of the company in the year ended March 31, 2020.

Revenue of ₹ 320.10 lacs is derived from single external customer of the company in the year ended March 31, 2019.

24 As at March 31, 2020 the Company has accumulated losses of ₹ 433.48 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, 2020 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 Financial Statements

for the year ended March 31, 2020

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 ₹ 6.45 lacs (previous year ₹ 4.77 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, 2020	March 31, 2019
Discount rate(s)	6.84%	7.64%
Expected rate(s) of salary increase	0% for next 1 Year, 5% p.a thereafter, starting from 2 Year	5.00%
Rate of Employee Turnover	2.00%	10.00%
Mortality Rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Defined benefit plans – as per actuarial valuation on March 31, 2020

(₹ in Lacs)

Particulars	Funded Plan	
	Gratuity	
	March 31, 2020	March 31, 2019
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Actuarial (Gains)/Losses on Obligation for the year	0.53	0.68
Return on Plan Assets, Excluding Interest Income	0.09	(0.01)
Total	0.63	0.67
Net amount recognised in Other Comprehensive Income (OCI)	-	-
Expenses recognised in the Statement of Profit or Loss for current year		
Current Service Cost	1.74	0.99
Net interest cost	(0.73)	(0.81)
Total	1.01	0.18
Expenses Recognized	-	-



Notes forming part of Financial Statements

for the year ended March 31, 2020

Defined benefit plans – as per actuarial valuation on March 31, 2020 (Contd..)

(₹ in Lacs)

Particulars	Funded Plan	
	Gratuity	
	March 31, 2020	March 31, 2019
I. Net Asset/(Liability) recognised in the Balance Sheet		
Present value of defined benefit obligation at the end of the year	(10.71)	(7.83)
Fair value of plan assets at the end of the year	18.65	17.41
Surplus/(Deficit)	7.94	9.58
Net Asset recognized in the Balance sheet	-	-
II. Change in the obligation during the year ended		
Present value of defined benefit obligation at the beginning of the year	7.83	5.71
<i>Expenses Recognised in Profit and Loss Account</i>		
- Current Service Cost	1.74	0.99
- Interest Cost	0.60	0.45
Actuarial (Gains)/ Losses on Obligations - Due to change in Demographic Assumptions	(1.60)	-
Actuarial (Gains)/ Losses on Obligations - Due to change in Financial Assumptions	0.66	0.08
Actuarial (Gains)/ Losses on Obligations- Due to experience	1.48	0.60
Present value of defined benefit obligation at the end of the year	10.71	7.83
III. Change in fair value of assets during the year ended 31st March		
Fair value of plan assets at the beginning of the year	17.41	16.14
Interest Income	1.33	1.26
Return on Plan Assets, excluding Interest Income	(0.09)	0.01
Fair value of plan assets at the end of the year	18.64	17.41

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.

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

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Projected Benefit Obligation on Current Assumptions	10.71	7.83
Delta Effect of +1% Change in Rate of Discounting	(1.38)	(0.49)
Delta Effect of -1% Change in Rate of Discounting	1.66	0.56
Delta Effect of +1% Change in Rate of Salary Increase	1.53	0.55
Delta Effect of -1% Change in Rate of Salary Increase	(1.33)	(0.51)
Delta Effect of +1% Change in Rate of Employee Turnover	0.22	0.06
Delta Effect of -1% Change in Rate of Employee Turnover	(0.26)	(0.08)

Notes forming part of Financial Statements

for the year ended March 31, 2020

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, 2020	For the year ended March 31, 2019
1st Following year	0.26	0.77
2nd Following year	0.26	0.82
3rd Following year	0.28	0.78
4th Following year	0.35	0.75
5th Following year	0.36	0.82
Sum of Years 6 to 10	2.03	3.46
Sum of Years 11 and above	28.87	7.65

Plan Assets

The fair value of Company's gratuity plan asset as of March 31, 2020 and 2019 by category are as follows:

(₹ in Lacs)		
Particulars	As at March 31, 2020	As at March 31, 2019
Asset category:		
Insurer managed funds	18.64	17.41
	100%	100%

The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published benchmarks.

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



Notes forming part of Financial Statements

for the year ended March 31, 2020

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)

Financial Assets	March 31, 2020			March 31, 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Current financial assets						
Trade receivables	-	-	43.02	-	-	-
Cash and cash equivalents	-	-	25.86	-	-	48.87
Loans	-	-	0.20	-	-	0.20
Other financial assets	-	-	2,901.48	-	-	-
Total Financial Assets	-	-	2,970.56	-	-	49.07
Financial Liabilities						
Borrowings	-	-	3,081.95	-	-	292.13
Trade payables	-	-	4.71	-	-	2.54
Total Financial Liabilities	-	-	3,086.66	-	-	294.67

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.

Notes forming part of Financial Statements

for the year ended March 31, 2020

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.

The Company's maximum exposure to credit risk as at March 31, 2020 and March 31, 2019 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.



Notes forming part of Financial Statements

for the year ended March 31, 2020

(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, 2020				
Borrowings	3,081.95	-	-	3,081.95
Trade payables	4.71	-	-	4.71
Total financial liabilities	3,086.66	-	-	3,086.66

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2019				
Borrowings	292.13	-	-	292.13
Trade payables	2.54	-	-	2.54
Total financial liabilities	294.67	-	-	294.67

(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, 2020 (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, 2020 (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, 2020 (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.

Notes forming part of Financial Statements

for the year ended March 31, 2020

(i) Summary of Stock options granted under the plan :

Particulars	Number of Options
Opening Balance - April 01, 2018	-
Granted during the year	230,510
Exercised during the year	-
Forfeited during the year	-
Closing Balance - March 31, 2019	230,510
Opening Balance - April 01, 2019	230,510
Granted during the year	-
Exercised during the year	-
Forfeited during the year	-
Closing Balance - March 31, 2020	230,510

(ii) Expense arising from share based payment transaction

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Employee Stock Option Expenses	61.19	75.91

30 The COVID-19 pandemic and the resultant lockdown declared by the Government in March 2020 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 investments, other assets and liabilities as at March 31, 2020 and concluded that there were no material adjustments required in the financial statements as on March 31, 2020. 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 : July 22, 2020

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : July 22, 2020

Shobha Kapoor
(Director)
DIN: 00005124

Neha Shah
(Company Secretary)



ALT DIGITAL MEDIA ENTERTAINMENT LIMITED

Board's Report

The Directors present the 5th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2020.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

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

		(₹ in Lacs)
Particulars	2019-20	2018-19
Income from operations	7,774.91	4,187.11
Less: Total expenditure	18,626.37	15,907.15
Operating profit	(10,851.46)	(11,720.04)
Less: Interest	58.58	25.03
Less: Depreciation	564.15	482.94
Operating Profit after interest and depreciation	(11,474.19)	(12,228.01)
Add: Other income	335.23	735.83
Less: Exceptional Items	-	-
Profit before tax	(11,138.96)	(11,492.18)
Less: Provision for taxation	-	-
Net profit / (loss) after tax	(11,138.96)	(11,492.18)
Other Comprehensive Income	14.69	33.41
Balance brought forward from previous year	(22,837.87)	(11,653.49)
Adj for Ind AS 116/ 115	(54.35)	289.39
Appropriations:		
Disposable profits	-	-
Less: Interim dividend	-	-
Less: Payment of dividend	-	-
Less: Corporate dividend tax	-	-
Less: Transfer to General Reserve	-	-
Less: Share issue costs	(7.50)	(15.00)
Balance carried to balance sheet	(34,023.99)	(22,837.87)

RESULTS OF OPERATIONS

During the year under review, the Company has reported loss of ₹ 11,124.27 lacs as against loss of ₹ 11,458.77 lacs in the previous fiscal.

DIVIDEND

Considering the loss incurred in the current financial year, Directors have not recommended any dividend for the financial year under review.

TRANSFER TO RESERVES

The Directors of the Company do not propose to transfer any amount to reserves in view of loss incurred by the Company.

BORROWINGS

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

SHARE CAPITAL

- During the year under review, the Company has issued and allotted 15,00,00,000 Equity Shares of ₹ 10/- each at par on right basis to its existing shareholders. Therefore, paid-up Equity Share Capital of the Company as on March 31, 2020 is ₹ 60,005,00,000 (Rupees Six Hundred 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, 2020, 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 in March 2020 has adversely impacted the entire media and entertainment industry and consequently the business activities of the Company are also affected.

The digital business continues to operate throughout the lockdown period however, launch of new shows is affected due to shutdown in production activities during the lockdown phase. Management expects the production of digital content to be resumed in due course.

The Company has assessed the potential impact of COVID-19 on its business, liquidity and financial position and has initiated effective steps to reduce the impact. Given the continuing uncertainties due to the COVID-19

pandemic, the actual impact may be different from that estimated as on the date of approval of these financial statements and will require continuous monitoring of the Company's operations.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

Re-appointment of Ms. Ekta Kapoor as Managing Director

During the year under review, Ms. Ekta Kapoor was re-appointed as a Managing Director of the Company w.e.f. February 13, 2020.

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. The Board on the recommendation of Nomination and Remuneration Committee has recommended their reappointment as Independent Directors of the Company for a second term of 5 (five) consecutive years w.e.f. August 31, 2021. Appropriate resolutions for their re-appointment is being placed for the approval of the Members of the Company at the ensuing AGM. The brief resume of the Director and other related information has been detailed in the Notice convening the 5th AGM of the Company.

Retirement by rotation and subsequent re-appointment

Mrs. Shobha Kapoor, 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 41 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 2020-21.

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 2019-20 is appended as Annexure I to this Report. The said Report does not contain any qualification, reservation, disclaimer or adverse remark requiring explanation or comments from the Board under Section 134 (3) of the Companies Act, 2013.

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

i) BOARD MEETINGS

During the year under review, 4 (four) meetings of the Board of Directors were held on May 22, 2019, August 09, 2019, November 13, 2019 and February 12, 2020. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

ii) AUDIT COMMITTEE

In accordance with the provisions of Section 177 of the Companies Act, 2013, Audit Committee of the Company comprises of:

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

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 was formed during the year under review, comprising of following members:

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 its 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 in Form MGT – 9, as required under Section 92 of the Companies Act and Rule 12 of the Companies (Management and Administration) Rules, 2014,

is appended as Annexure II, which forms part of this Report and is also available on website of the Company at <https://www.altbalaji.com/investorRelations>

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 any rent payment 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 2019-20, 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 equipments. We purchase computers, laptops, air conditioners etc. that meet environmental standards, wherever possible and regularly upgrade old equipments with more energy-efficient equipments. Currently, we use Light Emitting Diode (LED) fixtures to reduce the power consumption in the illumination system.

TECHNOLOGY ABSORPTION

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

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earnings are ₹ 55.52 Lacs (Previous Year: ₹ 70.15) and the foreign exchange outgo is ₹ 566.91 Lacs (Previous Year ₹ 421.66 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 & 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, 2020, 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 at March 31, 2020 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, 2020 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: July 22, 2020

Sd/-
Shobha Kapoor
Chairperson
DIN: 00005124



Annexure I

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2020

[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, 2020 (**‘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, 2020 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 as Identified and Confirmed by the Company, considering the current business activities i.e. OTT Platforms which is self regulated, No law is specifically applicable to it during the audit period.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Not Applicable to the Company during the audit period)**

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

We further report that

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

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

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

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

We further report that during the audit period, the Company had made allotment of 15,00,00,000 (Fifteen Crores) equity shares at face value of ₹ 10/- each aggregating to ₹ 150,00,00,000/- (Rupees One Hundred and Fifty Crores Only) on right basis.

For AVS & Associates
Company Secretaries

SD/-

Vijay Yadav
Partner

Membership No: A39251

CP No: 16806

UDIN: A039251B000486951

Place: Kalyan, Thane

Date: 22/07/2020

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. 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 some of documents physically and hence obtained most of the documents, details, information in electronic mode and taken necessary explanations, clarifications and representations either telephonically or electronically whenever required.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For AVS & Associates
Company Secretaries

SD/-

Vijay Yadav

Partner

Membership No: A39251

CP No: 16806

UDIN: A039251B000486951

Place: Kalyan, Thane

Date: 22/07/2020

Annexure II

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2020

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U74999MH2015PLC266206
2.	Registration Date	01/07/2015
3.	Name of the Company	ALT Digital Media Entertainment Limited
4.	Category/Sub-category of the Company	Company Limited by Shares/Public Non-Government Company
5.	Address of the Registered office & contact details	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai-400053, Maharashtra. Tel: + 91-022-40698000 Fax: + 91-022-40698181 Email: karuna.naik@altdigital.in Website: www.altbalaji.com
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NSDL Database Management Limited 4 th 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-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, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	0	18,006*	18,006	0.004	18,006*	0	18,006	0.003	-0.001
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.	0	45,00,31,994	45,00,31,994	99.996	60,00,31,994	0	60,00,31,994	99.997	0.001
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub total (A) (1)	0	45,00,50,000	45,00,50,000	100.00	60,00,50,000	0	60,00,50,000	100.00	0
(2) Foreign									
a) Individuals (NRIs/Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Institutions	0	0	0	0	0	0	0	0	0
e) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
f) Others	0	0	0	0	0	0	0	0	0
Sub total (A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters A= A(1) + A(2)	0	45,00,50,000	45,00,50,000	100.00	60,00,50,000	0	60,00,50,000	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
i) Individual shareholders holding nominal share capital upto ₹1 lakh	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0	0	0	0	0	0
c) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(2) :-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1) + (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	45,00,50,000	45,00,50,000	100.00	60,00,50,000	0	60,00,50,000	100.00	0

Note: *Shares are held in the capacity of nominee shareholder on behalf of Balaji Telefilms Limited.

ii) Shareholding of Promoter:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 01, 2019			Shareholding at the end of the year i.e. March 31, 2020			% 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	45,00,31,994	99.9964	0	60,00,31,994	99.997	0	0.0006
2.	Jeetendra Kapoor as a nominee of Balaji Telefilms Limited	3,001	0.0006	0	3,001	0.0005	0	-0.0001
3.	Shobha Kapoor as a nominee of Balaji Telefilms Limited	3,001	0.0006	0	3,001	0.0005	0	-0.0001
4.	Ekta Kapoor as a nominee of Balaji Telefilms Limited	3,001	0.0006	0	3,001	0.0005	0	-0.0001
5.	Tusshar Kapoor as a nominee of Balaji Telefilms Limited	3,001	0.0006	0	3,001	0.0005	0	-0.0001
6.	Deepoo Vaswani as a nominee of Balaji Telefilms Limited	3,001	0.0006	0	3,001	0.0005	0	-0.0001
7.	Ramesh Sippy as a nominee of Balaji Telefilms Limited	3,001	0.0006	0	3,001	0.0005	0	-0.0001
	Total	45,00,50,000	100	0	60,00,50,000	100	0	0

Note:

1. The percentage change in the promoter's shareholding is due to increase in the paid up share capital of the Company.
2. Percentage calculated on the paid-up share capital (45,00,50,000 shares) at the beginning of the year.
3. Percentage calculated on the paid-up share capital (60,00,50,000 shares) at the end of the year.



iii) Change in Promoters' Shareholding:

Sr. No.	Name of Shareholder	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Balaji Telefilms Limited				
	At the beginning of the year	45,00,31,994	99.9964	45,00,31,994	99.9964
	Right issue on June 11, 2019	7,50,00,000	*14.28	52,50,31,994	99.9965
	Right issue on October 01, 2019	7,50,00,000	**12.50	60,00,31,994	99.997
	Sold during the year	0	0	60,00,31,994	99.997
	At the end of the year	60,00,31,994	99.997	60,00,31,994	99.997
2.	Jeetendra Kapoor as a nominee of Balaji Telefilms Limited				
	At the beginning of the year	3,001	0.0006	3,001	0.0006
	Bought during the year	-	-	3,001	0.0006
	Sold during the year	-	-	3,001	0.0006
	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	0.0006	3,001	0.0006
	Bought during the year	-	-	3,001	0.0006
	Sold during the year	-	-	3,001	0.0006
	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	0.0006	3,001	0.0006
	Bought during the year	-	-	3,001	0.0006
	Sold during the year	-	-	3,001	0.0006
	At the end of the year	3,001	0.0005	3,001	0.0005
5.	Tusshar Kapoor as a nominee of Balaji Telefilms Limited				
	At the beginning of the year	3,001	0.0006	3,001	0.0006
	Bought during the year	-	-	3,001	0.0006
	Sold during the year	-	-	3,001	0.0006
	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	0.0006	3,001	0.0006
	Bought during the year	-	-	3,001	0.0006
	Sold during the year	-	-	3,001	0.0006
	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	0.0006	3,001	0.0006
	Bought during the year	-	-	3,001	0.0006
	Sold during the year	-	-	3,001	0.0006
	At the end of the year	3,001	0.0005	3,001	0.0005

* Percentage calculated on the paid-up share capital (52,50,50,000 shares)

** Percentage calculated on the paid-up share capital (60,00,50,000 shares)

Note:

- The percentage change in the promoter's shareholding is due to increase in the paid up share capital of the Company.
- Percentage calculated on the paid-up share capital (45,00,50,000 shares) at the beginning of the year.
- Percentage calculated on the paid-up share capital (60,00,50,000 shares) at the end of the year.

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	0.0006	3,001	0.0006
	Bought during the year	-	-	3,001	0.0006
	Sold during the year	-	-	3,001	0.0006
	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	0.0006	3,001	0.0006
	Bought during the year	-	-	3,001	0.0006
	Sold during the year	-	-	3,001	0.0006
	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. The percentage change in the shareholding is due to increase in the paid up share capital of the Company.
2. Percentage calculated on the paid-up share capital (45,00,50,000 shares) at the beginning of the year.
3. Percentage calculated on the paid-up share capital (60,00,50,000 shares) at the end of the year.
4. Directors: Mr. Duraiswamy Gunaseela Rajan, Mr. Devender Kumar Vasal and Mr. Virendra Babubhai Dalal and KMPs: Mr. Sanjay Dwivedi, Mr. Nachiket Pantvaidya and Ms. Karuna Naik did not hold any shares during the financial year 2019-20.

V. INDEBTEDNESS:

The Company had no indebtedness with respect to Secured or Unsecured Loans or Deposits during the financial year 2019-20.

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 2019-20.



B. Remuneration to other Directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	Duraiswamy Gunaseela Rajan	Devender Kumar Vasal	Virendra Babubhai Dalal	
	Fee for attending Board and Committee meetings	6.0	6.0	4.75	16.75
	Commission				
	Others				
	Total (1)	6.0	6.0	4.75	16.75
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	4.75	16.75
	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.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. Nachiket Pantvaidya [Group Chief Operating Officer & Chief Executive Officer (Alt)]	Ms. Karuna Naik (Company Secretary)	Mr. Sanjay Dwivedi (Group Chief Financial Officer)	
1.	Gross salary	-	4.15	-	4.15
	(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	-	-	-	-
4.	Commission - as % of profit				
5.	Others Provident Fund and other allowances	-	0.21	-	0.21
	Total	-	4.36	-	4.36

Note:

- The above figures does not include remuneration paid to Group COO & CEO (Alt) & Group CFO as the same is not directly paid by the Company and is paid to Parent Company by way of Cross Charge.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: July 22, 2020

Sd/-
Shobha Kapoor
Chairperson
DIN: 00005124



Annexure III

FORM NO. AOC - 2

PARTICULARS OF CONTRACT/ARRANGEMENTS MADE WITH RELATED PARTIES

For the financial year ended March 31, 2020

[Pursuant to Clause h of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts), Rules, 2014]

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

The following contract or arrangement or transactions entered into during the year ended March 31, 2020 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, 2020, which were at arm's length basis.

For and on behalf of the Board of Directors

Place: Mumbai
Date: July 22, 2020

Sd/-
Shobha Kapoor
Chairperson
DIN:00005124

Financial Statements



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, 2020, 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, 2020, 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 41 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 skepticism 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:

- 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 40 to the financial statements.
- ii. The Company has long term contracts as at March 31, 2020 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2020.
- 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, 2020.
- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.

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

Membership Number: 117839
UDIN: 20117839AAAAAT7396

Place: Mumbai
Date: July 22, 2020

Annexure A to Independent Auditors' 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, 2020

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, 2020 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, 2020, 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
UDIN: 20117839AAAAAT7396

Place: Mumbai
Date: July 22, 2020

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, 2020

- 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)© 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. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of 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 the undisputed statutory dues in respect of profession tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, 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. 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

Membership Number: 117839
UDIN: 20117839AAAAAT7396

Place: Mumbai
Date: July 22, 2020

Balance Sheet

as at March 31, 2020

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4.1	97.33	134.41
(b) Intangible assets	4.2	72.03	455.33
(c) Right of use Asset	5	213.10	-
(d) Income tax assets (net)	6	395.53	261.47
Total Non-Current Assets		777.99	851.21
Current assets			
(a) Inventories	7	14,194.49	12,415.95
(b) Financial assets			
(i) Investments	8	2,143.62	6,350.51
(ii) Trade receivables	9	5,407.11	532.60
(iii) Cash and cash equivalents	10	544.20	233.10
(iv) Loans	11	34.82	47.19
(v) Other financial assets	12	1,511.59	60.17
(c) Other current assets	13	13,936.93	6,447.81
Total Current Assets		37,772.76	26,087.33
Total Assets		38,550.75	26,938.54
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	60,005.00	45,005.00
(b) Other equity	15	(33,684.83)	(22,468.53)
Total Equity		26,320.17	22,536.47
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	164.11	280.89
(ii) Lease Liability	5	147.30	-
Total Non-Current Liabilities		311.41	280.89
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(I) Total outstanding dues of micro and small enterprises	17	22.22	34.81
(II) Total outstanding dues other than (i) (I) above	17	10,167.13	2,908.67
(ii) Lease Liability	5	106.07	-
(iii) Other financial liabilities	18	-	5.54
(b) Other current liabilities	19	1,623.74	1,172.16
Total Current Liabilities		11,919.16	4,121.18
Total Equity and Liabilities		38,550.75	26,938.54

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

Ali Akbar
Partner
Membership No: 117839
Place : Mumbai
Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Nachiket Pantvaidya
(CEO)

Karuna Naik
(Company Secretary)
Place : Mumbai
Date : July 22, 2020

Sanjay Dwivedi
(Group CFO)



Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
(I) Revenue from operations	20	7,774.91	4,187.11
(II) Other income	21	335.23	735.83
(III) Total income (I+II)		8,110.14	4,922.94
(IV) Expenses			
(a) Direct cost	22	10,416.04	8,102.27
(b) Employee benefits expense	23	1,050.78	1,552.85
(c) Depreciation and amortization expense	24	564.15	482.94
(d) Finance cost	25	58.58	25.03
(e) Marketing expenses	26	3,043.68	2,596.33
(f) Other expenses	27	4,115.86	3,655.70
(V) Total expenses		19,249.10	16,415.12
(VI) (Loss) before tax (III-V)		(11,138.96)	(11,492.18)
(VII) Income Tax expense			
(a) Current tax		-	-
(b) Deferred tax	16	-	-
Total tax expenses/(credit)		-	-
(VIII) (Loss) for the year (VI-VII)		(11,138.96)	(11,492.18)
(IX) Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		14.69	33.41
Income tax relating to above item		-	-
Total other comprehensive income for the year		14.69	33.41
(X) Total comprehensive income for the year (VIII+IX)		(11,124.27)	(11,458.77)
(XI) Basic and diluted earnings/(loss) per share (in ₹)	30	(2.02)	(2.90)
(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

Ali Akbar
Partner
Membership No: 117839
Place : Mumbai
Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Nachiket Pantvaidya
(CEO)

Karuna Naik
(Company Secretary)
Place : Mumbai
Date : July 22, 2020

Sanjay Dwivedi
(Group CFO)

Statement of Cash Flow

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash Flow from Operating Activities		
Loss before tax	(11,138.96)	(11,492.18)
Adjustment for:		
Employee share based payment expense	(30.18)	369.34
Impact of adoption of Ind AS 115 directly recognised in retained earnings	-	289.39
Provision for bad and doubtful debts	58.93	-
Loss/(Profit) on fair valuation of current investments	711.18	(34.50)
Loss/(Profit) on sale of fixed asstes	(0.08)	-
Provision for gratuity expenses	11.33	23.49
Foreign exchange loss (Net)	6.36	5.77
Amortisation of Inventory	9,082.55	7,540.29
Unwinding of discount on security deposit	(3.29)	(3.87)
Profit on sale of current investments (non-trade) (net)	(1,043.04)	(697.46)
Depreciation and amortisation	564.15	486.73
Discontinued Shows written off	0.00	205.95
Interest on Lease rentals	23.77	-
Interest on deferred payment	34.81	25.03
Operating loss before working capital changes	(1,722.47)	(3,282.02)
(Increase)/Decrease in trade receivables	(4,939.80)	(454.84)
(Increase)/Decrease in Inventory	(10,861.09)	(14,278.22)
(Increase)/Decrease in other current financial assets	(1,458.61)	(53.39)
(Increase)/Decrease in other non-current assets	-	0.36
(Increase)/Decrease in other current assets	(7,492.29)	(3,158.96)
(Increase)/Decrease in loans	15.66	0.20
Increase/(Decrease) in trade payables	7,129.10	1,259.56
Increase/(Decrease) in other financial liabilities	(5.54)	-
Increase/(Decrease) in other current liabilities	454.94	378.29
Cash from operations	(17,157.63)	(16,307.00)
Income taxes paid	(134.06)	(214.04)
Net cash used in operating activities	(19,014.16)	(19,803.06)



Statement of Cash Flow

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
B. Cash Flow from Investing Activities		
Proceeds from sale of investments	19,538.75	18,397.24
Payment for purchase of investments	(15,000.00)	(14,000.00)
Payment for Intangible assets	(7.92)	(55.55)
Payment for Property, plant and equipment	(42.23)	(59.56)
Proceeds from sale of Property, plant and equipment	0.65	-
Net cash flow from investing activities	4,489.25	4,282.13
C. Cash Flow from Financing Activities		
Proceeds from issue of Equity Share Capital	15,000.00	15,000.00
Share issue costs	(7.50)	(15.00)
Lease Rent paid	(121.68)	-
Finance cost	(34.81)	(25.03)
Net cash flow from financing activities	14,836.01	14,959.97
Net increase/(decrease) in cash and cash equivalents	311.10	(560.96)
Cash and cash equivalents at the beginning of the financial year (Refer Note 10)	233.10	794.06
Cash and cash equivalents at the end of the financial year (Refer Note 10)	544.20	233.10

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

Ali Akbar

Partner

Membership No: 117839

Place : Mumbai

Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor

(Chairperson)

DIN: 00005124

Karuna Naik

(Company Secretary)

Place : Mumbai

Date : July 22, 2020

Nachiket Pantvaidya

(CEO)

Sanjay Dwivedi

(Group CFO)

Statement of Changes in Equity

for the year ended March 31, 2020

A. Equity share capital

Particulars	(₹ in Lacs)
As at April 1, 2018	30,005.00
Changes in equity share capital during the year	15,000.00
As at March 31, 2019	45,005.00
Changes in equity share capital during the year	15,000.00
As at March 31, 2020	60,005.00

B. Other Equity

Particulars	Reserves and surplus	Share options	(₹ in Lacs)
	Retained earnings/ (Deficit in statement of Profit and Loss)	outstanding account	Total
As at April 1, 2018	(11,653.49)	-	(11,653.49)
Adjustment consequent to adoption of Ind AS 115	289.39	-	289.39
Share Issue costs	(15.00)	-	(15.00)
Loss for the year	(11,492.18)	-	(11,492.18)
Other comprehensive income for the year	33.41	-	33.41
Employee stock option expense (Refer note 34)	-	369.34	369.34
As at March 31, 2019	(22,837.87)	369.34	(22,468.53)
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 34)	-	(30.18)	(30.18)
As at March 31, 2020	(34,023.99)	339.16	(33,684.83)

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

Ali Akbar

Partner

Membership No: 117839

Place : Mumbai

Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor

(Chairperson)

DIN: 00005124

Nachiket Pantvaidya

(CEO)

Karuna Naik

(Company Secretary)

Place : Mumbai

Date : July 22, 2020

Sanjay Dwivedi

(Group CFO)



Notes forming part of Financial Statements

for the year ended March 31, 2020

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, 2019:

The Company applied Ind AS 116 for the first time by using the modified retrospective method of adoption with the date of initial application of April 1, 2019. Under the method, Leases are recognized as a right of use assets and a corresponding liability at the date at which leased asset is available for use by the Company. The Company had to change its accounting policies and make certain adjustments following the adoption of Ind AS 116. This is disclosed in note 38.

(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 32.

(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.

Notes forming part of Financial Statements

for the year ended March 31, 2020

(e) Revenue Recognition

The Company derives revenue from licensing, subscription and service fee for content development from its customers. Some of the contracts include multiple deliverables, such as promises to provide a library of content at inception as well as content updates over the term. The Company identifies and evaluate each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognised either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

The Company has determined that most license revenues are satisfied at a point in time due to their being limited ongoing involvement in the use of the license following its transfer to the customer.

The Company recognises subscription revenue over the subscription period.

The 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.



Notes forming part of Financial Statements

for the year ended March 31, 2020

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

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

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

(h) Leases

Till March 31, 2019:

As a lessee

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

With effective from April 1, 2019:

As a lessee

From April 1, 2019, 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) Impact on the statement of profit and loss account

The adoption of this accounting standard did not have significant impact on the profit for the period and the earnings per share. Operating lease rentals which were recognized in the statement of profit and loss will be now be recognized as depreciation expense for the right to use asset and finance cost for interest accrued on lease liability.

- (ii) Adjustments recognized in the balance sheet on April 1, 2019

The change in accounting policy affected the following items in the balance sheet on April 1, 2019:

- Right to use asset increase by INR 296.93 lacs
- Lease liabilities increase by INR 351.28 lacs

The net impact on retained earnings on April 1, 2019 was decrease of INR 54.35 lacs.

Notes forming part of Financial Statements

for the year ended March 31, 2020

(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.

(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:



Notes forming part of Financial Statements

for the year ended March 31, 2020

- 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 36 A details how the Company determines whether there has been a significant increase in credit risk.

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

De-recognition of Financial Assets

A financial asset is de-recognised only when

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

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

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

(ii) Financial Liabilities:

Classification as debt or equity

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

Initial recognition and measurement

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

Subsequent measurement

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

Derecognition

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

(m) Offsetting Financial Instruments

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

Notes forming part of Financial Statements

for the year ended March 31, 2020

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 controls the future economic benefits arising out of them. All other expenses on intangible items are charged to the Statement of Profit and Loss. Intangible assets acquired are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

(ii) Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

- Computer Software: 2-3 years

(p) Impairment of assets

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

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



Notes forming part of Financial Statements

for the year ended March 31, 2020

(q) Provisions and Contingent Liabilities

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

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

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

(r) Employee Benefits

(i) Short-term obligations

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

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity;
- (b) defined contribution plans such as provident fund

Defined benefit plans:

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

The liability recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined 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.

Notes forming part of Financial Statements

for the year ended March 31, 2020

(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 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 Revenue recognition:

The Company calculates the revenue to be recognized in respect of Licensing of Digital Content rights (where the Company has no continuing involvement subsequent to delivery of content), by applying the proportion of total cost incurred to the total cost expected to be incurred for producing digital programming content over the term of the respective revenue contract. The use of this method requires the Company to estimate the total costs expected to be incurred on digital programming content over the term of the respective revenue contract. The total costs expected to be incurred on digital programming content is based on the overall future business plans drawn by the management.

- Estimation of Defined Benefit Obligation:

The Company's obligation on account of gratuity is determined based on actuarial 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.



Notes forming part of Financial Statements

for the year ended March 31, 2020

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 29.

- 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 Financial Statements

for the year ended March 31, 2020

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, 2018	149.60	5.60	39.64	0.21	58.19	253.24
Additions	39.61	0.32	9.58	-	-	49.51
Disposals	-	-	-	-	-	-
Balance as at March 31, 2019	189.21	5.92	49.22	0.21	58.19	302.75
II. Accumulated Depreciation						
Balance as at April 1, 2018	(39.16)	(1.01)	(11.08)	(0.07)	(29.34)	(80.66)
Depreciation expense	(58.40)	(0.58)	(9.28)	(0.02)	(19.40)	(87.68)
Disposals	-	-	-	-	-	-
Balance as at March 31, 2019	(97.56)	(1.59)	(20.36)	(0.09)	(48.74)	(168.34)
III. Net Carrying Amount as at March 31, 2019	91.65	4.33	28.86	0.12	9.45	134.41

(₹ 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

Note 4.2 Intangible Assets

(₹ in Lacs)

Description of Assets	Computer Software	Total
I. Gross Carrying Amount		
Balance as at April 1, 2018	1,118.66	1,118.66
Additions	55.55	55.55
Disposals	-	-
Balance as at March 31, 2019	1,174.21	1,174.21
II. Accumulated Amortisation		
Balance as at April 1, 2018	(323.62)	(323.62)
Amortisation expense	(395.26)	(395.26)
Disposals	-	-
Balance as at March 31, 2019	(718.88)	(718.88)
III. Net Carrying Amount as at March 31, 2019	455.33	455.33



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 4.2 Intangible Assets (Contd..)

(₹ 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

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, 2020	As at March 31, 2019
Leasehold Premises	213.10	-
Total	213.10	-

Lease Liability

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current	106.07	-
Non-current	147.30	-
Total	253.37	-

(ii) Amount recognised in the statement of Profit and Loss

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Amortisation on right of use assets (Refer note 24)	94.20	-
Interest on Lease liabilities (Refer note 25)	23.77	-
Expenses relating to short term leases (Refer note 27)	0.71	-
Total	118.68	-

Total cash outflow for leases for the year ended March 31, 2020 was ₹ 121.68 lacs.

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 6 Income tax assets (net)

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Tax deducted at source	395.53	261.47
Total	395.53	261.47

Note 7 Inventories

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Unamortised digital programs / film rights	9,410.73	7,191.51
Digital programs pending completion	4,783.76	5,224.44
Total	14,194.49	12,415.95

Note 8 Current investments

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Investment in mutual funds (Non Trade) (Unquoted)		
(Carried at fair value through Profit & Loss)	2,143.62	6,350.51
Total	2,143.62	6,350.51

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Total current investments		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	2,143.62	6,350.51
Aggregate amount of impairment in the value of investments	-	-
Total	2,143.62	6,350.51

Note 9 Trade receivables

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Trade receivables from contract with customers	5,466.04	532.60
Less: Loss Allowance	(58.93)	-
Total	5,407.11	532.60



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 9 Trade receivables (Contd..)

Break-up of security details

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	5,466.04	532.60
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	-	-
Total	5,466.04	532.60
Loss allowance	(58.93)	-
Total	5,407.11	532.60

Note 10 Cash and cash equivalents

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents:		
Bank balances:		
- In current accounts	544.20	233.10
Total	544.20	233.10

Note 11 Loans

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Current financial assets		
Security Deposits	34.82	47.19
Total	34.82	47.19

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Break-up of security details		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	34.82	47.19
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Less: Loss allowance	-	-
Total	34.82	47.19

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 12 Other current financial assets

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
(Unsecured, considered good)		
Unbilled Revenue	1,511.59	60.17
Total	1,511.59	60.17

Note 13 Other current assets

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	65.95	70.96
Balances with government authorities	7,367.17	5,412.34
Advance to suppliers	2,026.49	808.05
Advance to related party (Refer Note 28)	-	156.46
Other receivables	4,477.32	-
Total	13,936.93	6,447.81

Note 14 Equity Share capital

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
(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		
60,00,50,000 (Previous year 45,00,50,000) Equity shares of ₹ 10/- each, Fully paid-up	60,005.00	45,005.00
Total	60,005.00	45,005.00

Authorised Equity Share Capital Movement

Particulars	Number of Shares	Amount (₹ in Lacs)
As at 31 March 2018	1,00,00,00,000.00	1,00,000.00
Increase during the year	-	-
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



Notes forming part of Financial Statements

for the year ended March 31, 2020

Notes :

- (i) Shares held by holding company/ultimate holding company

Particulars	As at March 31, 2020	As at March 31, 2019
Balaji Telefilms Limited (immediate and ultimate holding company)	60,00,50,000	45,00,50,000

- (ii) Details of Equity shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Balaji Telefilms Limited	60,00,50,000	100%	45,00,50,000	100%

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	(₹) in Lacs	No. of shares	(₹) in Lacs
Equity shares outstanding at the beginning of the year	45,00,50,000	45,005.00	3,00,050,000	30,005.00
Add: Issue of Equity Shares during the year	15,00,00,000	15,000.00	1,50,000,000	15,000.00
Equity shares outstanding at the end of the year	60,00,50,000	60,005.00	4,50,050,000	45,005.00

- (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, 2020.

Note 15 Other Equity

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Retained Earnings	(34,023.99)	(22,837.87)
Share options outstanding account	339.16	369.34
Total	(33,684.83)	(22,468.53)

Note 15.1 Retained earnings

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	(22,837.87)	(11,653.49)
Adjustment consequent to adoption of Ind AS 115	-	289.39
Adjustment consequent to adoption of Ind AS 116 (Refer note 38)	(54.35)	-
Share Issue Costs	(7.50)	(15.00)
Loss of the year	(11,138.96)	(11,492.18)
Other comprehensive income for the year (net of tax)	14.69	33.41
Balance at the year end	(34,023.99)	(22,837.87)

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 15.2 Share options outstanding account

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	369.34	-
Add: Additions during the year (Refer note 34)	(30.18)	369.34
Balance at the year end	339.16	369.34

Note 16 Deferred tax liability (Refer Note 31)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax asset	(29.35)	(224.31)
Deferred tax liability	29.35	224.31
Total	-	-

(₹ in Lacs)

Particulars	For year ended March 31, 2020		
	Opening Balance	Charged/ (Credited) to Profit or Loss	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>			
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
<u>Tax effect of items constituting deferred tax assets</u>			
Carried forward tax losses	224.31	194.96	29.35
	224.31	194.96	29.35
Net Tax Asset/(Liabilities)	-	-	-

(₹ in Lacs)

Particulars	For year ended March 31, 2019		
	Opening Balance	Charged/ (Credited) to Profit or Loss	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>			
Fair value of investments	197.42	8.97	206.39
Deferred payment to trade payable	-	17.92	17.92
	197.42	26.89	224.31
<u>Tax effect of items constituting deferred tax assets</u>			
Carried forward tax losses	197.42	(26.89)	224.31
	197.42	(26.89)	224.31
Net Tax Asset/(Liabilities)	-	-	-



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 17 Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-Current		
(a) Trade payables: micro and small enterprises	-	-
(b) Trade payables: others	-	-
(c) Trade payables to related parties (Refer Note 28)	164.11	280.89
Total	164.11	280.89

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
(a) Trade payables: micro and small enterprises	22.22	34.81
(b) Trade payables: others	1,999.08	1,723.60
(c) Trade payables to related parties (Refer Note 28)	8,168.05	1,185.07
Total	10,189.35	2,943.48

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, 2020	As at March 31, 2019
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	16.37	30.01
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	5.85	4.80
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year, and	10.83	4.96
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	10.83	4.96

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 18 Other current financial liabilities

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Payable to creditors related to fixed assets	-	5.54
Total	-	5.54

Note 19 Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory liabilities	112.05	347.92
Employee benefits payable	154.14	166.07
Deferred revenue/ Contract Liabilities	1,357.55	658.17
Total	1,623.74	1,172.16

Note 20 Revenue from operations

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Subscription income	3,705.06	1,554.64
Licensing of digital content rights	2,050.20	2,610.73
Service Income	1,960.47	-
Marketing income	59.18	21.74
Total	7,774.91	4,187.11

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 21 Other income

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Unwinding of discount on security deposit	3.29	3.87
Net gain on investments mandatorily measured at fair value through profit and loss*	331.86	731.96
Gain on disposal of Fixed Assets	0.08	-
Total	335.23	735.83

*Total net gain on investments mandatorily measured at fair value through profit and loss includes ₹ 1,043.04 lacs (Previous year ₹ 697.46 lacs) as net gain on sale of investments



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 22 Direct Cost

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Amortisation of content	9,082.55	7,540.29
Dubbing & subtitling cost	86.04	356.03
Discontinued shows written off	-	205.95
Creative curation service fee	1,247.45	-
Total	10,416.04	8,102.27

Note 23 Employee Benefit Expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, wages and bonus	1,077.71	1,359.34
Contributions to provident and other funds (Refer Note 29)	55.71	66.21
Gratuity (Refer Note 29)	11.33	23.49
Staff welfare expenses	5.36	4.48
Employee stock options expense	(99.33)	99.33
Total	1,050.78	1,552.85

Note 24 Depreciation and amortisation expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment (Refer Note 4.1)	78.73	87.68
Amortisation of Intangible assets (Refer Note 4.2)	391.22	395.26
Amortisation of Right of use Assets (Refer Note 5)	94.20	-
Total	564.15	482.94

Note 25 Finance costs

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on deferred payment	34.81	25.03
Interest on Lease Liabilities (Refer Note 5)	23.77	-
Total	58.58	25.03

Note 26 Marketing Expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Marketing Expenses	3,043.68	2,596.33
Total	3,043.68	2,596.33

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 27 Other expenses

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Power and fuel	21.10	23.16
Rent including lease rentals	0.71	142.94
Repairs and maintenance - Others	8.48	8.34
Rates and taxes	130.66	103.78
Communication expenses	18.42	48.49
Legal and professional charges (Refer note 27.1)	1,032.24	821.24
Cross charge by Parent Company	784.81	848.93
Travelling and conveyance expenses	11.34	41.76
Digital space charges	958.96	788.45
Software expenses	233.01	102.29
Directors sitting fees	16.75	18.00
License and hosting fees	383.06	509.18
Foreign Exchange Loss (net)	6.36	5.77
Provision for bad and doubtful debts	58.93	-
Sales Commission	405.47	149.66
Miscellaneous expenses	45.57	43.71
Total	4,115.86	3,655.70

Note 27.1 Details of auditors remuneration (included in Legal and Professional charges)

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
As Auditors:		
Audit fee	16.50	16.50
Other services-certification etc.	6.17	-
Reimbursement of expenses	0.13	0.17
Total	22.80	16.67

Note 28 Related Party Transactions

(a) Name of related parties and description of relationship.

Name of the Related Party	Relationship
Balaji Telefilms Limited	Holding Company
Marinating Films Private Limited	Fellow Subsidiary
Chhayabani Balaji Entertainment Private Limited	Fellow Subsidiary
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Relative of Key management person
Mr. Nachiket Pantvaidya	Key management person
Mr. D G Rajan	Key management person
Mr. Devender Kumar Vasal	Key management person
Mr. V B Dalal	Key management person



Notes forming part of Financial Statements

for the year ended March 31, 2020

(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	1,247.45		
	-		
Cross Charge (Reimbursement of Expenses)	898.55		
	(578.92)		
Employee stock option expense (Refer note 34)*	(30.18)		
	(369.34)		
Director Sitting Fees			
D G Rajan		6.00	
		(6.00)	
Devender Kumar Vasal		6.00	
		(6.00)	
V B Dalal		4.75	
		(6.00)	
Artist Fees			
Tusshar Kapoor		47.25	
		(163.75)	
Issue of Shares	15,000.00		
	(15,000.00)		
Purchase of Content (Web Series & Films)	10,243.33		
	(4,975.62)		
Chhayabani Balaji Entertainment Private Limited			-
			(64.60)
Marinating Films Private Limited			50.00
			-
Marketing Expenses	118.86		
	(21.42)		
Interest on deferred payment	34.81		
	(25.03)		
Advance for Content	-		
	(156.46)		

(c) Closing balances as at year end

(₹ in Lacs)

Nature of Transactions.	Holding Company	Key Management Person & Relative of KMP	Fellow Subsidiary
Trade payable	8,332.16	-	-
	(1,465.96)	-	-
Advance to supplier	-	-	-
	(156.46)	-	-

Note:

Figures in bracket relate to the previous year.

*Includes reversal of 99.33 lakhs for employees of ALT who resigned in last year.

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 29 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 ₹ 55.71 lakhs (Previous year ₹ 66.21 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:

Particulars	Valuation as at	
	31-Mar-20	31-Mar-19
Discount rate	5.45%	6.76%
Salary growth rate (For the next 1st year)	0.00%	10.00%
Salary growth rate (Starting from the 2nd year)	10.00%	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
Mortality Rate after employment	NA	NA

Defined benefit plans – as per actuarial valuation on March 31, 2020

(₹ in Lacs)

Particulars	Funded Plan	
	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Actuarial (Gains)/Losses on Obligation for the year	(15.19)	(33.76)
Return on Plan Assets, Excluding Interest Income	0.50	0.35
Net (Income)/Expense for the year recognised in other comprehensive income (OCI)	(14.69)	(33.41)
Expense Recognised in the Statement of Profit and Loss		
Current Service Cost	11.64	22.09
Net interest cost	(0.31)	1.40
Expenses Recognized	11.33	23.49
I. Net Asset/(Liability) recognised in the Balance Sheet		
1. Present value of defined benefit obligation at the end of the year	(26.88)	(30.74)
2. Fair value of plan assets at the end of the year	41.85	35.26
3. Surplus/(Deficit)	14.97	4.52
4. Net (liability)/ Asset	14.97	4.52
5. Net liability recognised in the Balance sheet (Refer note below)	-	-



Notes forming part of Financial Statements

for the year ended March 31, 2020

Defined benefit plans – as per actuarial valuation on March 31, 2020 (Contd..)

(₹ in Lacs)

Particulars	Funded Plan	
	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
II. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	30.74	39.34
2. Expenses Recognised in Statement of Profit or Loss		
- Current Service Cost	11.64	22.09
- Interest Expense/(Income)	2.08	3.07
(Benefit paid from the Fund)	(2.37)	-
3. Actuarial (Gains)/ Losses on Obligations - Due to change in Demographic Assumptions	-	(16.00)
4. Actuarial (Gains)/ Losses on Obligations - Due to change in Financial Assumptions	(0.88)	1.44
5. Actuarial (Gains)/ Losses on Obligations- Due to experience	(14.31)	(19.20)
6. Present value of defined benefit obligation at the end of the year	26.88	30.74
III. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	35.26	21.42
2. Contributions by employer	7.08	12.52
3. Benefits paid from the fund	(2.37)	-
4. Interest Income	2.38	1.67
5. Return on Plan Assets, excluding Interest Income	(0.50)	(0.35)
6. Fair value of plan assets at the end of the year	41.85	35.26

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.

The sensitivity of the defined benefit obligation to the weighted principle assumptions is:

(₹ in Lacs)

Particulars	March 31, 2020	March 31, 2019
Projected Benefit Obligation on Current Assumptions	26.88	30.74
Delta Effect of +1% Change in Rate of Discounting	(1.19)	(1.39)
Delta Effect of -1% Change in Rate of Discounting	1.30	1.51
Delta Effect of +1% Change in Rate of Salary Increase	1.26	1.45
Delta Effect of -1% Change in Rate of Salary Increase	(0.93)	(1.36)
Delta Effect of +1% Change in Rate of Employee Turnover	0.71	0.86
Delta Effect of -1% Change in Rate of Employee Turnover	(0.74)	(0.90)

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 ₹ Nil (Previous year ₹ 7.11 lakhs) to the gratuity fund during the next financial year.

Notes forming part of Financial Statements

for the year ended March 31, 2020

Maturity profile of defined benefit obligation:

Projected Benefits Payable in future years from Date of Reporting

Particulars	(₹ in Lacs)	
	March 31, 2020	March 31, 2019
1st Following year	1.09	0.10
2nd Following year	3.46	3.82
3rd Following year	4.29	5.47
4th Following year	4.47	5.52
5th Following year	4.07	5.32
Sum of Years 6 to 10	11.92	15.49
Sum of Years 11 and above	6.35	8.38

Plan Assets

The fair value of Company's pension plan asset as of March 31, 2020 and March 31, 2019 by category are as follows:

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Asset category:		
Insurer managed funds	41.85	35.26
	100%	100%

The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published benchmarks.

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

30 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, 2020	For the year ended March 31, 2019
(a) (Loss) for the year attributable to equity shareholders (₹ in lacs)	(11,138.96)	(11,492.18)
(b) Weighted average number of Equity shares outstanding during the year (Nos)	55,05,29,452	39,62,14,384
(c) Loss per share - Basic and diluted (₹) (a / b)	(2.02)	(2.90)
(d) Nominal value of shares (₹)	10	10



Notes forming part of Financial Statements

for the year ended March 31, 2020

31 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 ₹ 8,620.54 lacs (previous year ₹ 6,035.39 lacs) as at March 31, 2020. 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.

32 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 ₹ 4,000.75 lacs during the year ended March 31, 2020 are derived from major six external customer.

Revenue of approximately ₹ 2,604.37 lacs during the year ended March 31, 2019 are derived from major six external customer.

33 As at March 31, 2020 the Company has accumulated losses of ₹ 34,023.99 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, 2020 as the Company neither has the intention nor the necessity of liquidation or curtailing materially the scale of the operations. In the opinion of the Board of Directors, the Company will meet all it's financial obligations as they fall due for payment for at least 12 months from the date of signatures of these financial statements.

34 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	289,017
Granted during the year	-
Exercised during the year	-
Forfeited during the year	289,017
Closing Balance - March 31, 2020	-

(ii) Expense arising from share based payment

Particulars	March 31, 2020	March 31, 2019
Employee Stock Option Expenses	(30.18)	369.34

(₹ in Lacs)

Notes forming part of Financial Statements

for the year ended March 31, 2020

The above Employee Stock Option Expenses reversal of ₹ 30.18 lacs is included in the statement of Profit and Loss as under-

Particulars	Amount (₹ in lacs)
Employee stock options expense (Refer Note 23)	(99.33)
Cross charge by Parent Company (Refer Note 27)	69.15
Total	(30.18)

35 Fair Value Measurements

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

Financial instrument by category

(₹ in Lacs)

Particulars	March 31, 2020			March 31, 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Current financial assets						
Investments	2,143.62	-	-	6,350.51	-	-
Trade receivables	-	-	5,407.11	-	-	532.60
Cash and cash equivalents	-	-	544.20	-	-	233.10
Loans	-	-	34.82	-	-	47.19
Other financial assets	-	-	1,511.59	-	-	60.17
Total Financial Assets	2,143.62	-	7,497.72	6,350.51	-	873.06
Non-Current Financial Liabilities						
Trade payables	-	-	164.11	-	-	280.89
Current Financial Liabilities						
Trade payables	-	-	10,189.36	-	-	2,943.48
Other financial liabilities	-	-	-	-	-	5.54
Total Financial Liabilities	-	-	10,353.47	-	-	3,229.91

(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 in 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, 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 Financial Statements

for the year ended March 31, 2020

35 Fair Value Measurements (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

(₹ in Lacs)

Financial assets and liabilities measured at fair value-recurring fair value measurement March 31, 2019	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Funds	6,350.51	-	-	6,350.51
Total Financial Assets	6,350.51	-	-	6,350.51

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2019	Level 1	Level 2	Level 3	Total
Non-current liabilities				
Trade Payables	-	-	284.69	284.69
Total Financial Liabilities	-	-	284.69	284.69

The carrying value of trade receivables, cash and cash equivalents, current loans, current trade payables and other financial assets and liabilities are considered to be the same as their fair values due to their short term nature.

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in valuation technique. The hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement). The categories used are as follows:

Level-1 Hierarchy includes financial instruments measured using quoted price. 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.

Notes forming part of Financial Statements

for the year ended March 31, 2020

(iii) Fair value of financial assets and liabilities measured at amortised cost

(₹ in Lacs)

Particulars	March 31, 2020		March 31, 2019	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Non Current Financial Liabilities				
Trade Payables	164.11	166.17	280.89	284.69

36 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, 2020 and March 31, 2019 is the carrying value of each class of financial assets as disclosed in note 35.

Security deposits given to lessors

The Company has given security deposit to lessors for premises leased by it as at March 31, 2020 and March 31, 2019. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.



Notes forming part of Financial Statements

for the year ended March 31, 2020

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.

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, 2020		March 31, 2019	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivables	5,466.04	(58.93)	532.60	-
Loans	34.82	-	47.19	-
Unbilled Revenue	1,511.59	-	60.17	-

The following table summarizes the changes in the Provisions made for the receivables:

(₹ in Lacs)

Particulars	March 31, 2020	March 31, 2019
Opening balance	-	-
Provided during the year (net of write off)	(58.93)	-
Reversals of provisions	-	-
Closing balance	(58.93)	-

Of the Trade Receivables balance as at March 31, 2020 of ₹ 5,407.11 lacs (as at March 31, 2019 of ₹ 532.60 lacs), the top 3 customers of the company represent the balance of ₹ 5,331.40 lacs as at March 31, 2020 (as at March 31, 2019 of ₹ 365.37 lacs).

No significant changes in estimation techniques or assumptions were made during the reporting period.

Notes forming part of Financial Statements

for the year ended March 31, 2020

(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.

Maturity 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, 2020				
Trade payables	10,189.36	-	164.11	10,353.47
Other Financial Liabilities	-	-	-	-
Total financial liabilities	10,189.36	-	-	10,353.47

(₹ in Lacs)				
Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2019				
Trade payables	2,943.48	-	280.89	3,224.37
Other Financial Liabilities	5.54	-	-	5.54
Total financial liabilities	2,949.02	-	-	3,229.91

(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, 2020, 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 ₹ 111.40 lacs and ₹ 21.64 lacs (March 31, 2019 ₹ 83.75 lacs and ₹ 138.93 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, 2020 (Previous year Nil).



Notes forming part of Financial Statements

for the year ended March 31, 2020

(c) Price risk

(i) Exposure

The company's exposure to investments arises from investment held by the company in mutual funds and classified in the balance sheet as fair value through profit or loss.

To manage its price risk arising from investments in mutual funds, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company.

(ii) Sensitivity

(₹ in Lacs)

Particulars	Impact on profit after tax	
	March 31, 2020	March 31, 2019
Net asset value - Increase 5% (March 31, 2019 5%)*	107.18	317.53
Net asset value - Decrease 5% (March 31, 2019 5%)*	(107.18)	(317.53)

*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.

37 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.

38 Changes in accounting policies

This note explains the impact of the adoption of Ind AS 116, Leases on the company's financial statements.

The company has adopted Ind AS 116 for the first time using modified retrospective method with date of initial application of April 1, 2019. The company has not restated comparatives for year ended March 31, 2019, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on April 1, 2019.

On adoption of Ind AS 116, the company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 1, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on April 1, 2019 was 8.27%.

Notes forming part of Financial Statements

for the year ended March 31, 2020

i) Practical expedients applied - Transition

In applying Ind AS 116 for the first time, the company has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at April 1, 2019
- accounting for operating leases with a remaining lease term of less than 12 months as at April 1, 2019 as short-term leases
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 296.93 Lacs and a lease liability of ₹ 351.28 Lacs as at April 1, 2019. The cumulative effect of applying the standard as at April 1, 2019 of ₹ 54.35 Lacs was debited to retained earnings. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

(ii) Measurement of lease liabilities

The following is the break-up of current and non-current lease liabilities as of March 31, 2020:

(₹ in Lacs)	
Particulars	FY 2019-20
Current Lease liabilities	106.07
Non-current lease liabilities	147.30
Total	253.37

The following is the movement in lease liabilities for the year ended March 31, 2020

Particulars	Amount
Balance as of April 1, 2019	(351.28)
Additions	-
Finance cost accrued during the period	(23.77)
Payment of lease liabilities	121.68
Balance as of March 31, 2020	(253.37)

(iii) Measurement of right-of-use assets

(₹ in Lacs)	
Particulars	Category of ROU
	Office Space
Balance as of April 1, 2019	296.93
Reclassified on account of adoption of Ind AS 116	10.37
Additions	-
Amortisation	(94.20)
Balance as of March 31, 2020	213.10



Notes forming part of Financial Statements

for the year ended March 31, 2020

39 Change in Inventory Amortisation pattern

During the year, the company has evaluated the amortisation pattern of its inventory of internet series. The company evaluated the expected viewership pattern of the content of internet series by users of services from the launch date of content based on the historical and estimated viewing pattern. On this basis, the company has decided to revise the amortisation pattern. Till September 30, 2019, the amortisation was spread on an accelerated basis over 2 years. From October 1, 2019 onwards, the amortisation is being spread on an accelerated basis over 3 years of launch. Consequent to the change, the amortisation of internet series grouped under cost of production is lower by ₹ 989.75 lacs with an equivalent impact on the loss before tax for the year ended March 31, 2020.

40 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.

41 The COVID-19 pandemic and the resultant lockdown declared by the Government in March 2020 has adversely impacted the entire media and entertainment industry and consequently the business activities of the Company are also affected.

The digital business continues to operate throughout the lockdown period however, launch of new shows is affected due to shutdown in production activities during the lockdown phase. Management expects the production of digital content to be resumed in due course.

The Company has assessed the potential impact of COVID-19 on its business, liquidity and financial position and has initiated effective steps to reduce the impact. Given the continuing uncertainties due to the COVID-19 pandemic, the actual impact may be different from that estimated as on the date of approval of these financial statements, and will require continuous monitoring of the Company's operations.

Signatures to note 1 to 41

For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

Ali Akbar

Partner

Membership No: 117839

Place : Mumbai

Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor

(Chairperson)

DIN: 00005124

Nachiket Pantvaidya

(CEO)

Karuna Naik

(Company Secretary)

Place : Mumbai

Date : July 22, 2020

Sanjay Dwivedi

(Group CFO)

MARINATING FILMS PRIVATE LIMITED

Board's Report

The Directors present the 9th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2020.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

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

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Income from operations	1,106.83	114.03
Less: Total expenditure	1,209.82	147.00
Operating profit	(102.99)	(32.97)
Less: Interest	-	-
Less: Depreciation	-	-
Operating (Loss) after interest and depreciation	(102.99)	(32.97)
Add: Other income	7.86	19.47
(Loss) before tax	(95.13)	(13.50)
Less: Provision for taxation	-	-
Net (loss) after tax	(95.13)	(13.50)
Other Comprehensive Income	-	-
Balance brought forward from previous year	(552.90)	(676.13)
Conversion of preference shares into equity	-	136.73
Balance carried to balance sheet	(648.03)	(552.90)

RESULTS OF OPERATIONS

During the year under review, the Company has reported loss of ₹ 95.13 Lacs as against loss of ₹ 13.50 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

The paid-up Share Capital of the Company as on March 31, 2020 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. As on March 31, 2020 the Company is a 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, 2020.

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 lockdown declared by the Government in March 2020 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, 2020 and concluded that there were no material adjustments required in the financial statements as on March 31, 2020. 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)

Change in designation of Independent Director to Non-Executive Director

During the year under review, the designation of Mr. Devender Kumar Vasal was changed from

Independent Director to Non-Executive Director w.e.f. May 22, 2019 due to non-requirement of Independent Directors on the Board of the Company pursuant to Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Retire by rotation and subsequent re-appointment

Mrs. Shobha Kapoor, Non-Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting (AGM), pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(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 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

During the year under review, the Company had 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. Further, since there were no Independent directors on the Board of the Company as on March 31, 2020, there was no requirement to receive such declaration.

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 27 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, May 22, 2019, August 09, 2019, November 13, 2019 & February 12, 2020. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

ii) BUSINESS RISK MANAGEMENT

The Holding Company i.e. Balaji Telefilms Limited has Risk Management Policy which is applicable to all its subsidiaries. The risk management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage. Major risks identified by the business and functions are systematically addressed through mitigation actions on a periodic basis.

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

The Holding Company i.e. Balaji Telefilms Limited has Corporate Social Responsibility Policy which is applicable to all its subsidiaries. However, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

The provisions of Section 177, 178 & 135 of the Companies Act, 2013 with respect to constitution of various Committees are not applicable to the Company.

OTHER DISCLOSURES

i) EXTRACT OF ANNUAL RETURN

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

ii) REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors have not reported to the Board, under Section 134(3)(ca) and 143(12) of the Companies Act, 2013, any 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 the provisions of Section 186 of the Companies Act, 2013. Hence no disclosure is required to be given in this regard.

ix) PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The 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 equipments. We purchase computers, laptops, air conditioners etc. that meet environmental standards, wherever possible and regularly upgrade old equipments with more energy-efficient equipments. Currently, we use Light Emitting Diode (LED) fixtures to reduce the power consumption in the illumination system.

TECHNOLOGY ABSORPTION

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to technology absorption do not apply to the Company. The Company's research and development initiative mainly consists of ideation of new subjects for our content production business, which are used in the creation of new storyline and tracks. The expenses incurred on such initiatives are not practically quantifiable. The Company is an integrated player in the entertainment industry and our business is such that there is limited scope for new technology absorption, adaptation and innovation. However, the Company uses the latest technology, wherever possible to deliver superior production value, as a regular process.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, there were no foreign exchange earnings or outgo.

MECHANISM FOR EVALUATING BOARD MEMBERS

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board lays down the evaluation criteria for the performance evaluation of Executive 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, 2020, 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, 2020 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 co-operation, assistance and support.

For and on behalf of the Board of Directors

Place: Mumbai
Date: July 22, 2020

Sd/-
Shobha Kapoor
Chairperson
DIN: 00005124



Annexure I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U74120MH2011PTC220971
2.	Registration Date	16/08/2011
3.	Name of the Company	Marinating Films Private Limited
4.	Category/Sub-category of the Company	Company Limited by Shares/Private Non-Government Company
5.	Address of the Registered office & Contact details	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400053, Maharashtra. Tel: +91-022-40698000, Fax: +91-022-40698181/82 Email: simmi.bisht@balajitelefilms.com
6.	Whether listed Company	No
7.	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	NSDL Database Management Limited 4 th 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	99.95	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, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual /HUF	0	4,900	4,900	0.11	2,450	0	2,450	0.05	-0.06
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	44,55,100	44,55,100	99.89	44,57,550	0	44,57,550	99.95	0.06
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	0	44,60,000	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)	0	44,60,000	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 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



Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)= (B)(1) +(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	44,60,000	44,60,000	100.00	44,60,000	0	44,60,000	100.00	0

Note: Change in shareholding is pursuant to Members inter se transfer of shares from Mr. Sunny Arora to Balaji Telefilms Limited.

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 01, 2019			Shareholding at the end of the year i.e. March 31, 2020			% 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	44,55,100	99.90	0	44,57,550	99.95	0	0.05
2.	Mr. Anand Mishra	2,450	0.05	0	2,450	0.05	0	0
3.	Mr. Sunny Arora	2,450	0.05	0	0	0	0	-0.05
	Total	44,60,000	100.00	0	44,60,000	100.00	0	0

Note:

- Change in shareholding is pursuant to Members inter se transfer of shares from Mr. Sunny Arora to Balaji Telefilms Limited.
- Ms. Ekta Kapoor & Mrs. Shobha Kapoor are Promoter Directors of the Company and did not hold any share of the Company as on March 31, 2020.

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	44,55,100	99.90	44,55,100	99.90
	Transfer of shares from Sunny Arora's account	2,450	0.05	44,57,550	99.95
	Sold during the year	-	-	44,57,550	99.95
	At the end of the year	44,57,550	99.95	44,57,550	99.95
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
	Sold during the year	-	-	2,450	0.05
	At the end of the year	2,450	0.05	2,450	0.05
3.	Sunny Arora				
	At the beginning of the year	2,450	0.05	2,450	0.05

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	-	-	2,450	0.05
	Transfer of shares to Balaji Telefilms Limited on October 30, 2019	2,450	0.05	0	0.00
	At the end of the year	0	0.00	0	0.00

Note: Change in shareholding is pursuant to Members inter se transfer of shares from Mr. Sunny Arora to Balaji Telefilms Limited.

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:

The Directors of the Company did not hold any shares during the financial 2019-20. Further, the provisions of Section 203 of the Companies Act, 2013 for the appointment of Key Managerial Personnel (KMP) are not applicable to the Company.

V. INDEBTEDNESS

The Company had no indebtedness with respect to Secured or Unsecured Loans or Deposits during the financial year 2019-20.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

The Company does not have any Managing Director, Whole time Director or Manager during the year under review.

B. Remuneration to other Directors:

(₹ In Lacs)					
Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	Devender Kumar Vasal			
	Fee for attending Board and Committee Meetings	0.25			0.25
	Commission	-			-
	Others	-			-
	Total (1)	0.25			0.25
2.	Other Non- Executive Directors	Shobha Kapoor	Ekta Kapoor	Devender Kumar Vasal	
	Fee for attending Board and Committee Meetings	-	-	0.75	0.75
	Commission	-	-	-	-
	Others	-	-	-	-
	Total (2)	-	-	0.75	0.75
	Total B= (1+2)	0.25	-	0.75	1.0
	Total Managerial Remuneration (A+B)				1.0
	Ceiling as per Act (per annum)	N.A.			

Note: Sitings fees paid to Mr. Devender Kumar Vasal for the period from April 01, 2019 to May 22, 2019 as Independent Director of the Company. Thereafter due to change in his designation from Independent Director to Non-Executive Director w.e.f. May 22, 2019, sitting fees for the period from May 23, 2019 to March 31, 2020 was paid to him as Non-Executive Director of the Company.

**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

Place: Mumbai

Date: July 22, 2020

Sd/-

Shobha Kapoor

Chairperson

DIN: 00005124

Annexure II

FORM AOC-2

PARTICULARS OF CONTRACTS /ARRANGEMENTS / TRANSACTIONS MADE WITH RELATED PARTIES

For the financial year ended March 31, 2020

[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, 2020 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, 2020, which were at arm's length basis.

For and on behalf of the Board of Directors

Place: Mumbai
Date: July 22, 2020

Sd/-
Shobha Kapoor
Chairperson
DIN: 00005124



Independent Auditor's Report

To the Members of Marinating Films Private Limited

Emphasis of Matter

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, 2020, 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, 2020, 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.

4. We draw your attention to Note 27 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 skepticism 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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, 2020.
 - 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, 2020.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.
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
UDIN: 20117839AAAAAU5492

Place: Mumbai
Date: July 22, 2020

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, 2020

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, 2020 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 control system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, 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

UDIN: 20117839AAAAAU5492

Place: Mumbai

Date: July 22, 2020

Annexure B to Independent Auditor's 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, 2020

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.

- 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. 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

Membership Number: 117839

UDIN: 20117839AAAAAU5492

Place: Mumbai

Date: July 22, 2020

Balance Sheet

as at March 31, 2020

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
(a) Current tax asset (net)	4	110.90	94.33
Total Non-current Assets		110.90	94.33
Current assets			
(a) Financial assets			
(i) Investments	5	74.13	68.93
(ii) Trade receivables	6	-	76.62
(iii) Cash and cash equivalents	7	12.66	59.36
(iv) Other financial assets	8	-	51.95
(b) Other current assets	9	120.80	125.63
Total Current Assets		207.59	382.49
Total Assets		318.49	476.82
EQUITY AND LIABILITIES			
Equity			
(a) Share capital	10A	446.00	446.00
(b) Instrument entirely equity in nature	10B	325.00	325.00
(c) Other Equity			
- Reserves & Surplus	11	(648.03)	(552.90)
Total Equity		122.97	218.10
Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(a) total outstanding dues of micro and small enterprises	12	-	-
(b) total outstanding dues other than (i) (a) above	12	22.06	21.21
(b) Other current liabilities	13	173.46	237.51
Total Current Liabilities		195.52	258.72
Total Equity and Liabilities		318.49	476.82

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

Ali Akbar
Partner
Membership No: 117839

Place : Mumbai
Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : July 22, 2020



Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
1 Revenue from operations	14	1,106.83	114.03
2 Other income	15	7.86	19.47
3 Total Income (1+2)		1,114.69	133.50
4 Expenses			
Cost of Production / Acquisition and Telecast Fees	16	1,058.89	-
Changes in inventories	16	-	114.77
Marketing expense		8.60	-
Employee benefits expense	17	-	3.92
Other expenses	18	142.33	28.31
Total Expenses		1,209.82	147.00
5 Loss before tax (3-4)		(95.13)	(13.50)
6 Income tax expense			
- Current tax		-	-
- Deferred tax		-	-
Total tax expense		-	-
7 Loss for the year (5-6)		(95.13)	(13.50)
8 Other comprehensive income		-	-
9 Total comprehensive income for the year (7+8)		(95.13)	(13.50)
10 Basic & Diluted earnings/(loss) per share (in ₹)	20	(1.23)	(0.23)
(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

Ali Akbar

Partner

Membership No: 117839

Place : Mumbai

Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor

(Chairperson)

DIN: 00005124

Sanjay Dwivedi

(Group CFO)

Place : Mumbai

Date : July 22, 2020

Statement of Cash Flows

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash Flow from Operating Activities		
Loss before tax	(95.13)	(13.50)
Adjustments for		
Interest on income tax refund	(0.59)	(4.37)
Provision for Bad and Doubtful Debts	116.19	-
Profit on fair valuation of current investments	(5.20)	(3.93)
Creditors written back	(1.47)	108.93
Operating Loss before working capital changes	13.80	(32.97)
Decrease / (Increase) in trade receivables	12.38	844.99
Decrease / (Increase) in Other financial assets	-	(51.95)
Decrease / (Increase) in inventories	-	114.77
Decrease / (Increase) in other current assets	4.83	2.94
(Decrease) / Increase in trade payables	2.32	(1,122.27)
(Decrease) / Increase in other current liabilities	(64.05)	(44.87)
	(30.72)	(199.62)
Income taxes paid	(15.98)	(19.94)
Net cash used in operating activities (A)	(46.70)	(219.56)
B. Cash Flow from Investing Activities		
Investment in mutual fund	-	(65.00)
Net cash flow from / (used in) investing activities (B)	-	(65.00)
C. Cash Flow from Financing Activities		
Issue of compulsory convertible debentures	-	325.00
Net cash flow from financing activities (C)	-	325.00
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(46.70)	40.44
Cash and cash equivalents at the beginning of the financial year (Refer note 7)	59.36	18.92
Cash and cash equivalents at the end of the financial year (Refer note 7)	12.66	59.36

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

Ali Akbar
Partner
Membership No: 117839

Place : Mumbai
Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : July 22, 2020



Statement of Changes in Equity

for the year ended March 31, 2020

A. Equity share capital

Particulars	(₹ in Lacs)
As at April 01, 2018	1.00
Shares issued on conversion of Zero dividend optionally convertible redeemable preference shares into Equity shares	345.00
Shares issued on conversion of Zero dividend optionally convertible non-cumulative redeemable preference shares into Equity shares	100.00
As at March 31, 2019	446.00
As at April 1, 2019	446.00
Changes in equity share capital during the year	-
As at March 31, 2020	446.00

B. Instrument entirely equity in nature - Compulsory Convertible Debentures

Particulars	(₹ in Lacs)
As at April 01, 2018	-
Issue of Zero Percent Compulsorily Convertible Debentures of ₹ 10 each (Refer note 10B)	325.00
As at March 31, 2019	325.00
As at April 1, 2019	325.00
Changes in Compulsory Convertible Debentures during the year	-
As at March 31, 2020	325.00

C. Other Equity

Particulars	Equity component of compound financial instruments	(₹ in Lacs)	
		Reserves and surplus	Total other equity
		Retained earnings / (Deficit in statement of Profit & loss)	
As at April 01, 2018	573.90	(676.13)	(102.23)
Conversion of Zero dividend optionally convertible redeemable preference shares in equity shares	(445.00)	-	(445.00)
Conversion of preference shares into equity	(128.90)	136.73	7.83
Loss for the year	-	(13.50)	(13.50)
As at March 31, 2019	-	(552.90)	(552.90)
As at April 1, 2019	-	(552.90)	(552.90)
Loss for the year	-	(95.13)	(95.13)
As at March 31, 2020	-	(648.03)	(648.03)

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

Ali Akbar
Partner
Membership No: 117839

Place : Mumbai
Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : July 22, 2020

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 1 : Background

Marinating Films Private Limited (MFPL) was incorporated on August 16, 2011 under the Companies Act, 1956 and is in the business of event management relating to films & television industry. The Company is a subsidiary of Balaji Telefilms Ltd. The registered office and principal place of business of the Company is at Andheri (West), Mumbai.

Note 2 : Significant accounting policies

The note provides a list of significant accounting policies adopted in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

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

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

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained 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.

New and amended standards adopted by the Company

The Company has applied Ind AS 116, for the first time beginning April 1, 2019. Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. The standard removes the current

distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. The adoption of the standard does not have any impact on the Company's financial statements and hence no adjustment to the opening balance of retained earnings as at April 01, 2019 is required.

(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 22 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).



Notes forming part of Financial Statements

for the year ended March 31, 2020

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.

(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.

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.

(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.

Notes forming part of Financial Statements

for the year ended March 31, 2020

(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.

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 24(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.



Notes forming part of Financial Statements

for the year ended March 31, 2020

(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 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.

Notes forming part of Financial Statements

for the year ended March 31, 2020

(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 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 Financial Statements

for the year ended March 31, 2020

Note 4 Current tax assets

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Tax deducted at source	110.90	94.33
Total	110.90	94.33

Note 5 Current Investments (Unquoted)

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Investment in Mutual Fund (Non Trade) (Carried at fair value through profit and loss)	74.13	68.93
Total	74.13	68.93

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Total current investments		
Aggregate amount of quoted investments at market value thereof	-	-
Aggregate amount of unquoted investments	74.13	68.93
Aggregate amount of impairment in the value of investments	-	-

Note 6 Trade receivables

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Trade Receivable from contract with customers	143.77	156.15
Trade Receivable from contract with customers - Related party	-	-
Less: Loss allowance	(143.77)	(79.53)
Total	-	76.62

Break up of security details

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	143.77	156.15
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	143.77	156.15
Loss allowance	(143.77)	(79.53)
Total trade receivable	-	76.62

The Company has recognised an allowance for doubtful debts against receivables from whom recoverability is uncertain.

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, 2019 ₹ 79.53 lacs) towards doubtful receivables.

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 7 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks		
- in current accounts	12.66	59.36
Total	12.66	59.36

Note 8 Other financial assets

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unbilled revenue	-	51.95
Total	-	51.95

Note 9 Other current assets

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with government authorities	113.24	120.62
Advance to vendors	7.56	5.01
Total	120.80	125.63

Note 10 Share capital

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
(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



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 10A Equity share capital

(i) Movement in Equity Share Capital:

Authorised Share Capital

Particulars	Number of Shares	₹ in Lacs
As at April 1, 2018	50,000	5
Increase during the year	1,05,00,000	1,050
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

Issued, Subscribed and fully paid up

Particulars	Number of Shares	₹ in Lacs
As at April 1, 2018	10,000	1
Shares issued on conversion of Zero dividend optionally convertible redeemable preference shares into Equity shares	34,50,000	345
Shares issued on conversion of Zero dividend optionally convertible non-cumulative redeemable preference shares into Equity shares	10,00,000	100
As at March 31, 2019	44,60,000	446
Increase during the year	-	-
As at March 31, 2020	44,60,000	446

(ii) Shares held by holding company / ultimate holding company :

Particulars	As at March 31, 2020	As at March 31, 2019
	No. of Shares	No. of Shares
Balaji Telefilms Limited (immediate and ultimate holding company)	44,57,550	44,55,100

(iii) Details of Equity Shares held by each shareholder holding more than 5% Equity Shares:

Name of Equity shareholder	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Balaji Telefilms Limited	44,57,550	99.95%	44,55,100	99.90%

(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, 2020.

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 10B Instruments entirely equity in nature - Compulsory Convertible Debentures

Particulars	Numbers	₹ in Lacs
As at April 1, 2018	-	-
Issue of Zero Percent Compulsorily Convertible Debentures of ₹ 10 each (Refer note below)	32,50,000	325
As at March 31, 2019	32,50,000	325
Increase during the year	-	-
As at March 31, 2020	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.

Note 11 Reserves & Surplus

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Retained earnings / (Deficit in statement of Profit & loss)	(648.03)	(552.90)
Total	(648.03)	(552.90)

Note 11.1 Retained earnings / (Deficit in statement of Profit & loss)

Particulars	(₹ in Lacs)	
	Year ended March 31, 2020	Year ended March 31, 2019
Balance at beginning of year	(552.90)	(676.13)
Conversion of preference shares into equity	-	136.73
Loss for the year	(95.13)	(13.50)
Balance at end of the year	(648.03)	(552.90)

Note 12 Trade payables

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Current		
Trade payables: micro and small enterprises	-	-
Trade payables : others	12.08	11.23
Trade payables to related parties (Refer note 19)	9.98	9.98
Total	22.06	21.21

Notes:

(a) Micro, Small and Medium Enterprises :

Trade payable includes ₹ Nil (March 31, 2019 ₹ Nil) due to Micro and Small Enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act).

No interest is paid / payable during the year to any Micro / Small Enterprise registered under the MSME. There were no delayed payments during the year to any Micro or Small Enterprise registered under the MSME Act.

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Management regarding the status of suppliers under the MSME Act.



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 13 Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Contract liabilities / Advance from customers	173.46	237.51
Total	173.46	237.51

Note 14 Revenue from operations

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Sale of services		
License Rights	900.00	104.35
Franchise / Participation fees	127.83	-
Internet income	50.00	6.52
Free commercial time	29.00	3.16
Total	1,106.83	114.03

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 15 Other income

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income on Income-tax refund	0.59	4.37
Unrealised gains on Investments at fair value through profit or loss	5.20	3.93
Creditors written back	1.47	11.17
Other	0.60	-
Total	7.86	19.47

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 16 Cost of Production / Acquisition and Telecast Fees

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
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	-

Changes in Inventories :

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening balance - Events	-	114.77
Closing balance - Events	-	-
Total changes in inventories	-	114.77

Note 17 Employee benefits expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages	-	3.92
Total	-	3.92

Note 18 Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rates and taxes	22.74	16.62
Legal and professional charges (Refer note 18.1)	2.35	9.81
Director sitting fees	1.00	1.75
Provision for doubtful debts	116.19	-
Miscellaneous expenses	0.05	0.13
Total	142.33	28.31

Note 18.1 Payment to auditors (included in Legal & professional charges)

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
As auditors :		
Audit fees	0.20	3.50
For other service	0.10	-
Reimbursement of out of pocket expenses	-	0.05
Total	0.30	3.55



Notes forming part of Financial Statements

for the year ended March 31, 2020

19 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. Anand Prakash Mishra	Key management person (upto October 23, 2018)
Mr. Devendra Kumar Vasal	Key management person
Mr. Virendra Babubhai Dalal	Key management person (upto May 19, 2018)
Marinating Films Partnership	Entity in which key management person has significant influence (upto October 23, 2018)

(b) Details of Transactions with related parties during the year

(₹ in Lacs)

Nature of Transactions	Holding Company	Director	Fellow Subsidiary
Conversion of preference shares into equity shares			
Balaji Telefilms Limited	-	-	-
	(445.00)	(-)	(-)
Issue of compulsory convertible debentures			
Balaji Telefilms Limited	-	-	-
	(325.00)	(-)	(-)
Expenses incurred on behalf of MFPL			
Balaji Telefilms Limited	-	-	-
	(9.98)	(-)	(-)
Sale of Digital Rights			
Alt Digital Media Entertainment Limited	-	-	50.00
	(-)	(-)	(6.52)
Remuneration			
Anand Prakash Mishra	-	-	-
	(-)	(3.92)	(-)
Director Sitting Fees			
Devendra Kumar Vasal	-	1.00	-
	(-)	(1.25)	(-)
Virendra Babubhai Dalal	-	-	-
	(-)	(0.50)	(-)

(c) Closing balances as at March 31, 2020

(₹ in Lacs)

Nature of Transactions.	Holding Company	Director	Fellow Subsidiary
Amount payable as on March 31, 2020			
Balaji Telefilms Limited	9.98	-	-
	(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.

Notes forming part of Financial Statements

for the year ended March 31, 2020

20 Earnings per share

Basic and diluted earnings/(loss) per share

Basic earnings per share is calculated by dividing the profit / (losses) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as under :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) (Loss) for the year attributable to equity share holders (₹ in lacs)	(95.13)	(13.50)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	77,10,000	59,15,890
(c) Loss per share - Basic and diluted (₹) (a / b)	(1.23)	(0.23)
(d) 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 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 ₹ 126.70 lacs (previous year ₹ 158.85 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.

22 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 ₹ 900.00 lacs (March 31, 2019 ₹ 104.35) is derived from a single external customer.



Notes forming part of Financial Statements

for the year ended March 31, 2020

23 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, 2020			March 31, 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Current financial assets						
Investments	74.13	-	-	68.93	-	-
Trade receivables	-	-	-	-	-	76.62
Cash and cash equivalents	-	-	12.66	-	-	59.36
Other current financials assets	-	-	-	-	-	51.95
Total Financial Assets	74.13	-	12.66	68.93	-	187.93
Financial Liabilities						
Trade payables	-	-	22.06	-	-	21.21
Total Financial Liabilities	-	-	22.06	-	-	21.21

(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, 2020	Level 1	Level 2	Level 3	Total
Current financial assets				
Investments in mutual fund	74.13	-	-	74.13
Total Financial Assets	74.13	-	-	74.13

(₹ in Lacs)

Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2019	Level 1	Level 2	Level 3	Total
Current financial assets				
Investments in mutual fund	68.93	-	-	68.93
Total Financial Liabilities	68.93	-	-	68.93

Notes forming part of Financial Statements

for the year ended March 31, 2020

The carrying value of trade receivables, cash and cash equivalents, trade payables and other current 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. 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 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.

24 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 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 Financial Statements

for the year ended March 31, 2020

The Company's maximum exposure to credit risk as at March 31, 2020 and March 31, 2019 is the carrying value of each class of financial assets as disclosed in note 23.

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 years	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

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2019				
Trade payables	21.21	-	-	21.21
Total financial liabilities	21.21	-	-	21.21

(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, 2020 (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, 2020 (Previous year ₹ Nil).

Notes forming part of Financial Statements

for the year ended March 31, 2020

(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	(₹ in Lacs)	
	Impact on profit after tax	
	March 31, 2020	March 31, 2019
Net asset value - Increase 5% (March 31, 2019 5%)*	3.71	3.45
Net asset value - Decrease 5% (March 31, 2019 2%)*	(3.71)	(1.38)

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

25 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.

26 Deferred Tax assets (net)

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities		
Fair value of investment	2.30	1.02
Deferred Tax Assets		
On brought forward losses	2.30	1.02
Total	-	-



Notes forming part of Financial Statements

for the year ended March 31, 2020

26 Deferred Tax assets (net) (Contd..)

Deferred Tax movement

(₹ in Lacs)

Particulars	For the year 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	-	-	-

(₹ in Lacs)

Particulars	For the year March 31, 2019		
	Opening Balance	Charged/ (Credited) to Profit or Loss	Closing Balance
Tax effect of items constituting deferred tax liabilities			
Fair value of investments	-	1.02	1.02
Tax effect of items constituting deferred tax assets			
Brought forward losses	-	(1.02)	1.02
Net tax assets	-	-	-

27 The COVID-19 pandemic and the resultant lockdown declared by the Government in March 2020 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, 2020 and concluded that there were no material adjustments required in the financial statements as on March 31, 2020. 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 Financial Statements

for the year ended March 31, 2020

28 As at March 31, 2020 the Company has accumulated losses of ₹ 648.03 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, 2020 as the Company neither has the intention nor the necessity of liquidation or of curtailing materially the scale of the operations. In the opinion of the Board of Directors, the Company will meet all it's financial obligations as they fall due for payment for at least 12 months from the date of signatures of these financial statements.

Signature to notes 1 to 28

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

Ali Akbar
Partner
Membership No: 117839

Place : Mumbai
Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)

Place : Mumbai
Date : July 22, 2020



CHHAYABANI BALAJI ENTERTAINMENT PRIVATE LIMITED

Board's Report

The Directors present the 5th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2020.

COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

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

(₹ in Lacs)		
Particulars	2019-20	2018-19
Income from operations	-	164.25
Less: Total expenditure	44.03	225.30
Operating profit	(44.03)	(61.05)
Less: Interest	-	4.46
Less: Depreciation	7.09	14.67
Operating (Loss) after interest and depreciation	(51.12)	(80.18)
Add: Other income	15.16	-
Less: Exceptional Items	-	-
(Loss) before tax	(35.96)	(80.18)
Less: Provision for taxation	-	-
Net (loss) after tax	(35.96)	(80.18)
Other Comprehensive Income	-	-
Balance brought forward from previous year	(209.18)	(129.00)
Conversion of preference shares into equity	4.03	-
Balance carried to balance sheet	(241.11)	(209.18)

RESULTS OF OPERATIONS

During the year under review, the Company has reported a net loss of ₹ 35.96 Lacs as compared to a net loss of ₹ 80.18 Lacs in the previous fiscal.

DIVIDEND

Considering the loss incurred in the current financial year, Directors have not recommended any dividend for the financial year under review.

TRANSFER TO RESERVES

The Directors of the Company do not propose to transfer any amount to the reserves in view of loss incurred by the Company.

BORROWINGS

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

SHARE CAPITAL

- During the year under review, the Company has reclassified the existing Authorized Share Capital of the Company at the Extra Ordinary General Meeting held on March 13, 2020, from ₹ 5,00,00,000/- (Rupees Five Crore Only) divided into 25,00,000 (Twenty-Five Lakh) Equity Shares of ₹ 10/- (Rupees Ten Only) each and 25,00,000 (Twenty-Five Lakh) Preference Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 5,00,00,000/- (Rupees Five Crore Only) divided into 35,00,000 (Thirty-Five Lakh) Equity

Shares of ₹ 10/- (Rupees Ten Only) each and 15,00,000 (Fifteen Lakh) Preference Shares of ₹ 10/- (Rupees Ten Only) each.

- During the year under review, the Company has issued and allotted 10,00,000 Equity Shares of ₹ 10/- each at par on right basis to its existing shareholders.
- During the year under review, the Company has converted 15,00,000 (Fifteen Lakhs) Zero Dividend Redeemable Optionally Convertible Preference Shares of ₹ 10/- each into Equity Shares of ₹ 10/- each.
- Pursuant to conversion of Preference Shares into Equity Shares and allotment of Equity shares on right basis, the paid-up share capital of the Company as on March 31, 2020 was ₹ 2,55,00,000/- (Rupees Two Crores Fifty-Five Lacs Only) comprising of 25,50,000 Equity shares of face value of ₹ 10/- each. The Company has neither issued shares with differential voting rights nor granted stock options or sweat equity. As on March 31, 2020 the Company is a 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 the Board's Report along with applicable annexures are not annexed herewith.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OCCURRED BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF THE REPORT

I. FINANCIAL STATEMENTS ON NON-GOING CONCERN BASIS:

The Company had considered and evaluated the proposal of voluntary Winding up in the Board Meeting held on July 22, 2020 considering that the Company may not be able to continue in foreseeable future as a going concern. It has also approved the financial statements for the year ended March 31, 2020 on Non-going concern basis, as the management has decided to liquidate the entity due to no future business plans.

II. IMPACT OF COVID-19 PANDEMIC ON BUSINESS OPERATIONS:

The COVID-19 pandemic and the resultant lockdown declared by the Government in March 2020 has no impact on the Company's operations.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs)

Change in designation of Independent Director to Non-Executive Director

During the year under review, the designation of Mr. Virendra Babubhai Dalal was changed from Independent Director to Non-Executive Director w.e.f. May 22, 2019 due to non-requirement of Independent Directors on the Board of the Company pursuant to Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Retirement by rotation and subsequent re-appointment

Mr. Saugata Nandi, 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 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 Managing 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

During the year under review, the Company had 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. Further, since there were no Independent directors on the Board of the Company as on March 31, 2020, there was no requirement to receive such declaration.

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 29 of Financial Statement, in connection with preparation of financials on realisable value basis.

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 read with Companies (Appointment and 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 statements of the Company is part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

DISCLOSURES RELATED TO BOARD AND POLICIES

i) BOARD MEETINGS

During the year under review, 4 (four) Meetings of the Board of Directors were held on, May 22, 2019, August 09, 2019, November 13, 2019 & February 12, 2020. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

ii) BUSINESS RISK MANAGEMENT

The Holding Company i.e. Balaji Telefilms Limited has Risk Management Policy which is applicable to all its subsidiaries. The risk management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage. Major risks identified by the business and functions are systematically addressed through mitigation actions on a periodic basis.

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

The Holding Company i.e. Balaji Telefilms Limited has Corporate Social Responsibility Policy which is applicable to all its subsidiaries. However, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

The provisions of Section 177, 178 & 135 of the Companies Act, 2013 with respect to constitution of various Committees are not applicable to the Company.

OTHER DISCLOSURES

i) EXTRACT OF ANNUAL RETURN

The details forming part of extract of Annual Return in Form MGT - 9, as required under Section 92 of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration)

Rules, 2014, is appended as Annexure I, which forms part of this Report and is also available on website of the Company at http://www.balajitelefilms.com/annual_return.php

ii) REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors have not reported to the Board, under Section 134(3)(ca) and 143(12) of the Companies Act, 2013, any 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 SYSTEM AND ADEQUACY

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

v) VIGIL MECHANISM / WHISTLE BLOWER POLICY

The provisions of Companies Act, 2013 relating to Vigil Mechanism / Whistle Blower Policy are not applicable to the Company.

vi) RELATED PARTY TRANSACTIONS

All transactions / contracts / arrangements entered into by the Company with related party (ies) as defined under the provisions of Section 188 and 2(76) of the Companies Act, 2013, during the financial year under 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 II, which forms part of this Report. Further, none of these transactions/contracts/arrangements with related parties could be considered material in nature as per the thresholds given in Rule 15 (3) of the Companies (Meeting of Board and its Powers) Rules, 2014.

vii) FIXED DEPOSITS

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

viii) PARTICULAR OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company does not have any Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013. Hence no disclosure is required to be given in this regard.

ix) PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The 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 equipments. We purchase computers, laptops, air conditioners etc. that meet environmental standards, wherever possible and regularly upgrade old equipments with more energy-efficient equipments. Currently, we use Light Emitting Diode (LED) fixtures to reduce the power consumption in the illumination system.



TECHNOLOGY ABSORPTION

The provisions of Section 134(3)(m) of the Companies Act, 2013 relating to technology absorption do not apply to the Company. The Company's research and development initiative mainly consists of ideation of new subjects for our content production business, which are used in the creation of new storyline and tracks. The expenses incurred on such initiatives are not practically quantifiable. The Company is an integrated player in the entertainment industry and our business is such that there is limited scope for new technology absorption, adaptation and innovation. However, the Company uses the latest technology, wherever possible to deliver superior production value, as a regular process.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, there were no foreign exchange earnings or outgo.

MECHANISM FOR EVALUATING BOARD MEMBERS

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board lays down the evaluation criteria for the performance evaluation of Executive & Non-Executive 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, 2020, 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, 2020 had been prepared on a 'Non-going concern' basis;
- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGEMENTS

The Directors wish to acknowledge with gratitude and place on record their appreciation to all stakeholders – shareholders, investors, customers, suppliers, business associates, banks, regulatory and governmental authorities for their co-operation, assistance and support.

For and on behalf of the Board of Directors

Sd/-
Place: Mumbai
Date: July 22, 2020

Shobha Kapoor
Chairperson
DIN: 00005124

Annexure I

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U22190MH2015PTC261948
2.	Registration Date	16/02/2015
3.	Name of the Company	Chhayabani Balaji Entertainment Private Limited
4.	Category/Sub-category of the Company	Company Limited by Shares/ Private Non-Government Company
5.	Address of the Registered office & Contact details	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai-400053, Maharashtra. Tel: +91-022-40698000 Fax: +91-022-40698181/82 Email: simmi.bisht@balajitelefilms.com Website: www.chhayabanibalaji.com
6.	Whether listed Company	No
7.	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	NSDL Database Management Limited 4 th 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-400053, Maharashtra.	L99999MH1994PLC082802	Holding Company	50	2(46)



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

ii) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	50,000	50,000	100.00	10,50,000	0	10,50,000	100.00	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	0	50,000	50,000	100.00	10,50,000	0	10,50,000	100.00	0
(2) Foreign									
a) Individuals (NRIs/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Institutions	0	0	0	0	0	0	0	0	0
e) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
f) Others	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters A= A (1)+A (2)	0	50,000	50,000	100.00	10,50,000	0	10,50,000	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) FII's	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

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 01, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public Shareholding (B)= (B)(1) +(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	50,000	50,000	100	10,50,000	0	10,50,000	100.00	0

Note: 1. Change in shareholding is pursuant to allotment of equity shares and conversion of preference shares into equity.
2. The Corporate action for 15,00,000 shares allotted on March 18, 2020 pursuant to conversion of existing preference shares into equity shares was not completed as on March 31, 2020 due to lockdown caused by COVID-19 pandemic. Hence, the said shares are not reflecting in the above table at the end of the year i.e. March 31, 2020.

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 01, 2019			Shareholding at the end of the year i.e. March 31, 2020			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Balaji Telefilms Limited	25,000	50.00	0	12,75,000	50.00	0	0
2.	Chhayabani Private Limited	25,000	50.00	0	12,75,000	50.00	0	0
	Total	50,000	100.00	0	25,50,000	100.00	0	0

Note: Ms. Ekta Kapoor, Mrs. Shobha Kapoor, Mr. Saugata Nandi & Mr. Ramlal Nandi are Promoter Directors of the Company and did not hold any shares of the Company as on March 31, 2020.

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	25,000	50.00	25,000	50.00
	Right issue on January 20, 2020	5,00,000	50.00	5,25,000	50.00
	Allotment pursuant to conversion of preference shares into Equity on March 18, 2020	7,50,000	50.00	12,75,000	50.00
	Sold during the year	0	0	12,75,000	50.00
	At the end of the year	12,75,000	50.00	12,75,000	50.00
2.	Chhayabani Private Limited				
	At the beginning of the year	25,000	50.00	25,000	50.00
	Right issue on January 20, 2020	5,00,000	50.00	5,25,000	50.00
	Allotment pursuant to conversion of preference shares into Equity on March 18, 2020	7,50,000	50.00	12,75,000	50.00
	Sold during the year	0	0	12,75,000	50.00
	At the end of the year	12,75,000	50.00	12,75,000	50.00

Note: Change in shareholding is pursuant to allotment of equity shares and conversion of preference shares into equity.



iv) **Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):**

The entire share capital of the Company is held by the Holding Company and Promoters of the Company.

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

The Directors of the Company did not hold any shares during the financial 2019-20. Further, the provisions of Section 203 of the Companies Act, 2013 for the appointment of Key Managerial Personnel are not applicable to the Company.

V. INDEBTEDNESS

The Company had no Indebtedness with respect to Secured or Unsecured Loans or Deposits during the financial year 2019-20.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Mr. Saugata Nandi designated as Managing Director has not received any remuneration during the financial year 2019-20.

B. Remuneration to other Directors:

						(₹ In Lacs)
Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors	Virendra Babubhai Dalal				
	Fee for attending Board and Committee Meetings	0.25				0.25
	Commission					
	Others					
	Total (1)	0.25				0.25
2.	Other Non- Executive Directors	Shobha Kapoor	Ekta Kapoor	Ramlal Nandi	Virendra Babubhai Dalal	
	Fee for attending Board and Committee Meetings	-	-	-	0.50	0.50
	Commission	-	-	-		-
	Others	-	-	-		-
	Total (2)	-	-	-	0.50	0.50
	Total B= (1+2)	0.25			0.50	0.75
	Total Managerial Remuneration (A+B)					0.75
	Ceiling as per Act (per annum)				N.A.	

Note: Sittings fees paid to Mr. Virendra Babubhai Dalal for the period from April 01, 2019 to May 22, 2019 as an Independent Director of the Company. Thereafter due to change in his designation from Independent Director to Non-Executive Director w.e.f. May 22, 2019, sitting fees for the period from May 23, 2019 to March 31, 2020 was paid to him as Non-Executive Director of the Company.

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

Provisions of Section 203 of the Companies Act, 2013 for the appointment of Key Managerial Personnel are not applicable to the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: July 22, 2020

Sd/-
Shobha Kapoor
Chairperson
DIN: 00005124



Annexure II

FORM AOC-2

PARTICULARS OF CONTRACTS /ARRANGEMENTS / TRANSACTIONS MADE WITH RELATED PARTIES

For the financial year ended March 31, 2020

[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, 2020 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 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 maximize profits, the Company has entered into this arrangement with its Holding Company.	February 12, 2019	N.A.	N.A.

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

There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2020, which were at arm's length basis.

For and on behalf of the Board of Directors

Place: Mumbai
Date: July 22, 2020

Sd/-
Shobha Kapoor
Chairperson
DIN: 00005124

Financial Statements



Independent Auditor's Report

To the Members of Chhayabani Balaji Entertainment Private Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Chhayabani Balaji Entertainment Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, 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, 2020, 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 29 to the financial statements which states that the financial statements have been prepared on a realisable value basis as the Management of the Company plans to cease its business operations.

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 skepticism 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.
- 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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, 2020.
- 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, 2020.
- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.

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
UDIN: 20117839AAAAAV4585

Place: Mumbai
Date: July 22, 2020

Annexure A

to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Chhayabani Balaji Entertainment Private Limited on the financial statements for the year ended March 31, 2020

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

1. We have audited the internal financial controls with reference to financial statements of Chhayabani Balaji Entertainment Private Limited ("the Company") as of March 31, 2020 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N / N500016

Ali Akbar

Partner

Membership Number: 117839

UDIN: 20117839AAAAV4585

Place: Mumbai

Date: July 22, 2020

Annexure B

to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditor's Report of even date to the members of Chhayabani Balaji Entertainment Private Limited on the financial statements for the year ended March 31, 2020

- 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 noted on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The company does not own any immovable properties as disclosed in Note 4 on Property, plant and equipment to the financial statements. Therefore the provision of Clause 3(i)(c) of the said Order are not applicable to the Company.
- ii. The Company is into the business of making television /internet programs 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. 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. 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 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

Membership Number: 117839

UDIN: 20117839AAAAV4585

Place: Mumbai

Date: July 22, 2020

Balance Sheet

as at March 31, 2020

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1.44	24.79
(b) Income tax asset (net)	5	3.28	17.26
Total Non-current assets		4.72	42.05
Current assets			
(a) Financial assets			
(i) Trade receivables	6	-	0.45
(ii) Cash and cash equivalents	7	21.56	1.80
(b) Other current assets	8	-	25.29
Total Current assets		21.56	27.54
Total Assets		26.28	69.59
EQUITY AND LIABILITIES			
Equity			
(a) Share capital	9	255.00	5.00
(b) Other equity			
- Equity component of compound financial instrument		-	132.91
- Reserves & Surplus	10	(241.11)	(209.18)
Total Equity		13.89	(71.27)
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	11	-	21.12
Total Non-current liabilities		-	21.12
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(a) total outstanding dues of micro and small enterprises	12	-	-
(b) total outstanding dues other than (i) (a) above	12	10.45	78.98
(b) Other current liabilities	13	1.94	40.76
Total Current liabilities		12.39	119.74
Total Equity and Liabilities		26.28	69.59

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

Ali Akbar
Partner
Membership No: 117839

Place : Mumbai
Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : July 22, 2020

Saugata Nandi
(Managing Director)
DIN: 00620045



Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
1 Revenue from operations	14	-	164.25
2 Other income	15	15.16	-
3 Total income		15.16	164.25
4 Expenses			
Cost of production	16	-	197.75
Change in inventories of stock-in-trade	16	-	7.00
Depreciation and amortisation expense	17	7.09	14.67
Finance Cost	18	-	4.46
Other expenses	19	44.03	20.55
5 Total expenses		51.12	244.43
6 Loss before tax (3-5)		(35.96)	(80.18)
7 Tax expenses			
Current tax		-	-
Deferred tax	27	-	-
Total tax expense		-	-
8 Loss for the year (6-7)		(35.96)	(80.18)
9 Other Comprehensive Income		-	-
10 Total Comprehensive Income for the year (8+9)		(35.96)	(80.18)
11 Basic & diluted earnings/(loss) per share (in ₹)	21	(11.83)	(160.36)
(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

Ali Akbar

Partner

Membership No: 117839

Place : Mumbai

Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor

(Chairperson)

DIN: 00005124

Sanjay Dwivedi

(Group CFO)

Place : Mumbai

Date : July 22, 2020

Saugata Nandi

(Managing Director)

DIN: 00620045

Statement of Cash Flows

for the year ended March 31, 2020

(₹ in Lacs)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Loss before tax		(35.96)		(80.18)
Adjustments for				
Depreciation	7.09		14.67	
Loss on fixed assets written off	16.26		-	
Interest on Liability component of compound financial instrument	-		4.46	
Creditors written back	(14.23)		-	
Interest on income tax refund	(0.93)		-	
Advance written off	0.61		-	
Bad debts written off	0.45	9.25	-	19.13
Operating loss before working capital changes		(26.71)		(61.05)
(Increase) / Decrease in trade receivables	-		91.71	
(Increase) / Decrease in inventories	-		7.00	
(Increase) / Decrease in other financial assets	-		0.50	
(Increase) / Decrease in other current assets	25.29		(11.53)	
Increase / (Decrease) in trade payables	(54.30)		(26.22)	
Increase / (Decrease) in other current liabilities	(39.43)	(68.44)	3.35	64.81
		(95.15)		3.76
Income taxes refund / paid		14.91		(3.47)
Net cash flow from / (used in) operating activities (A)		(80.24)		0.29
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets		-		(0.80)
Net cash used in investing activities (B)		-		(0.80)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Issue of Equity Share Capital	100.00	100.00		-
Net cash flow from financing activities (C)		100.00		-
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		19.76		(0.51)
Cash and cash equivalents at the beginning of the financial year (Refer note 7)		1.80		2.31
Cash and cash equivalents at the end of the financial year (Refer note 7)		21.56		1.80

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

Ali Akbar
Partner
Membership No: 117839

Place : Mumbai
Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Saugata Nandi
(Managing Director)
DIN: 00620045

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : July 22, 2020



Statement of Changes in Equity

for the year ended March 31, 2020

A. Equity share capital

Particulars	(₹ in Lacs)
As at April 1, 2018	5.00
Changes in equity share capital during the year	-
As at March 31, 2019	5.00
As at April 1, 2019	5.00
Changes in equity share capital during the year (Refer note 9)	100.00
Shares issued on conversion of Zero dividend redeemable optionally convertible Preference Shares (Refer note 9 and 11)	150.00
As at March 31, 2020	255.00

B. Other Equity

Other Equity			(₹ in Lacs)
Particulars	Equity component of compound financial instruments	Reserves and surplus	Total
		Retained earnings / (Deficit in statement of profit & loss)	
As at April 1, 2018	132.91	(129.00)	3.91
(Loss) for the year	-	(80.18)	(80.18)
As at March 31, 2019	132.91	(209.18)	(76.27)
As at April 1, 2019	132.91	(209.18)	(76.27)
Conversion of Zero dividend redeemable optionally convertible Preference Shares into Equity shares (Refer note 11)	(150.00)	-	(150.00)
Conversion of preference shares into equity shares (Refer note 11)	17.09	4.03	21.12
(Loss) for the year	-	(35.96)	(35.96)
As at March 31, 2020	-	(241.11)	(241.11)

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

This is the Statement of Changes in Equity referred to in our report on even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

Ali Akbar

Partner

Membership No: 117839

Place : Mumbai

Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor

(Chairperson)

DIN: 00005124

Sanjay Dwivedi

(Group CFO)

Place : Mumbai

Date : July 22, 2020

Saugata Nandi

(Managing Director)

DIN: 00620045

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 1 : Background

Chhayabani Balaji Entertainment Private Limited was incorporated on February 16, 2015 under the Companies Act, 2013 and was in the business of production of television and web series content. The Company is a subsidiary of Balaji Telefilms Ltd. The registered office and principal place of business of the Company is at Andheri (West), Mumbai.

Note 2 : Significant accounting policies

The note provides a list of significant accounting policies adopted in the preparation of these Financial Statements. These policies have been consistently applied to all the year presented, unless otherwise stated.

(a) Basis of preparation

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

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

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

The financial statements have been prepared under the assumption that the Company will not continue as a going concern.

New and amended standards adopted by the Company

The Company has applied Ind AS 116, for the first time beginning April 1, 2019. Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-

of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. The adoption of the standard does not have any impact on the Company's financial statements and hence no adjustment to the opening balance of retained earnings as at April 01, 2019 is required.

(b) Segment Reporting

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. The chief operating decision maker of the Company consists of the managing director who assesses the financial performance and position of the Company, and makes strategic decisions. Refer note 23 for segment information presented.

(c) Revenue Recognition

The Company derives revenue from producing television programs and web series for its customers. Some of the contracts include multiple deliverables. The Company identifies and evaluate each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

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

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

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a



Notes forming part of Financial Statements

for the year ended March 31, 2020

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.

(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 includes cash on hand, deposits held at call with financial institutions. For the purpose of Cash Flow Statement, Cash and cash equivalents are considered net of outstanding overdrafts, if any, as they are considered an integral part of Company's cash management.

(f) 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.

(g) 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 Financial Statements

for the year ended March 31, 2020

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 25 (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.

(h) 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.

(i) Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation



Notes forming part of Financial Statements

for the year ended March 31, 2020

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

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the asset, net of their residual values, if any, over their estimated useful lives which are in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013.

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

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

(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 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.

Notes forming part of Financial Statements

for the year ended March 31, 2020

(l) Earning 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.

(m) Rounding of Amounts

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

Note 3: Critical Estimates and Judgements

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

affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- **Estimated useful life of Tangible Assets:**

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

- **Recognition of Deferred Tax assets:**

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. To determine the future taxable profits, the management considers the nature of the deferred tax assets, recent operating results, future market growth, forecasted earnings and future taxable income in the jurisdictions in which the company operates.

- **Impairment of Trade Receivable:**

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

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



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 4 - Property, plant and equipment

(₹ in Lacs)

Description of Assets	Plant and machinery - Computers	Plant and machinery - Others	Studios and sets	Total
I. Gross Carrying Amount				
Balance as at April 1, 2018	5.71	1.23	37.97	44.91
Additions	0.80	-	-	0.80
Balance as at March 31, 2019	6.51	1.23	37.97	45.71
II. Accumulated Depreciation				
Balance as at April 1, 2018	(3.30)	(0.25)	(2.70)	(6.25)
Depreciation expense	(1.89)	(0.12)	(12.66)	(14.67)
Balance as at March 31, 2019	(5.19)	(0.37)	(15.36)	(20.92)
III. Net Carrying Amount as at March 31, 2019	1.32	0.86	22.61	24.79

(₹ in Lacs)

Description of Assets	Plant and machinery - Computers	Plant and machinery - Others	Studios and sets	Total
I. Gross Carrying Amount				
Balance as at April 1, 2019	6.51	1.23	37.97	45.71
Disposal / Write-off	-	-	(37.97)	(37.97)
Balance as at March 31, 2020	6.51	1.23	-	7.74
II. Accumulated Depreciation				
Balance as at April 1, 2019	(5.19)	(0.37)	(15.36)	(20.92)
Depreciation expense	(0.62)	(0.12)	(6.35)	(7.09)
Disposal / written off	-	-	21.71	21.71
Balance as at March 31, 2020	(5.81)	(0.49)	-	(6.30)
III. Net Carrying Amount as at March 31, 2020	0.70	0.74	-	1.44

Note 5 Income tax assets (net)

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Tax deducted at source	3.28	17.26
Total	3.28	17.26

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 6 Trade receivables

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Trade receivable	-	0.45
Less : Loss allowance	-	-
Total	-	0.45

Break up of security details

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	-	0.45
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Less : Loss allowance	-	-
Total trade receivable	-	0.45

Note 7 Cash and cash equivalents

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Cash on hand	0.12	1.43
Balances with banks in current accounts	21.44	0.37
Total	21.56	1.80

Note 8 Other current assets

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Balances with government authorities	-	24.16
Advance to vendors	-	1.13
Total	-	25.29

Note 9 Share capital

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
(a) Authorised		
35,00,000 (Previous Year 25,00,000) Equity Shares of ₹ 10/- each	350.00	250.00
15,00,000 (Previous Year 25,00,000) Preference Shares of ₹ 10/- each	150.00	250.00
Total	500.00	500.00
(b) Issued, Subscribed and fully paid-up		
25,50,000 (Previous Year 50,000) Equity Shares of ₹ 10/- each	255.00	5.00
Total	255.00	5.00



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 9 Share capital (Contd..)

Notes :

(i) Shares held by holding company / ultimate holding company :

Particulars	As at March 31, 2020	As at March 31, 2019
	No. of shares	No. of shares
Balaji Telefilms Limited (immediate and ultimate holding company)	12,75,000	25,000

(ii) Details of Equity Shares held by each shareholder holding more than 5% Equity Shares:

Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of shares held	% of holding	No. of shares held	% of holding
Balaji Telefilms Limited	12,75,000	50.00%	25,000	50.00%
Chhayabani Private Limited	12,75,000	50.00%	25,000	50.00%

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

Name of shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of shares held	₹ in Lacs	No. of shares held	₹ in Lacs
Equity shares outstanding at the beginning of the year	50,000	5	50,000	5
Add: Issue of Equity Shares during the year	10,00,000	100	-	-
Add: Issue of Equity Shares on conversion of Zero dividend redeemable optionally convertible Preference Shares (Refer note 11)	15,00,000	150	-	-
Equity shares outstanding at the end of the year	25,50,000	255	50,000	5

(iv) The company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the shareholders will be eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

(v) No shares are issued for consideration other than cash during the 5 years immediately preceding March 31, 2020.

(vi) Balaji Telefilms Limited controls the composition of the Board of directors of the company and accordingly has been considered as the immediate / ultimate holding company.

Note 10 Reserves & Surplus

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Retained Earnings / (Deficit in statement of profit & loss)		
Balance at beginning of year	(209.18)	(129.00)
Conversion of preference shares into equity	4.03	-
(Loss) for the Year	(35.96)	(80.18)
Balance at end of the year	(241.11)	(209.18)

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 11 Borrowings - Non current

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured :		
Liability component of compound financial instrument		
Nil (Previous year 15,00,000) Zero dividend redeemable optionally convertible Preference Shares of ₹ 10/- each	-	21.12
Total	-	21.12

Terms of allotment

Particulars	Allotment date	Redemption date
	Number of Options	Number of Options
5,00,000 Zero dividend redeemable optionally convertible Preference Shares	September 23, 2015	September 22, 2025
5,00,000 Zero dividend redeemable optionally convertible Preference Shares	February 5, 2016	February 4, 2026
5,00,000 Zero dividend redeemable optionally convertible Preference Shares	November 29, 2017	November 28, 2037

Zero dividend redeemable optionally convertible Preference Shares to be redeemed at par at any time within the redemption period from the date of allotment with mutual consent of the Company and the preference shareholders.

The equity component relating to above is disclosed under Equity Component of Compound Financial Instrument in the Balance Sheet.

15,00,000 Zero dividend redeemable optionally convertible Preference Shares of ₹ 10/- each were converted into 15,00,000 equity shares of ₹ 10 each on March 18, 2020. Upon conversion of above preference shares, the carrying amount of the Equity Component of compound financial instruments and borrowing component of ₹ 132.91 lacs and ₹ 21.12 lacs respectively was derecognised and ₹ 150 lacs was transferred to equity share capital and balance ₹ 4.03 lacs transferred to retained earnings.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents	21.56	1.80
Non-current borrowings	-	(21.12)
Total	21.56	(19.32)



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 11 Borrowings - Non current (Contd..)

Net debt reconciliation (Contd..)

(₹ in Lacs)

Particulars	Other Assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Non-current borrowings	
Net debt as at March 31, 2018	2.31	(16.66)	(14.35)
Cash flows	(0.51)	-	(0.51)
Interest expense	-	(4.46)	(4.46)
Net debt as at March 31, 2019	1.80	(21.12)	(19.32)
Cash flows	19.76	-	19.76
Conversion of debt component of compound financial instrument into equity shares	-	21.12	21.12
Net debt as at March 31, 2020	21.56	-	21.56

Note 12 Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Trade payables: micro and small enterprises	-	-
Trade payables: others	8.18	52.49
Trade payables to related parties (Refer note 20)	2.27	26.49
Total	10.45	78.98

Notes:

(a) Micro, Small and Medium Enterprises :

The balances payable above includes ₹ Nil (Previous year ₹ Nil) due to Micro and Small Enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act).

No interest is paid / payable during the year to any Micro / Small Enterprise registered under the MSME. There were no delayed payments during the year to any Micro or Small Enterprise registered under the MSME Act.

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Management regarding the status of suppliers under the MSME Act.

Note 13 Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory liabilities	0.96	40.29
Others	0.98	0.47
Total	1.94	40.76

Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 14 Revenue from operations

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of services:		
Commissioned television programs	-	99.65
Internet programs	-	64.60
Total	-	164.25

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 15 Other income

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Creditors written back	14.23	-
Interest on Income-tax Refund	0.93	-
Total	15.16	-

Note 16 Cost of production

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Purchase of costumes and dresses	-	5.50
Artists, Directors and other technicians	-	107.42
Shooting and location expenses	-	34.63
Set properties and equipment hire charges	-	30.73
Food & Refreshments	-	10.57
Other production expenses	-	8.90
Total	-	197.75

Changes in Inventories :

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening balance - Television series	-	7.00
Closing balance - Television series	-	-
Total changes in inventories	-	7.00



Notes forming part of Financial Statements

for the year ended March 31, 2020

Note 17 Depreciation and amortisation expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment (Refer note 4)	7.09	14.67
Total	7.09	14.67

Note 18 Finance Cost

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on Liability component of compound financial instrument	-	4.46
Total	-	4.46

Note 19 Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Communication expenses	0.03	0.53
Director sitting fees	0.75	1.00
Legal and professional charges (Refer Note 19.1)	13.08	13.59
Rates and taxes	7.39	0.94
Repair and maintenance	-	0.06
Loss on fixed assets written off	16.26	-
Travelling and conveyance expenses	2.90	3.61
Advances written off	0.61	-
Bad debts written off	0.45	-
Miscellaneous expenses	2.56	0.82
Total	44.03	20.55

Note 19.1 Payments to auditors (included in Legal & professional charges)

(₹ in Lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
As auditors :		
Audit fees	0.20	3.00
Reimbursement of out of pocket expenses	-	0.04
Total	0.20	3.04

Notes forming part of Financial Statements

for the year ended March 31, 2020

20 Related Party Transactions

(a) Name of related parties and description of relationship

Name of the Related Party	Relationship
Balaji Telefilms Limited	Holding Company
ALT Digital Media Entertainment Limited	Fellow Subsidiary
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Saugata Nandi	Key management person
Mr. Ramlal Nandi	Key management person
Mr. Virendra Babubhai Dalal	Key management person
India Film Laboratories Private Limited	Company in which key management person has significant influence
Chhayabani Private Limited	Other shareholder having significant influence

(b) Details of transactions with related parties during the year

(₹ in Lacs)

Particulars	Holding Company	Other shareholder having significant influence	Company in which Key Management Person has significant influence	Key management person	Fellow subsidiary
Issue of Equity Share Capital					
Balaji Telefilms Limited	50.00	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Chhayabani Private Limited	50.00	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Conversion of preference shares into equity shares					
Balaji Telefilms Limited	75.00	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Chhayabani Private Limited	75.00	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Sale of Contents					
ALT Digital Media Entertainment Limited	-	-	-	-	-
	(-)	(-)	(-)	(-)	(64.60)
Shooting and location expenses / Others					
India Film Laboratories Private Limited	-	-	-	-	-
	(-)	(-)	(6.75)	(-)	(-)



Notes forming part of Financial Statements

for the year ended March 31, 2020

20 Related Party Transactions (Contd..)

(b) Details of transactions with related parties during the year

(₹ in Lacs)

Particulars	Holding Company	Other shareholder having significant influence	Company in which Key Management Person has significant influence	Key management person	Fellow subsidiary
Expenses incurred on behalf of CBEPL					
India Film Laboratories Private Limited	-	-	18.78	-	-
	(-)	(-)	(-)	(-)	(-)
Mr. Saugata Nandi	-	-	-	0.74	-
	(-)	(-)	(-)	(3.54)	(-)
Mr. Ramlal Nandi	-	-	-	-	-
	(-)	(-)	(-)	(2.07)	(-)
Reimbursement of expense incurred on behalf of CBEPL					
India Film Laboratories Private Limited	-	-	18.78	-	-
	(-)	(-)	(-)	(-)	(-)
Mr. Saugata Nandi	-	-	-	-	-
	(-)	(-)	(-)	(4.51)	(-)
Mr. Ramlal Nandi	-	-	-	-	-
	(-)	(-)	(-)	(2.07)	(-)
Repayment during the year					
India Film Laboratories Private Limited	-	-	24.22	-	-
	(-)	(-)	(-)	(-)	(-)
Director sitting fees					
Mr. Virendra Babubhai Dalal	-	-	-	0.75	-
	(-)	(-)	(-)	(1.00)	(-)

Notes forming part of Financial Statements

for the year ended March 31, 2020

20 Related Party Transactions (Contd..)

(c) Closing balances as at the year end March 31, 2020

(₹ in Lacs)

Particulars	Holding Company	Other shareholder having significant influence	Company in which Key Management Person has significant influence	Independent director	Fellow subsidiary
Trade Payables					
India Film Laboratories Private Limited	-	-	2.27	-	-
	(-)	(-)	(26.49)	(-)	(-)
Other current liabilities					
Mr. Saugata Nandi	-	-	-	0.98	-
	(-)	(-)	(-)	(0.24)	(-)
Director sitting fees payable					
Mr. Virendra Babubhai Dalal	-	-	-	-	-
	(-)	(-)	(-)	(0.23)	(-)

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.

21 Earnings per share

Basic and diluted earnings per share

Earnings per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period as under :

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) (Loss) for the period attributable to equity share holders (₹ in Lacs)	(35.96)	(80.18)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	3,04,098	50,000
(c) (Loss) per share - Basic and diluted (₹) (a / b)	(11.83)	(160.36)
(d) Nominal value of shares (₹)	10	10

Note : Impact of optionally convertible preference shares on EPS is anti-dilutive, hence not considered.

- In accordance with the Indian Accounting Standard 12 (Ind AS 12) on "Income Taxes", deferred tax assets and liabilities should be recognized for all timing differences. However, considering the present financial position and accumulated tax losses and the requirement of the Ind AS 12 the deferred tax asset is recognised only to the extent of deferred tax liability. The deferred tax asset is not accounted for, to the extent of ₹ 53.87 lacs (Previous year ₹ 53.06 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.



Notes forming part of Financial Statements

for the year ended March 31, 2020

23 Segment Information

The Company is primarily engaged in the business of production of television content, which, in the context of Ind AS 108 on "Operating Segments" constitutes a single reportable segment.

Revenue of Nil (March 31, 2019 ₹ 164.25 lacs) are derived from the two major customers of the company.

24 Fair Value Measurements

Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

Financial instrument by category:-

(₹ in Lacs)

Particulars	March 31, 2020			March 31, 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Current financial assets						
Trade receivables	-	-	-	-	-	0.45
Cash and cash equivalents	-	-	21.56	-	-	1.80
Total Financial Assets	-	-	21.56	-	-	2.25
Financial Liabilities						
Borrowings	-	-	-	-	-	21.12
Trade payables	-	-	10.45	-	-	78.98
Total Financial Liabilities	-	-	10.45	-	-	100.10

(i) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed in the accounting standard. An explanation of each level follows underneath the table-

(₹ 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 liabilities				
Borrowings	-	-	-	-
Total Financial Liabilities	-	-	-	-

Notes forming part of Financial Statements

for the year ended March 31, 2020

24 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, 2019	Level 1	Level 2	Level 3	Total
Non-current financial liabilities				
Borrowings	-	-	21.12	21.12
Total Financial Liabilities	-	-	21.12	21.12

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.

Level-2 The fair value of financial instruments that are not traded in an active market is determined using valuation technique which maximize the use of observable market data and rely as little as possible on entity -specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.

Level -3 If one or more of the significant inputs is not based on observable market data, the instrument is include in level 3.

25 Financial Risk Management

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the management is responsible for overseeing the Company's risk assessment and management policies and processes.

(A) Credit Risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company deals with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and credit ratings of its counterparties are regularly monitored and the aggregate value of transactions concluded is spread amongst counterparties.



Notes forming part of Financial Statements

for the year ended March 31, 2020

25 Financial Risk Management (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 the banks is evaluated by the management on an ongoing basis and is considered to be good. As a practice, the company only invests with high rated banks.

The Company's maximum exposure to credit risk as at March 31, 2020 and March 31, 2019 is the carrying value of each class of financial assets as disclosed in note 24.

Trade receivables

Trade receivables were typically unsecured and were derived from revenue earned from customers. Credit risk was managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit.

(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, 2020				
Trade payables	-	-	10.45	10.45
Total financial liabilities	-	-	10.45	10.45

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2019				
Borrowings	-	-	21.12	21.12
Trade payables	78.98	-	-	78.98
Total financial liabilities	78.98	-	21.12	100.10

Notes forming part of Financial Statements

for the year ended March 31, 2020

(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, 2020 (Previous year Nil).

(ii) Interest rate risk

The Company have borrowings bearing zero interest rate and is thus not exposed to interest rate risk as at March 31, 2020 (Previous year Nil).

(iii) Price risk

The Company does not have any investments and is thus not exposed to price risk as at March 31, 2020 (Previous year Nil).

26 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.

27 Deferred tax liabilities (net)

Particulars	(₹ in Lacs)	
	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilities		
Borrowings	-	1.00
Deferred tax assets		
On brought forward losses	-	1.00
Total	-	-



Notes forming part of Financial Statements

for the year ended March 31, 2020

27 Deferred tax liabilities (net) (Contd..)

Movement in deferred tax balances

(₹ in Lacs)

Particulars	For Year Ended March 31, 2020		
	Opening Balance	Charged/ (Credited) to Profit or loss	Closing Balance
Deferred tax liabilities			
On borrowings	1.00	(1.00)	-
Total deferred tax liability	1.00	(1.00)	-
Deferred tax assets			
On brought forward losses	1.00	1.00	-
Total deferred tax assets	1.00	1.00	-

(₹ in Lacs)

Particulars	For Year Ended March 31, 2019		
	Opening Balance	Charged/ (Credited) to Profit or loss	Closing Balance
Deferred tax liabilities			
On borrowings	1.00	-	1.00
Depreciation of Fixed Assets	0.37	(0.37)	-
Total deferred tax liability	1.37	(0.37)	1.00
Deferred tax assets			
On brought forward losses	1.37	0.37	1.00
Total deferred tax assets	1.37	0.37	1.00

28 The COVID-19 pandemic and the resultant lockdown declared by the Government in March 2020 has no impact on the Company's operation.

29 As at March 31, 2020 the Company has accumulated losses of ₹ 241.11 lacs. The management of the Company has decided to liquidate the entity and it does not have any other business plans. Accordingly, the financial statements have been prepared considering that the Company may not be able to continue in foreseeable future as a going concern and consequently assets have been stated at their net realisable value and liabilities at discharge value.

Signatures to notes 1 to 29

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

Ali Akbar
Partner
Membership No: 117839

Place : Mumbai
Date : July 22, 2020

For and on behalf of the Board of Directors

Shobha Kapoor
(Chairperson)
DIN: 00005124

Saugata Nandi
(Managing Director)
DIN: 00620045

Sanjay Dwivedi
(Group CFO)
Place : Mumbai
Date : July 22, 2020

Notice of the Annual General Meeting

Notice is hereby given that the 26th Annual General Meeting of the Members of Balaji Telefilms Limited will be held on Wednesday, September 30, 2020 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 Financial Statements of the Company for the financial year ended March 31, 2020 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, 2020 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 an **Ordinary Resolutions**:

(a) **"RESOLVED** that the Audited Statement of Profit and Loss for the financial year ended March 31, 2020, the Balance Sheet as on that date, 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, 2020, and the Auditors' Report thereon as circulated to the Members be considered and adopted."

2. To appoint a Director in place of Mr. Jeetendra Kapoor (DIN:00005345), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Special Resolution**:

"RESOLVED that pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Jeetendra Kapoor (DIN: 00005345), 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."

SPECIAL BUSINESS:

3. **Continuation of Directorship of Mr. Arun Kumar Purwar (DIN: 00026383) as Non-Executive Independent Director of the Company.**

To consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution**:

"RESOLVED that pursuant to Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and the applicable provisions of the Companies Act, 2013, if any, read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Members of the Company be and is hereby accorded for continuation of Mr. Arun Kumar Purwar (DIN: 00026383), as Non-Executive Independent Director of the Company who shall attain the age of 75 years on May 14, 2021, during his term as a Non-Executive Independent Director.

RESOLVED FURTHER that to give effect to this appointment, Mrs. Shobha Kapoor, Managing Director and Mrs. Simmi Singh Bisht, Group Head Secretarial of the Company be and hereby severally authorized to do all such acts, deeds and things as may be necessary to give effect to above resolution."

4. **Appointment of Dr. Archana Hingorani (DIN: 00028037) 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) and other applicable provisions, if any, of the Companies Act, 2013 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), Dr. Archana Hingorani



(DIN:00028037) who was appointed as Additional Director (Non-Executive Independent) with effect from August 28, 2020 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 her 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 August 28, 2020, and is not liable to retire by rotation.

RESOLVED FURTHER that to give effect to this appointment Mrs. Shobha Kapoor, Managing Director and Mrs. Simmi Singh Bisht, Group Head Secretarial of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be necessary, 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

By order of the Board of Directors
For **Balaji Telefilms Limited**

Sd/-

Simmi Singh Bisht
Group Head Secretarial
(Membership No. A23360)

Place: Mumbai

Date: July 22, 2020

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 8, 2020, April 13, 2020 and May 05, 2020 (hereinafter referred to as "**MCA Circulars**") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by Securities and Exchange of India 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 26th 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 Listing Regulations and Secretarial Standard-2 on General Meeting in respect of the Directors seeking re-appointment at the AGM are provided in the Annexure to the Notice.
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 26th 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 2019-20, 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, September 23, 2020 to Wednesday, September 30, 2020 (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. 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.
 11. 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 dematerialization, Members are advised to dematerialize the shares held by them in physical form.
 12. The Board of Directors, at their meeting held on July 22, 2020 has appointed Mr. Vijay Yadav, Practicing Company Secretary (Membership No. 39251), as scrutinizer for conducting the e-voting process in a fair and transparent manner.
 13. 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 48 hours of conclusion of the AGM of the Company. The Results along with the Scrutinizer's Report shall be placed on the Company's website at www.balajitelefilms.com and on Registrar and Transfer Agent's website at www.kfintech.com.
 14. The resolution(s) shall be deemed to be passed on the date of the General Meeting, subject to receipt of sufficient votes.
 15. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members/List of Beneficial Owners as on Tuesday, September 22, 2020, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members 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 from Saturday, September 26, 2020 (09.00 a.m. IST) and will end at on Tuesday, September 29, 2020 (05.00 p.m. IST). The remoting 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>.
 16. 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, September 22, 2020. Any person who is in receipt of this notice but is not a Member as on the cut-off date, Tuesday, September 22, 2020 should treat this notice for information purpose only.

17. 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, September 22, 2020, may obtain the login ID and password by sending a request at investor@balajitelefils.com.
18. The Company has transferred the unpaid or unclaimed dividends declared up to financial year 2011-12, from time to time, to the Investor Education and Protection Fund (IEPF) Authority established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on August 30, 2019 (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=QQ8HMfJOuy4%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.
19. 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 2019-20, 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, i.e. October 11, 2019. Details of shares transferred to the IEPF Authority are available on the website of the Company at www.balajitelefils.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.
20. 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 September 03, 2020 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.balajitelefils.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.

21. 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) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), 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.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on September 26, 2020 at 09:00 A.M. and ends on September 29, 2020 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical

- a) For Members who hold shares in demat account with NSDL.
- b) For Members who hold shares in demat account with CDSL.
- c) For Members holding shares in Physical Form.

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: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password 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.

Your User ID is:

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*****.

16 Digit Beneficiary ID
For example if your Beneficiary ID is 12***** then your user ID is 12*****.

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. Your password details 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.
 - 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.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. 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.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. 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.: 1800-222-990 or send a request to Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in/ pallavid@nsdl.co.in or contact Mrs. Simmi Singh Bisht, Group Head Secretarial 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
3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

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 AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members 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. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
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.

email address mentioning their name, DP ID and Client ID / folio number at company's email ID investor@balajitelefims.com at least three days prior to the date of AGM. The questions will be suitably replied by the company.

5. Members who would like to raise any queries/questions may send the same from their registered

Regd. Office:

C-13, Balaji House, Dalia Industrial Estate,
Opp. Laxmi Industrial Estate, New Link Road,
Andheri (West), Mumbai - 400 053, Maharashtra
CIN: L99999MH1994PLC082802
Email: investor@balajitelefims.com
Website: www.balajitelefims.com

Place: Mumbai

Date: July 22, 2020

By order of the Board of Directors

For **Balaji Telefilms Limited**

Sd/-

Simmi Singh Bisht

Group Head Secretarial
(Membership No. A23360)

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. 3 to 4 of the accompanying Notice:

Item No. 3

Mr. Arun Kumar Purwar, Non-Executive Independent Director will attain the age of 75 years on May 14, 2021 and hence his continuation of Directorship as a Non-Executive Director w.e.f. May 14, 2021, requires the approval of Members by way of a special resolution, pursuant to Regulation 17(1A) of the Listing Regulations.

The Board based on the performance evaluation of Mr. Arun Kumar Purwar considers that given his background, experience and contributions made by him during his tenure, the continued association of Mr. Arun Kumar Purwar would be beneficial to the Company.

Further details of Mr. Arun Kumar Purwar have been given in the Annexure to this Notice.

The other relatives of Mr. Arun Kumar Purwar may be deemed to be interested in the resolution set out at Item No. 3 of the Notice to the extent of their shareholding, if any, in the Company.

None of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

The Board recommends the Resolution as set out in the Item No. 3 of the accompanying Notice for the approval by the Members of the Company.

Item No 4:

The Board of Directors based on the recommendation of the Nomination & Remuneration Committee had appointed Dr. Archana Hingorani (DIN: 00028037) as an Additional Director (Non-Executive Independent) of the Company with effect from August 28, 2020. As per the provisions of Section 161(1) of the Companies Act, 2013 ('Act'), she 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 her candidature for the office of an Independent Director.

Dr. Archana Hingorani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as Director. The Company has also received declaration of Independence from her and in the opinion of the Board she 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 Dr. Archana Hingorani forms part of the Annexure to the Notice. The Board considers that background and experience of Dr. Archana Hingorani will be beneficial to the Company and it is desirable to avail her services as an Independent Director.

She shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.

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.

Dr. Archana Hingorani is interested in the resolution set out at Item No. 4 of the Notice with regard to her re-appointment. The relatives of her 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. 4 of the accompanying Notice for the approval by the Members of the Company.



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. Jeetendra Kapoor	
Age	78 Years
Qualification	Graduate
Experience	45+ years of experience in Film Industry. Please refer Company's website: www.balajitelefilms.com for detailed profile.
Terms & Conditions of Appointment/Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Jeetendra Kapoor who was re-appointed as Non-Executive Director in Annual General Meeting held on August 31, 2018 is liable to retire by rotation.
Remuneration last drawn (including sitting fees, if any)	₹ 80,16,149/-
Remuneration proposed to be paid	As per existing approved terms and conditions
Date of first appointment on the Board	January 23, 2004
Shareholding in the Company as on March 31, 2020	32,60,522 Equity Shares of Face value Rs. 2/- each
Relationship with other Directors/Key Managerial Personnel	Spouse of Mrs. Shobha Kapoor, and Father of Ms. Ekta Kapoor and not related to any other Director/Key Managerial Personnel
No. of Meetings of the Board attended during the financial year 2019-20	4
Directorships of other Boards as on March 31, 2020	- Balaji Motion Pictures Limited - Balaji Teleproducts Limited - Shri Navnidhi Developers Private Limited - Ekta K. Securities & Investment Private Limited - Perisos Media Private Limited - Balaji Films & Telly Investment Limited
Membership/Chairmanship of Committees of other Boards as on March 31, 2020	Balaji Motion Pictures Limited - Audit Committee-Member - Nomination and Remuneration Committee - Member - Corporate Social Responsibility Committee - Chairman

Mr. Arun Kumar Purwar	
Age	74 Years
Qualification	Post Graduate from Allahabad University
Experience	35+ years of experience in Banking Industry. He is also associated with various Companies across diverse sectors. Please refer Company's website: www.balajitelefilms.com for detailed profile.
Terms & Conditions of Appointment/ Re-appointment	As per existing approved terms and conditions
Remuneration last drawn (including sitting fees, if any)	₹ 7,11,560/-
Remuneration proposed to be paid	As per existing approved terms and conditions
Date of first appointment on the Board	May 20, 2015

Mr. Arun Kumar Purwar

Shareholding in the Company as on March 31, 2020	Mr. Purwar and his relatives holds 36,070 equity shares of Rs. 2/- in aggregate.
Relationship with other Directors/Key Managerial Personnel	Not related to any other Director/Key Managerial Personnel
No. of Meetings of the Board attended during the financial year 2019-20	4
Directorships of other Boards as on March 31, 2020	• Jindal Steel and Power Limited • Alkem Laboratories Limited • IIFL Finance Ltd (Formerly IIFL Holdings Limited) • Energy Infratech Private Limited • ONGC Tripura Power Company Limited • Mizuho Securities India Private Limited • Eroute Technologies Private Limited • IIFL Home Finance Ltd
Membership/Chairmanship of Committees of other Boards as on March 31, 2020	Jindal Steel and Power Limited • Audit Committee-Member • Investment Committee-Chairman • Nomination and Remuneration Committee-Member • Risk Management Committee- Chairman IIFL Finance Ltd (Formerly IIFL Holdings Limited) • Risk Management Committee-Member • Nomination and Remuneration Committee-Member • Stakeholder Relationship Committee - Chairman ONGC Tripura Power Company Limited • Audit Committee-Chairman • Nomination & Remuneration Committee- Member • Corporate Social Responsibility Committee – Chairman Alkem Laboratories Limited • Nomination and Remuneration Committee-Chairman • Corporate Social Responsibility Committee – Member Eroute Technologies Private Limited • Audit Committee- Chairman

Dr. Archana Hingorani

Age	55 Years
Qualification	B.A (Economics), M.B.A, Ph.D. in Corporate Finance from the University of Pittsburgh, USA.
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. 4 of the Notice convening this meeting read with explanatory statement thereto.
Remuneration last drawn (including sitting fees, if any)	N.A.
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	August 28, 2020
Shareholding in the Company as on March 31, 2020	NIL
Relationship with other Directors/Key Managerial Personnel	N.A.
No. of Meetings of the Board attended during the financial year 2019-20	N.A.


Dr. Archana Hingorani

Directorships of other Boards as on March 31, 2020

- Alembic Pharmaceuticals Limited
- Grindwell Norton Limited
- 5Paisa Capital Limited
- DEN Networks Limited
- Sidbi Venture Capital Limited
- SBI Mutual Fund Trustee Company Private Limited

Membership/Chairmanship of Committees of other Boards as on March 31, 2020

Grindwell Norton Limited

- Audit Committee - Member
- Stakeholders Relationship Committee - Chairman

5 Paisa Capital Limited

- Audit Committee - Chairperson
- Stakeholders Relationship Committee - Member
- Nomination & Remuneration Committee - Member

SIDBI Venture Capital Limited

- Audit committee - Chairperson
- HR Committee - Member
- Nomination & Remuneration Committee - Chairperson

DEN Networks Limited

- Audit Committee - Member
- Stakeholders' Relationship Committee - Member
- Corporate Social Responsibility Committee - Member
- Nomination & Remuneration Committee - Member
- Risk Management Committee - Member

Alembic Pharmaceuticals Limited

- Audit Committee - Member

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



Balaji
Telefilms
Limited

For more information about Balaji Telefilms
Limited, please visit our website:

www.balajitelefilms.com



Registered Office

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

Please visit our website: www.balajitelefilms.com