



WHERE **entertainment** MEETS VALUE

BALAJI TELEFILMS LIMITED ANNUAL REPORT 2022-23



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### INVESTOR INFORMATION

|            |  |
|------------|--|
| CIN        | L99999MH1994PLC082802                                    |
| BSE Code   | 532382   |
| NSE Symbol | BALAJITELE   |
| AGM Date   | Thursday, August 17, 2023                                |
| AGM Venue  | To be held via Video-Conference/Other Audio-Visual means |

For more investor related information please visit <http://www.balajitelefilms.com/annual-report.php>



Scan this QR code which will navigate you to our AGM venue

#### Disclaimer:

Certain statements in this communication about expected future events and financials of Balaji Telefilms Limited may be forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on such forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report. Balaji Telefilms Limited, will not be in any way responsible for any action taken based on such forward-looking statements and undertakes no obligation to publicly update such statements to reflect subsequent events or circumstances.



# Where Entertainment Meets Value





At Balaji Telefilms Limited ('Balaji Telefilms', 'BTL' or 'We'), we operate in a space where entertainment and value intersect, crafting a distinct experience for our viewers. Our objective is to transcend surface-level entertainment and provide content that profoundly connects with the emotions and thoughts of our audience. We emphasise the expansion of our endeavors, not only to benefit our viewers and audience but also to encompass the entire stakeholder ecosystem, guaranteeing broad-reaching impact and engagement. By concentrating on expanding our reach and involvement, our aim is to establish a comprehensive and inclusive experience that encompasses all relevant parties, thereby creating value through every frame, not only for our audience, but also all other stakeholders at large.

In this vibrant world we have built, our stories transcend the boundaries of a screen, leaving a lasting impact on those who engage with them. Every narrative we craft is designed to captivate, inspire and provoke thought,

ensuring that our viewers find true value in the moments they spend with us.

We understand the immense potential of entertainment to shape perspectives, spark conversations and create positive change. Through our characters and their journeys, we aim to bring forth relatable experiences, opening doors to empathy and understanding. Our commitment lies not just in entertaining, but in enriching lives and touching the core of human emotions.

Our belief is that entertainment holds the power to transform individuals and society. We are driven by a passion to create content that not only entertains but also elevates, offering a meaningful and enlightening experience. Our dedication to this vision sets us apart, propelling us to continuously push the boundaries of what entertainment can achieve.





# Corporate Information

## BOARD OF DIRECTORS

### MR. JEETENDRA KAPOOR

Promoter and Non-Executive Chairman  
(DIN: 00005345)

### MRS. SHOBHA KAPOOR

Promoter and Managing Director  
(DIN: 00005124)

### MS. EKTA R. KAPOOR

Promoter and Joint Managing Director  
(DIN: 00005093)

### MS. JYOTI DESHPANDE

Non-Executive Director  
(DIN: 02303283)

### MS. PRIYANKA CHAUDHARY

Non-Executive Director  
(DIN: 06520285)

### MR. DURAISWAMY GUNASEELA RAJAN

Independent Director  
(DIN: 00303060)

### MR. ARUN KUMAR PURWAR

Independent Director  
(DIN: 00026383)

### MR. DEVENDER KUMAR VASAL

Independent Director  
(DIN: 06858991)

### MR. PRADEEP KUMAR SARDA

Independent Director  
(DIN: 00021405)

### DR. ARCHANA HINGORANI

Independent Director  
(DIN: 00028037)

## KEY MANAGERIAL PERSONNEL

### MR. SANJAY DWIVEDI

Group Chief Financial Officer

### MS. TANNU SHARMA

Group Head - Secretarial





## SENIOR MANAGEMENT:

### MS. TANUSHRI DAS GUPTA

Executive V.P. Digital

### MR. VIMAL DOSHI

Head-Distribution (Motion Pictures)

### MR. VIVEK KOKA

Chief Business Officer (ALT Digital)

### MS. LIJI GODBOLE

Group Head – HR

## STATUTORY AUDITORS

Deloitte Haskins & Sells LLP  
Chartered Accountants

## SECRETARIAL AUDITORS

MMJB & Associates LLP  
Company Secretaries

## 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: +91-22-40698181/82/83

E-mail: [investor@balajitelefilms.com](mailto:investor@balajitelefilms.com)

Website: [www.balajitelefilms.com](http://www.balajitelefilms.com)

## REGISTRAR & SHARE TRANSFER AGENT

KFin Technologies Limited.

Selenium Building, Tower-B, Plot No 31 & 32, Financial  
District, Nanakramguda, Serilingampally, Hyderabad,  
Rangareddy, Telangana, India - 500 032.

WhatsApp Number: (+91) 910 009 4099

Toll free: 1800 309 4001

E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

E-mail: [www.kfintech.com](http://www.kfintech.com)

## BANKERS

AXIS BANK LIMITED

HDFC BANK LIMITED

STATE BANK OF INDIA



# Unleashing the Power of Entertainment

Creating Magic, One Frame at a Time

## Balaji Telefilms Limited -

Among the Largest Content Production Houses in India

29 Years

Industry Presence



₹ 593 Crores

Consolidated Revenue in 2022-23



## Our Brands



BALAJI TELEFILMS LIMITED



BALAJI MOTION PICTURES LIMITED



ALT DIGITAL MEDIA ENTERTAINMENT LIMITED



ALT ENTERTAINMENT



DING INFINITY PRIVATE LIMITED



MARINATING FILMS PRIVATE LIMITED



CULT MOVIES

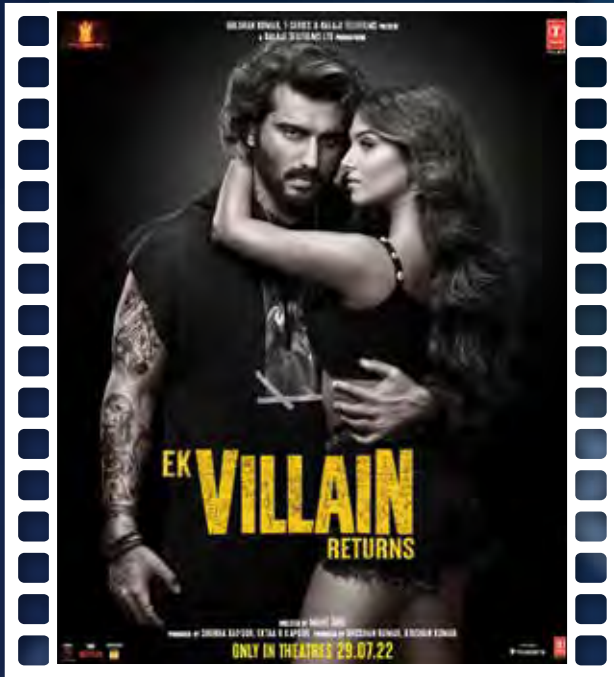


HOONUR





## Movies released in Theatres in 2022-23



Ek Villain Returns



Dobaaraa



Goodbye

## Movies released over OTT platform



Kathal



U-Turn



Freddy



## Upcoming movies



The Crew



LSD2



Dream Girl 2

### & MORE MOVIES

The Buckingham Murder

Thank You For Coming

Vrushabha



# Message from the Promoters



**JEETENDRA KAPOOR**  
PROMOTER



**SHOBHA KAPOOR**  
PROMOTER



**EKTA R. KAPOOR**  
PROMOTER

## Dear Shareholders,

We are pleased to present the financial report of our Company for the financial year 2022-23 as well as provide you with an overview of our remarkable progress and achievements during this transformative period in the entertainment domain. As we embark upon yet another journey of progress and resilience, we are looking forward to bring in more engaging and content driven entertainment for our audiences and thereby scaling greater heights in each of our business segments i.e. Television (TV), Movies and Digital.

### Overview of 2022-23

The Media & Entertainment (M&E) industry has undergone a significant transformation in the last decade, driven by interactivity, digitization, multiple platforms, multiple devices and globalization of services. We have adapted to these trends,



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leveraging emerging opportunities and staying ahead of the curve.

At Balaji Telefilms, where entertainment intertwines with value creation, we built upon our strong brand name and legacy even further, to touch the hearts of many with the pure joy of entertainment through our offerings across mediums. With the trust and unwavering belief you have placed in us, we have consolidated our market reputation and credibility in the M&E sector that we have painstakingly nurtured over the past 29 years.

Our diversified content portfolio, strategic partnerships and customer-centric approach have been key drivers of this success. The rise of video streaming platforms has revolutionized the industry, leading to the launch of more streaming services. Digitalized communities have become more prominent, with brands and platforms leveraging the “go live” feature to build online communities.

The globalization of media and entertainment services has created new opportunities for content creators, distributors and advertisers. Technological advancements have made global content distribution more accessible, enabling us to reach new audiences worldwide. The companies are diversifying their offerings to explore new markets. However, consumer demand remains a driving force in the industry. With the rise of digital technologies, consumers have greater control over the content they consume and expect providers to deliver personalized experiences that meet their preferences.

The shift in audience behavior towards OTT platforms became more pronounced and Balaji Telefilms adapted to this paradigm shift by curating and producing content for the digital market, while also continuing to invest in television and movies based on their monetization potential.





During the year under review, we continued our legacy of delivering engaging TV shows that resonated with our loyal audience. Balaji's long running shows continued to remain channel drivers for some of the leading channels of the country and maintained their rankings amongst the top shows of the channel.



### Television

During the year under review, we continued our legacy of delivering engaging TV shows that resonated with our loyal audience. Balaji's long running shows continued to remain channel drivers for some of the leading channels of the country and maintained their rankings amongst the top shows of the channel. Our dominance in the TV segment stems from our unmatched expertise, deep understanding of audience preferences and our ability to constantly adapt and evolve. We are confident in achieving thriving and sustainable growth in this segment.

### Movies

This year a total of 4 movies were released with 3 of them i.e. 'Ek Villain 2', 'Dobaaraa', and 'Goodbye' releasing in cinemas while Kartik Aryan starrer, 'Freddy' was launched directly on digital to great audience reception. All our films performed exceedingly well on OTT with some of them trending at the number 1 spot. We had multiple direct to digital launches subsequently such as 'U-turn' and 'Kathal' on Zee5 and Netflix respectively, further solidifying Balaji's brand name in this sector. Under the strategy to de-risk the movie business, the Company has locked in significant portion of the cost of production through multiple pre-sales deals for our pipeline ahead and going forward, the Company will continue to employ these strategies to ensure progress and harness monetization potentials.

### Digital

The rising popularity of OTT platforms is driven by the tectonic shift towards digital adoption, diverse genre availability and affordable smartphones. The proliferation of mobile internet has facilitated personalized viewing experiences, offering tremendous growth and revenue-generating opportunities.

ALTBalaji was rebranded as ALTT with a renewed commitment to its customers to provide innovative and engaging content. During the year, we undertook cost-cutting measures and such

strategy to rationalize costs across the Group, especially in the digital business, has yielded handsome results. After closely monitoring and analyzing our audience's tastes and preferences for the past six years, we have built an extensive library of valuable content for over 90 shows. As we speak, we are building on this existing library wherein ALTT's content slate is advanced development stage and is expected to yield positive results in the upcoming quarters in the form of launch of content driven shows across genres. Continued focus on core competencies of creative excellence and production expertise is expected to drive the business going forward.

### Acknowledgment

We take this occasion to thank all the shareholders for their on-going support and continuous encouragement that has contributed to our success story over decades and we assure you that we will continue to strengthen our position of content leadership and seize the opportunity unfolding in the digital landscape as well as further consolidate our market leadership across segments. As we move forward, we remain dedicated to delivering captivating content, leveraging industry trends and creating value for our shareholders.

**Thank you.**



# GCFO's Message



**Sanjay Dwivedi**  
GCFO

## Dear Shareholders,

The past year has been marked by geopolitical tensions, trade wars and inflationary pressures, creating an atmosphere of uncertainty. However, amidst these challenges, Balaji Telefilms has remained steadfast in our commitment to deliver exceptional entertainment that brings value to our investors. We believe that in times of adversity, entertainment plays a pivotal role in providing solace, escapism and joy. That being said, we are proud to present to you Balaji Telefilms' annual performance for financial year 2022-23. This report includes many notable achievements made during the year in a dynamic and evolving entertainment landscape.

### Our Performance

During the 2022-23, Balaji Telefilms continued to thrive across various mediums, delivering captivating content that resonated with our audiences.

The Group reported 76% increase in revenue to ₹ 593 Crores in 2022-23 vis-à-vis ₹ 337 Crores

in 2021-22. Cost of production also increased to ₹ 511 Crores vis-à-vis ₹ 327 Crores in the previous year in line with increase in TV production hours, crossing the milestone of producing more than 1,000 hours of content during the fiscal. EBITDA loss at ₹ 19 Crores was narrowed by 84% in



We believe that in times of adversity, entertainment plays a pivotal role in providing solace, escapism and joy. That being said, we are proud to present to you Balaji Telefilms' annual performance for financial year 2022-23.



2022-23 over loss of ₹ 122 Crores in the previous financial year. Overall, the Group reported a net loss of ₹ 38 Crores vis-à-vis loss of ₹ 133 Crores in the previous corresponding period, a marked improvement of 71%, demonstrating the Group's continued focus on operational excellence and strategic cost rationalizing across business segments, especially the Group's digital business (ALT Digital). These strategic measures enabled the Company to achieve significant improvement at the EBITDA level and expected to yield positive results going forward.





At a standalone level, our EBIDTA profitability stood at ₹ 47 Crores compared to ₹ 15 Crores during the previous year while net profit after tax was ₹ 39 Crores vis-à-vis ₹ 4 Crores in the previous year registering significant growth on a standalone basis.

### Opportunities

Our storytelling, at the heart of which lies our creative capabilities has always resonated with audiences across every strata of the Indian society which has enabled us to have a huge TV audience base and create a strong brand positioning and we have always capitalized on this strength to scale across mediums. In the television segment, we launched engaging shows across channels, catering to the entertainment needs of our loyal audience. Our commitment to quality and innovative storytelling garnered stable TRPs and reinforced our position as a leading content provider. Our long running TV shows continued to perform well and ranked amongst the top shows for the channel. Demand for regional content is on the rise and the Company would explore to diversify in this space to seize opportunities to generate higher revenue.

With the rise of OTT in the M&E sector, we have proactively adapted to this paradigm shift towards digital by strategically investing in content production for distribution via other leading players and studio partners of the industry to further our growth in the content production space for OTT and would continue to adopt this approach. The entry of the 5G India network into the Indian telecommunications market is a remarkable achievement which will further boost of digital entertainment consumption.

Given that the Company has inked some exciting deals for theatrical distribution as well as movie releases via OTT with some of the best talents of the industry, the Company is optimistic that our movie business will scale great heights this year. Our endeavour is to pre-lock revenue deals towards Satellite, Music and Digital which enables us to effectively de-risk our movie business segment to a large extent.

### Outlook

Looking ahead, we remain optimistic about the future of the M&E industry. As the world gradually settles back to complete normalcy in the post pandemic era and the effects of the geopolitical landscape stabilizes, we anticipate a resurgence in the demand for entertainment across various mediums and especially in the digital space owing to the paradigm shift towards this mode by consumers.

The digital transformation and the increasing adoption of OTT platforms have opened up new avenues of growth and engagement. We are committed to leveraging these opportunities, investing in cutting-edge technologies and exploring innovative storytelling techniques to provide immersive and personalized entertainment experiences. To summarize, our focus remains on delivering exceptional content that resonates with our audience and that translates into value for our investors.

### Appreciation Note

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

I extend my heartfelt gratitude to every employee of Balaji Telefilms team for their dedication, hard work and perseverance in creating exceptional entertainment experiences. Their passion and creativity have been the driving force behind our achievements.

As we conclude this Annual Report, I invite you to join us in embracing the power of entertainment to bring joy, inspiration and value to the lives of millions. Together, we will continue to illuminate the world with the magic of entertainment, creating moments that transcend time and leave a lasting impact.

Thank you,  
**Sanjay Dwivedi**  
Group Chief Financial Officer

# About Balaji Telefilms

**Capturing Emotions, Catering Entertainment Needs**

Our journey began in 1994, weaving captivating tales that unfolded on small screen, followed by hitting the big screen in 2001. At the helm of this creative enterprise, Mr. Jeetendra Kapoor, Mrs. Shobha Kapoor and Ms. Ektaa R. Kapoor orchestrated a symphony of talent and vision, propelling Balaji Telefilms to the forefront of India's entertainment industry. Recognized as pioneers in content production, we have carved a niche for ourselves, enchanting viewers with an array of captivating narratives across various mediums and genres.



With an unwavering focus on multicultural storytelling, we set out to touch the hearts of diverse audiences, bridging the gap between reality and imagination. Through our innovative approach and foresight, we have seized the imaginations of audiences, capturing their hearts through an extensive portfolio of hit television shows. Yet, as the entertainment landscape evolves, we embrace the digital revolution with open arms. ALT Digital Media Entertainment Limited (ALT Digital), our wholly-owned subsidiary, is our vessel to navigate the vast ocean of the digital realm. Through ALT Digital, we have propelled ourselves into the

future, crafting ground-breaking and immersive content that transcends boundaries and captivates audiences across the digital landscape.

Balaji Telefilms Limited stands tall as a paragon of creativity, innovation and heartfelt storytelling. Our journey is one of resilience, passion and an unwavering commitment to delivering content that resonates deeply with viewers. As we embark on new adventures and continue to touch the lives of millions, we remain steadfast in our mission to weave magic, capture imaginations and provide entertainment that transcends generations.



## Vision

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



## 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.

# Industry Presence



**Lights, Camera, Connection, Entertainment**

Opportunity in the M&E industry lies in meeting the demands of the new age consumer who seeks customized content tailored to their preferences. This shift in consumer behavior presents a favorable environment for Balaji Telefilms to thrive and capitalize on emerging opportunities.

## Identifying Mega Trends of the Entertainment Industry

The media and entertainment industry is experiencing a profound transformation, driven by the increasing significance of consumer demand across crucial platforms, that penetrate the market beyond just lovers of different genres.

Megatrend 1: With the rise of digitalized communities, brands and platforms are actively incorporating features like 'go live' to build online communities and establish direct connections with their target audiences. This shift allows for deeper engagement and fosters a sense of belonging among consumers.

Megatrend 2: The industry is witnessing the adoption of emerging technologies to offer immersive viewing experiences. Virtual reality (VR) and augmented reality (AR) are being leveraged by media and entertainment companies to create captivating and interactive content, surpassing traditional passive viewing. By embracing these technologies, businesses can deliver unique and memorable experiences that resonate with their audiences and cultivate stronger viewer satisfaction and loyalty.

Megatrend 3: The globalization of media and entertainment services presents new opportunities for content creators, distributors and advertisers. Technological advancements have facilitated the



worldwide distribution of content, breaking down geographical barriers and enabling creators to reach diverse audiences across the globe. The proliferation of video streaming platforms has further intensified this trend, attracting both subscribers and content creators seeking to monetize their work.

### **Tapping Opportunities and Carrying forward the Legacy at Balaji Telefilms**

As the M&E industry is increasingly consumer-driven, Balaji Telefilms is leveraging its rich consumer insight and expertise in producing engaging content to cater to this demand. Our ability to understand and adapt to different

markets, cultures, languages and consumer segments positions us well to create content that resonates with a wide range of audiences.

At Balaji Telefilms Limited, we are proud of the strong brand position we have built across TV, Movies and Digital. Our commitment to delivering exceptional content and creating a memorable entertainment experience continues to drive our success and position us as a preferred choice for viewers.



**MOST POPULAR SHOWS ON TV**





## LATEST LAUNCH



# Journey So Far

## A Celebration of Life, Love and Laughter

With a steadfast commitment to delivering exceptional content, we have captivated audiences across mediums and established ourselves as a trusted name in the industry. Our ability to entertain generations while simultaneously providing meaningful value is the cornerstone of our success.







## 1994

### First appearance in the entertainment field

- 📺 Fiction thriller on Zee TV  
'Mano Ya Na Mano'
- 📺 Followed by comedy show  
'Hum Paanch'

## 2000

### Achieved major breakthrough with back to back hits

- 📺 'Kyunki Saas Bhi Kabhi Bahu Thi'; 'Kahaani Ghar Ki'
- 📺 'Kyunki Saas Bhi Kabhi Bahu Thi' became the highest-rated (22.4 TVR) show for 8 years, with 1,800+ episodes

## 2008

### Forayed in the regional language TV shows

- 📺 Broadcasted in Sun TV and affiliates
- 📺 Created 40+ shows across regional languages

## 2012

### Released new hits

- 📺 'Bade Achhe Lagte Hain' (Sony)
- 📺 'Pavitra Rishta' (Zee TV)

## 2014

### Scaled entertainment content and cemented position as a film company

- 📺 Produced and released 6 movies: 'Ek Thi Daayan', 'Lootera', 'Once Upon a Time in Mumbai Dobaara', 'Shootout at Wadala', 'Shaadi Ke Side Effects' and 'Ragini MMS 2'
- 📺 Released hit TV show 'Kumkum Bhagya' on Zee TV

## 2016

### Launched another successful TV series

- 📺 'Naagin'

## 2017

### Launch of owned streaming platform

- 📺 Launched 6 shows globally on our platform, 'ALTT'

## 2018

### Increase the user base with business merger

- 📺 Merged movie production business into BTL, and crossed the mark of a million paid users for ALTT

## 2022

### Entered into the reality competition TV series that live streamed

- 📺 Launched the first season of 'Lock Upp'

## 2023

### New release for the year

- 📺 3 theatrical release including 'Goodbye' with Mr. Amitabh Bachchan in the lead role, and 1 Direct-to-Digital release starring Kartik Aryan, to great audience reception



# Diversified Segments

**Entertainment with a Purpose – where Innovation meets Impact**

Throughout the years, we have achieved remarkable success in establishing a robust brand position across all business segments, including TV, Movies and Digital. Our primary objective is to become the viewers' first choice and we continuously strive to enhance our brand value in the media and entertainment space. Through strategic brand associations and an active presence on social media, we are actively promoting and strengthening our brand value. Our relentless efforts are focused on delivering an entertainment experience that leaves a lasting impact on our viewers.



## Television Production:

At Balaji Telefilms, our mission is to captivate audiences with engaging content that leaves a lasting impact and tells stories in a realistic manner. We are committed to providing shows and movies that bring generations together, strengthening family bonds and creating moments of celebration. With 29 successful years in the industry, we continuously strive to reach new heights and set benchmarks for ourselves.

## Balaji Telefilms

Throughout our journey, we achieved ranks at the top of the entertainment charts for various shows. Our shows touched the hearts of viewers and achieved top positions on the charts, driving our business forward. To cater to the diverse tastes of our audience, we focus on building a strong connection through our content. Our shows on esteemed channels such as Zee, Star, Colors and Sony have been garnering high viewership, captivating a predominantly female audience across India.

29 Years  
Rich Industry Experience  


1,000+ hours  
of TV Content produced in 2022-23  




## Cinematic Content:

In order to stay agile in a rapidly changing landscape, we have seamlessly integrated digitalization into our content curation. This integration has empowered our audience to enjoy their favorite movies on OTT platforms, offering convenience and the freedom to watch within the comfort of their own space and time.

As we move forward, we are committed to delivering content that resonates with our viewers and keeps them hooked. Balaji Telefilms will continue to evolve and adapt to the changing landscape of the industry, exploring new avenues to entertain and engage our audience. Our dedication to creating memorable experiences remains unwavering as we work towards furthering our growth trajectory and maintaining our position as a leading player in the media and entertainment space.

## Motion pictures:

At Balaji Telefilms, our mission is to spread love across generations through exciting and heartfelt movies, fostering long-term relationships with our audience. Our Motion Pictures division has evolved into a cutting-edge provider of cinematic content. We are driven by the power of intensive and innovative marketing strategies, ensuring our films reach and resonate with the widest possible audience. Our journey in the film industry began in 2001 with the release of our first film.

# 22+ years

Industry Presence



Throughout our journey, we have continually strengthened our presence by collaborating with esteemed studio partners, talented writers, actors, content creators, directors and more. This collaboration has allowed us to leverage our brand equity and position ourselves for further growth opportunities in the film industry. As the generations evolve, we are open to exploring various monetization avenues for our existing and future projects, including direct-to-digital releases.

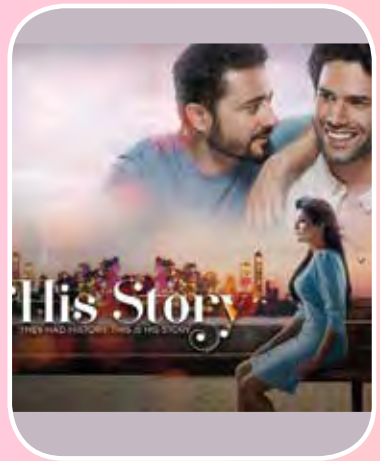


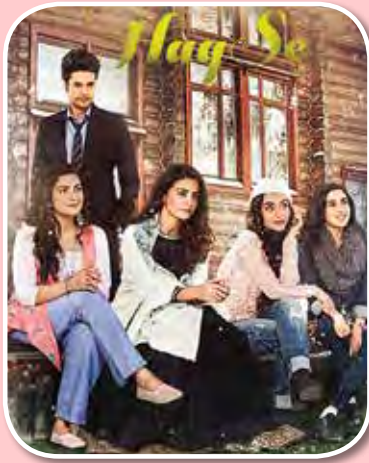
## Digital Presence:

We have established a robust digital presence to showcase our digital content business and connect with a broader virtual audience. ALTT serves as our flagship over-the-top (OTT) platform, offering a diverse range of subscription-based video-on-demand services. As part of ALT Digital, ALTT is dedicated to showcasing exclusive and engaging content.



## TOP IMDb SHOWS





## ALTT

ALTT caters to audiences of all generations and across various genres. From action to comedy, drama to fantasy, horror to mystery, romance to thriller, we offer a wide array of content that appeals to a diverse range of tastes and preferences. Our goal is to provide compelling and entertaining content that resonates with viewers on the digital platform.

Through ALTT we aim to enhance the digital viewing experience by delivering high-quality and exclusive content that captivates and engages our audience. We continue to expand our digital offerings to cater to the evolving needs and preferences of viewers, ensuring that they can access exciting and diverse content at their convenience.

900K+

Instagram Reach



90+

Original show library



16.6 Billion

Total Watch Time in Minutes



Driven by our unwavering optimism and effective branding strategies, we have achieved significant growth in our subscription base through successful partnerships with esteemed platforms. This strategic partnership enables us to create content exclusively for Jio Studio, which will also be made available on our platform. This collaboration enhances value creation for all stakeholders involved and paves the way for sustainable business growth.

As a result of these partnerships and our continuous efforts to curate compelling content, our subscription base continues to grow steadily. We are focused on onboarding experienced writers and filmmakers, fostering collaborations with talented individuals and opening doors to better growth prospects. This ensures that we deliver content that captivates our audience and drives increased viewership.





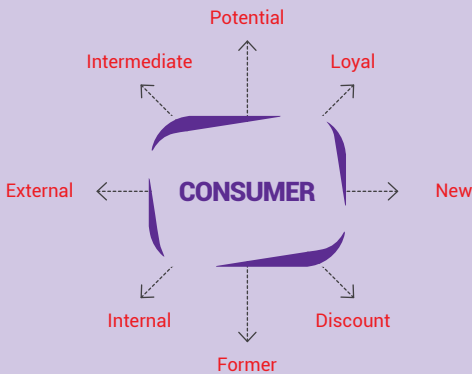
# Business Model

## Strengthening Real to Reel Experience

### BUSINESS DRIVERS

#### Consumers

They are the ones who play major role in taking our business forward. Our actions are aligned to the foreseen consumer demands. Also, with our focus on stakeholders' engagement, we gain valuable insights and perspectives that help us adapt and innovate in a rapidly changing landscape.



### INPUTS

#### Content

We create content across mediums i.e. TV, Movies and OTT as well as across genres to cater to the entertainment needs of our viewers across age groups. Our storytelling, at the heart of which lies our creative capabilities, captures the plurality of emotions that is representative of the multi-cultural dimension of India and draws audience from all sections of the society. Our content has always resonated with the common man as is deeply ingrained in India's socio-cultural fabric.

#### Distribution

We ensure proper and strategized distribution of our content in collaboration with our channel partners.

#### Strategic Collaborations

We have entered into strategic collaborations with some of the leading players of the industry including studio partners, writers, directors, as well as content creators to enhance our business.

#### Technology

We are constantly innovating our business at a dynamic pace to adapt to ever changing times. This allows us to constantly upgrade our technological capabilities in order to achieve an overall enhanced business performance as well as for providing a fulfilling viewer experience to our audience.

#### Skilled Workforce

We are supported by a capable workforce who individually and collectively, as a team, add value to the Company in order for us to achieve our organizational goals.





## ▶ OUTPUT/VALUE-CREATED

### **For Audience/Viewers**

The comments, views and likes garnered from the reactions of our viewers is the outcome of our hard work and efficient utilisation of resources.

### **For Talent**

We give opportunities and encourage new talent to step into the entertainment world.

### **For Stakeholders**

We consistently strive to enhance value for our stakeholders by seizing business growth opportunities and continually strengthening our position of content leadership.

### **For Employees**

We provide our employees the space to learn and grow. We ensure work life balance and value addition to their lives in terms of a fulfilling work experience, while encouraging higher productivity.



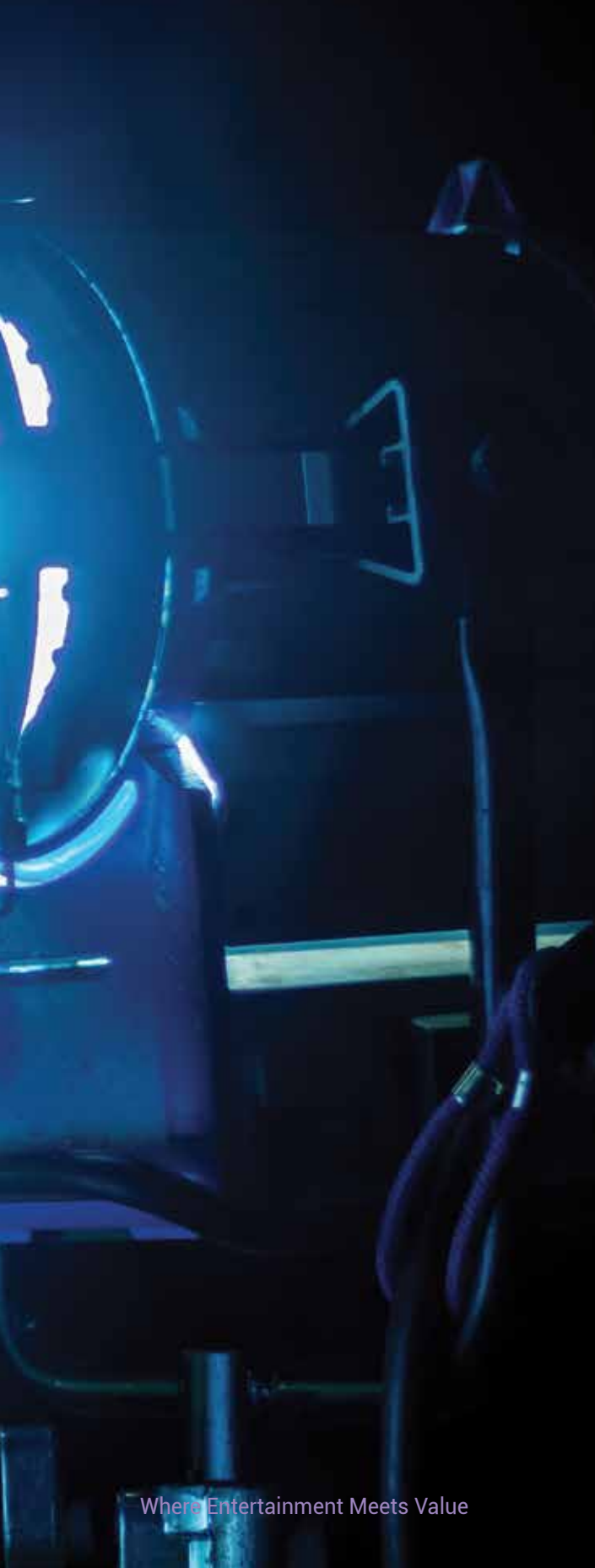


# Strategic Overview

The Art of Storytelling – Inspired by You, for You.

**At Balaji Telefilms Limited, we remain committed to producing engaging content, leveraging our experience and expertise and expanding our customer base. Our focus on quality, adaptability and innovation will continue to drive our success in the dynamic world of entertainment.**

As part of our efforts to remain consistent in blending taste and preference of our consumers, we focus on minimizing risks to achieve optimal success. BTL will persist in implementing the following strategies to effectively advance towards the objective of providing non-stop entertainment with the art of storytelling, inspired by our consumers.



### Expanding into Non-Fiction

We are also enhancing our focus towards non-fiction content and successfully launched Lock Up in 2021-22, which emerged as the highest-watched reality show in the OTT space, showcasing the extensive reach of our business. This success encourages us to continue emphasizing transforming passive audiences into engaged prospects by striving to bring more out-of-the-box content-led shows.

### Quality over Quantity

We are driven by our fundamental principle of choosing quality over quantity when it comes to content. With decades of experience, our enhanced industry knowledge and ability to gauge ongoing and emerging trends have helped us serve better. We have built a better understanding of the choices and preferences of our audience, enabling us to consistently deliver content that resonates with them.

### Enhancing User Experience

While our emphasis remains on connecting with more people in better ways, we also stay aligned with the need of the time to adapt to the surrounding changes. Technological upgradation has become an integral part of our business as we continue to cater to the entertainment needs of our audiences through our digital platforms. Upgrading our application and addressing the concerns of our consumers for a seamless experience is quite challenging but vital.

### Reaching Millions of Viewers

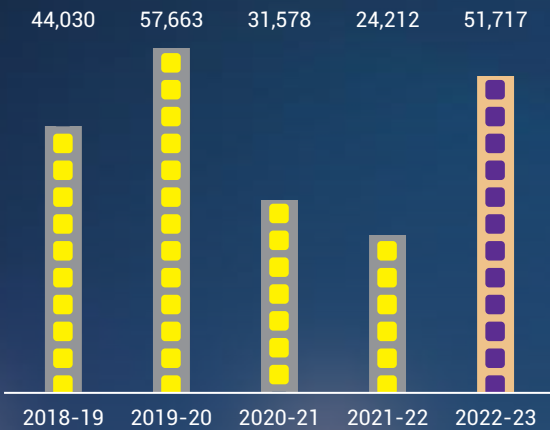
Balaji Telefilms has reached millions of audiences and continues to add more through diverse content and hit shows across platforms. Furthermore, our strategic partnership with a leading OTT player is likely to pull in a greater number of audiences, leveraging the strength of our content.

# Financial Performance

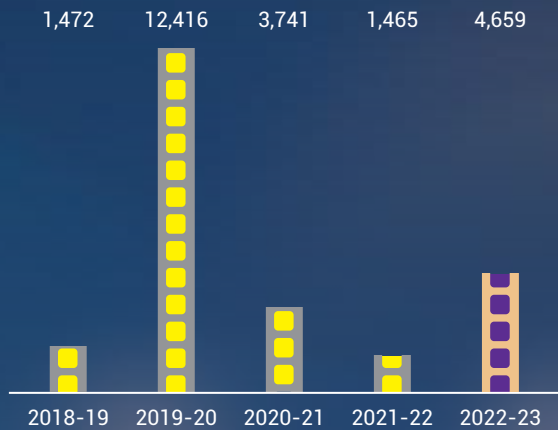


## Steering a Strong Entertainment Trajectory

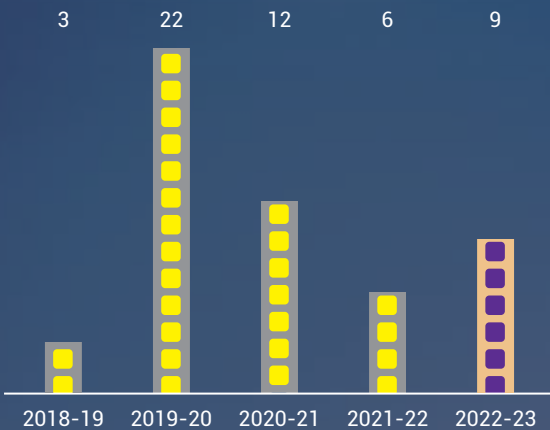
Revenue from Operations (₹ in Lacs)



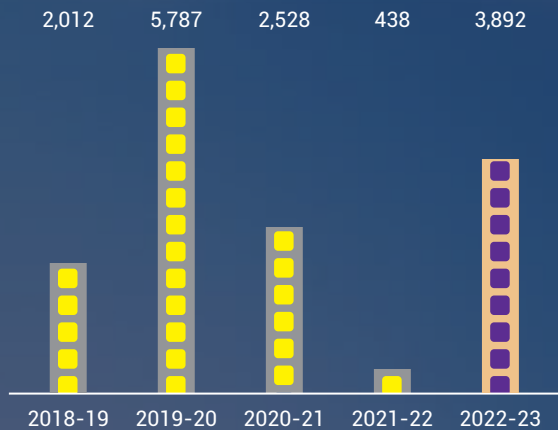
EBITDA (₹ in Lacs)



EBITDA Margins (in %)

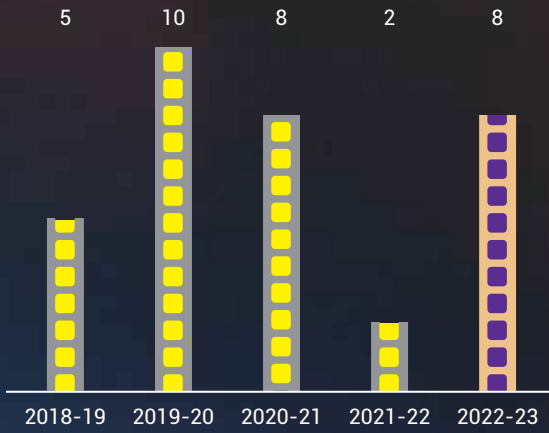


PAT (₹ in Lacs)

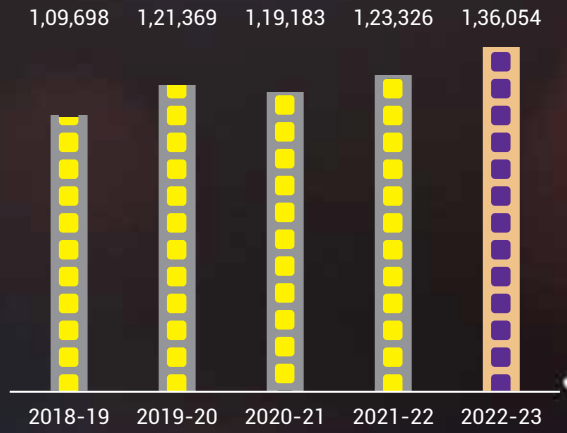




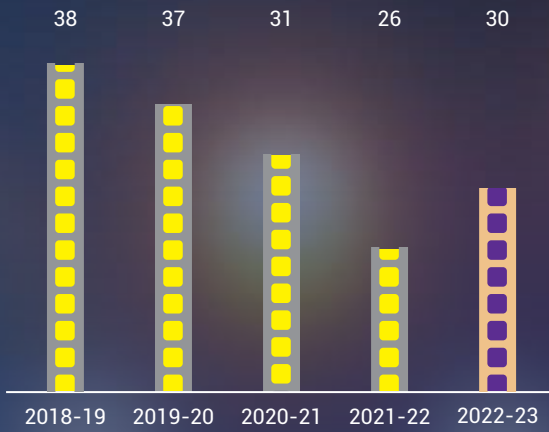
PAT Margin (in %)



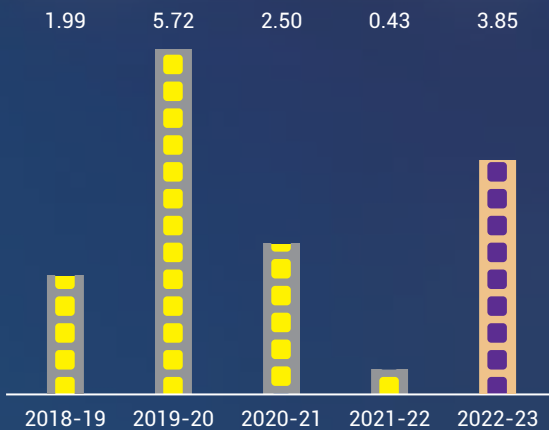
Total Assets (₹ in Lacs)

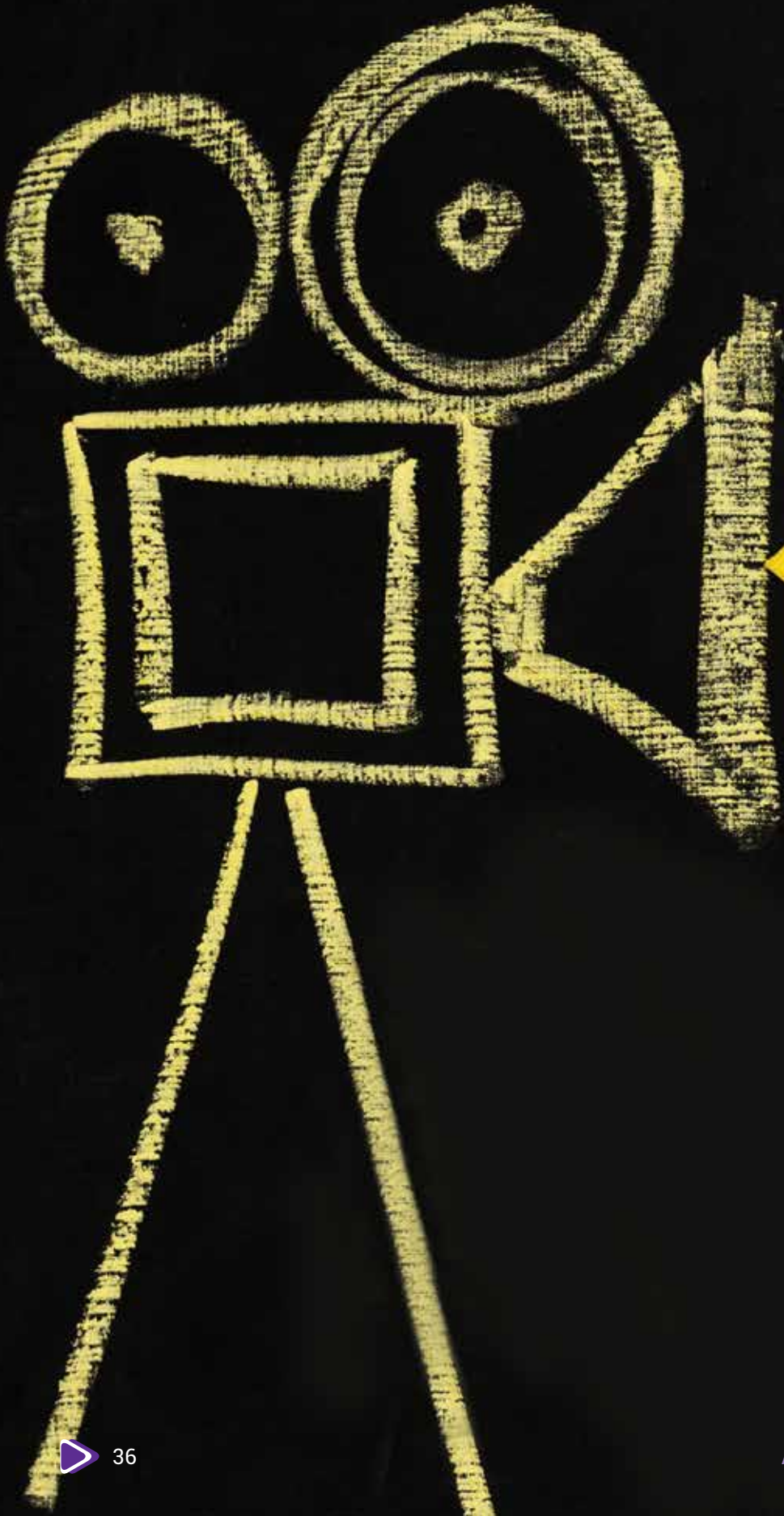


Revenue Per Hour (₹ in Lacs)



EPS (in ₹)












# Governance

At Balaji Telefilms, we believe that a robust governance framework is the cornerstone of our success and sustains our commitment to transparency, accountability and ethical practices. Our governance framework is designed to ensure that our operations are conducted with integrity, efficiency and in compliance with all applicable laws and regulations.

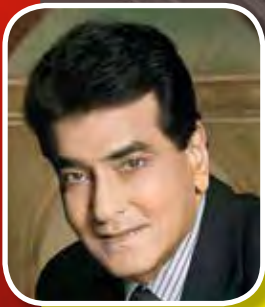
## Board Committees

Our present Board has the following Committees:

-  **AUDIT COMMITTEE**
-  **NOMINATION AND REMUNERATION COMMITTEE**
-  **STAKEHOLDERS RELATIONSHIP COMMITTEE**
-  **RISK MANAGEMENT COMMITTEE**
-  **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

## Board of Directors

We have established strong Board of Directors comprising seasoned professionals from diverse backgrounds, who bring their expertise and guidance to steer the Company towards sustainable growth. Our Board exercises prudent oversight, ensuring strategic alignment, risk management and adherence to corporate governance standards.



M M C M C

### Mr. Jeetendra Kapoor

PROMOTER AND NON-EXECUTIVE CHAIRMAN  
DIN: 00005345

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 honor.



M C M

### Mrs. Shobha Kapoor

PROMOTER AND MANAGING DIRECTOR  
DIN: 00005124

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





M

**Ms. Ektaa R. Kapoor**PROMOTER AND JOINT MANAGING DIRECTOR  
DIN: 00005093

Ms. Ektaa R. 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. Ektaa R. 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), was awarded with IWM (IndianWikiMedia) Digital Awards as Web Person of the year and also honored with FLO Icon Award at the 34th Annual session of FICCI (Federation of Indian Chambers of Commerce and Industry) Ladies Organization. Recently she was also awarded as the Content Creator at Economic Times Business icon awards of the year, Content Powerhouse at ET Edge Maharashtra Awards, 'Icon of Excellence' at Forbes Tycoons of Tomorrow Awards, Outlook Speakout Awards for her outstanding achievements in the television and film industries and Most Powerful Business Women by Fortune 50-Most Powerful Women in Business Awards. In the year 2020, she has also won Padma Shri Award. In the year 2021, she won Hall of Fame Award at Indian Television Awards and Industry Leadership Award at Midday Hitlist OTT Awards. In 2023, she was awarded with 'Entertainment Personality of the Year' at DNA Women Achievers Award & she was the only Indian to feature in the Hollywood Reporters "The 40 Most Influential Women In International Film List".





**Ms. Jyoti Deshpande**

NON-EXECUTIVE DIRECTOR

DIN: 02303283

Ms. Jyoti Deshpande is an industry veteran with over three decades of experience in the media and entertainment business.

Jyoti joined Reliance Industries in 2018 as President, Chairman's Office - Media Platform & Content. Since its inception, Jyoti established Jio Studios as a key player in the entertainment value chain. Under her leadership, Jio Studios currently has over 100 marquee projects in multiple Indian languages in various stages of development to be released in the next two years. In her previous company, Jyoti had successfully built a formidable media & content distribution business, produced over 250 films and pioneered ErosNow's early entry into the OTT space.

In 2021, Jyoti was appointed as CEO of Viacom18 to drive its transition into a truly integrated media company across broadcast and digital and across entertainment and sports in over 8 languages. This makes her the first woman leader to be named CEO of a Big 4 media company in India. She also serves on the boards of Network18, Balaji Telefilms and JioSaavn.

An industry captain, Jyoti also serves as the Chairman, Media & Entertainment Committee, FICCI and works alongside the government and industry colleagues to champion relevant initiatives. She regularly features among Fortune India as well as Business Today's 50 Most Powerful Women in Business lists, both of which celebrate the journeys and triumphs of women who not only impact their organization but are also thought leaders in their industry.

Jyoti believes in the power of positive thinking and practices Vipassana meditation. She's an avid movie buff and equally follows sports passionately.

**Ms. Priyanka Chaudhary**

NON-EXECUTIVE DIRECTOR

DIN: 06520285

Ms. Priyanka Chaudhary is a Senior Vice President at Reliance Industries. Currently, she is the Chief Operations Officer and Chief Financial Officer of Jio Studios, which is the media business of Reliance Industries Limited. Her role encompasses working closely with the leadership team to build the media and entertainment business through organic growth and inorganic partnerships as well as synergizing with investee companies to consolidate Reliance's position in the fragmented USD 25 Billion media and entertainment industry in India. Priyanka also occupies a seat on the Board of Viacom18 Media Private Limited. Prior to this, Ms. Chaudhary worked at Grant Thornton where she worked in leadership positions in finance and accounting with a specific focus on TMT. She holds graduate degrees in International Finance and Accounting from National American University, Institute of Chartered Accountants of India and the ACCA, UK.

**Mr. Duraiswamy Gunaseela Rajan**

INDEPENDENT DIRECTOR

DIN: 00303060



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





**Mr. Arun Kumar Purwar**  
INDEPENDENT DIRECTOR  
DIN: 00026383

Mr. Arun Kumar Purwar is the Chairman and Independent Director of IIFL Finance Limited, Jindal Panther Cement as well as ERoute Technologies Private Limited. He is as an Independent Director in Companies across diverse sectors like Finance, Pharma, Media, Engineering consultancy, Investment Banking & Fintech. 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. Devender Kumar Vasal**  
INDEPENDENT DIRECTOR  
DIN: 06858991

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 36 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 the now HDFC Bank. He also held the position of Group General Legal Counsel at Sterlite group, now known as the Vedanta Resources PLC.



**Mr. Pradeep Kumar Sarma**

INDEPENDENT DIRECTOR

DIN: 00021405

Mr. Pradeep Kumar Sarma is a commerce graduate. He is the Chairman of the Sarma Group of Companies and 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.

**Dr. Archana Hingorani**

INDEPENDENT DIRECTOR

DIN: 00028037

Dr. Archana Hingorani serves as a Director on the Boards of Alembic Pharmaceuticals Limited, Den Networks Limited, 5Paisa Capital Limited, SIDBI Venture Capital Limited, Grindwell Norton Limited and SBI Mutual Fund Trustee Company Private Limited. She holds a Bachelor's Degree in Arts from the University of Mumbai, a Master's Degree in Business Administration from the Graduate School of Business, University of Pittsburgh, USA and a Doctorate Degree in Philosophy from the Joseph M. Katz Graduate School of Business, University of Pittsburgh, USA. She has 30 years of experience in financial services and private equity fund investment. She is currently a Managing Partner at Siana Capital, an investment firm focused on technology and innovation and a Visiting Distinguished Professor for Private Equity at the Katz Graduate School of Business, University of Pittsburgh, USA. She has been the recipient of various awards such as 'Ten most influential women in private real estate investing' by PERE in 2010, 'Most Powerful Women' in 2014, 2015, 2016 and 2017 by Fortune India, 'Most Powerful Women' in 2011, 2012 and 2013 by Business Today, '25 Most Influential Women in Asia Asset Management' by Asian Investor in May, 2014 and 'Distinguished International Alumnus' in the year 2016 by the Katz Graduate School of Business, University of Pittsburgh, USA. In sum, she has over 38 years' experience in the financial services business, teaching and research.





# Awards & Recognition

## ITA AWARDS 2022

|                  |                         |
|------------------|-------------------------|
| <b>Category</b>  | Best Actor-Drama-TV     |
| <b>Winner</b>    | Nakul Mehta             |
| <b>Programme</b> | Bade Achhe Lagte Hain 2 |

## ITA AWARDS 2022

|                  |                         |
|------------------|-------------------------|
| <b>Category</b>  | Best Actress-Drama-TV   |
| <b>Winner</b>    | Disha Parmar            |
| <b>Programme</b> | Bade Achhe Lagte Hain 2 |



## INDIAN TELLY AWARDS 2023

|                  |                   |
|------------------|-------------------|
| <b>Category</b>  | Fan Favorite Show |
| <b>Winner</b>    | Yeh Hai Chahatein |
| <b>Programme</b> | Yeh Hai Chahatein |



## INDIAN TELLY AWARDS 2023

|                  |                               |
|------------------|-------------------------------|
| <b>Category</b>  | Fan Favorite Supporting Actor |
| <b>Winner</b>    | Ajay Nagrath                  |
| <b>Programme</b> | Bade Achhe Lagte Hain 2       |



FAN FAVOURITE CHILD ARTIST FEMALE  
**AAROHI M KUMAWAT**

**INDIAN TELLY AWARDS 2023**

|                  |                                   |
|------------------|-----------------------------------|
| <b>Category</b>  | Fan Favourite Child Artist Female |
| <b>Winner</b>    | Aarohi M Kumawat                  |
| <b>Programme</b> | Bade Achhe Lagte Hain 2           |



FAN FAVORITE NEGATIVE LEAD (FEMALE)  
**MAHEK CHAHAL**

**INDIAN TELLY AWARDS 2023**

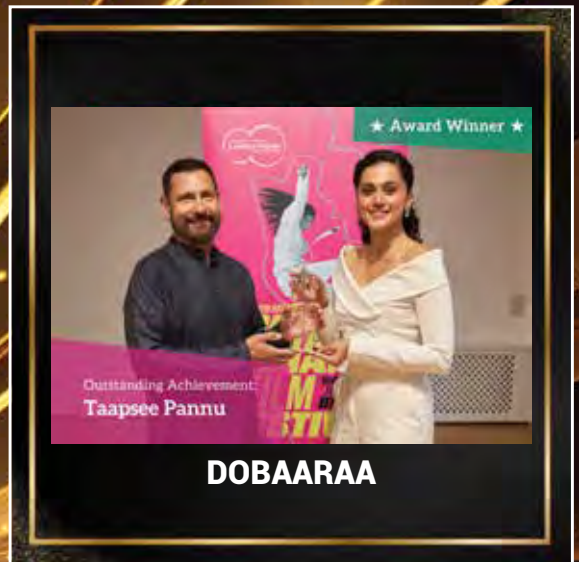
|                  |                                     |
|------------------|-------------------------------------|
| <b>Category</b>  | Fan Favorite Negative Lead (Female) |
| <b>Winner</b>    | Mahek Chahal                        |
| <b>Programme</b> | Naagin 6                            |



PROGRAMMING AWARDS WEEKLY SERIAL  
**NAAGIN 6**

**INDIAN TELLY AWARDS 2023**

|                  |                                  |
|------------------|----------------------------------|
| <b>Category</b>  | Programming Awards Weekly Serial |
| <b>Winner</b>    | Naagin 6                         |
| <b>Programme</b> | Naagin 6                         |



★ Award Winner ★  
Outstanding Achievement:  
**Taapsee Pannu**  
**DOBAARAA**

**LONDON INDIAN FILM FESTIVAL, UK 2022**

|                 |   |
|-----------------|---|
| <b>Category</b> | Outstanding Achievement Award, Best Actress |
| <b>Winner</b>   | Taapsee Pannu                               |
| <b>Movie</b>    | Dobaaraa                                    |

# Management Discussion and Analysis

## Indian Economic Overview

The Indian economy has been growing steadily and is now one of the fastest-growing economies in the world. Despite global challenges and tighter domestic monetary policies, the financial year 2022-23 saw India's continued strong growth momentum, underpinned by a key focus on infrastructure development and private sector consumption. According to the National Statistical Office, India's GDP grew 7.2% in 2022-23.

Despite maintaining a steady growth momentum, India has been grappling with inflationary pressures since the beginning of 2022-23. In response, the Reserve Bank of India implemented a series of rate hikes to ease inflationary pressures. The Reserve Bank of India raised the repo rate five times in a

row, reaching 6.50% in 2022-23. In April, during its first bi-monthly monetary policy for 2023-24, the RBI chose to keep the repo rate steady, indicating that inflationary pressure on the economy is slowly decreasing.

Going forward, India's positive economic outlook might be impacted by global challenges, including high inflation numbers, monetary tightening by central banks, supply chain strains and geopolitical conflicts, all of which are affecting global economic prospects. However, India's economic growth is expected to continue on a solid footing with a projected growth rate of 6% in 2023-24, as per S&P Global Ratings. This will be driven by the Government's policy support, increased infrastructure spending and emphasis on self-reliance or Atmanirbhar Bharat. Thus, shaping its long-term economic outlook to be positive.

(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1903091>

<https://www.thehindu.com/business/Economy/expecting-slowdown-in-indian-economy-to-61-in-2023-from-68-in-2022-says-imf/article66452776.ece>

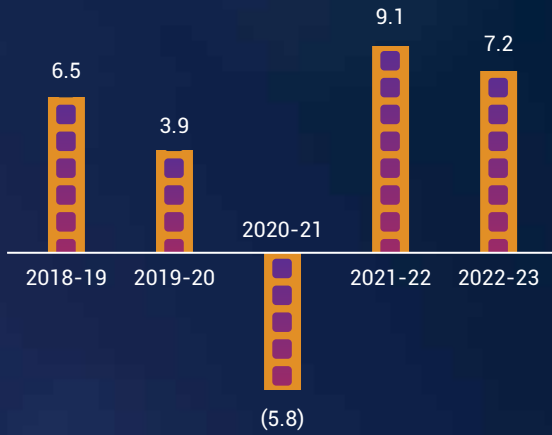
<https://www.hindustantimes.com/india-news/retail-inflation-shoots-up-to-3-month-high-of-6-5-in-jan-as-food-prices-bite-101676312602815.html>)







### Indian Economic Growth (% Change)



(Source: MoSPI, NSO)



## INDUSTRY OVERVIEW

### Global Media & Entertainment (M&E) Industry

The Media and Entertainment industry has undergone a significant transformation in the last decade due to the interactivity, digitization, multiple-platforms, multiple-devices and globalization of services. This industry includes multiple segments such as Movies/Cinema, Television, Music, Publishing, Radio, Internet, Advertising and Gaming. The trends and drivers for each of the segments vary across sub-segments, geographies and consumer segments, which make this vertical unique.

### M&E revenues (US\$ trillion)



Global M&E industry revenue stood at US\$ 2.5 trillion in 2022 and is expected to expand at a CAGR of 3.9% reaching US\$ 2.9 trillion in 2025. The M&E industry is a creative industry and is extremely dependent on markets, cultures, languages and consumer segments. However, the critical change in the new era is that demand is completely consumer-driven. The new age consumer not only demands what they like, but also in the format they like and they want to customize the content to their preferences.



## Emerging Trends

### Rise of video streaming platforms

The rise of video streaming platforms is leading to the launch of more streaming services.

### Digitalized communities and social engagement

Digitalized communities are becoming more prominent, with brands and platforms integrating the 'go live' feature into their marketing strategies to build online communities. Responsibility is becoming increasingly important, with platforms offering opportunities to share relevant content and measure its impact. Social algorithms are enabling users to engage in ways that go beyond the follower count.

### Immersive viewing experiences through emerging technologies

Media and entertainment companies are leveraging emerging technologies to offer immersive viewing experiences. Partnerships between entertainment providers and gaming companies are increasing, allowing for the integration of gaming technology into digital content.

### Globalization of services:

The globalization of media and entertainment services has created new opportunities for content creators, distributors and advertisers. Advances in technology have made it easier to distribute content

globally, allowing content creators to reach new audiences around the world.

### Mergers and acquisitions (M&A) trend in the industry

Mergers and Acquisitions (M&A) are becoming increasingly popular in the media and entertainment industry. Companies are diversifying their offerings to explore new markets and expand their operations. The US market has seen the largest value of M&A deals, with major players acquiring gaming companies to extend their offerings.

### Non- Fungible Tokens (NFTs) driving innovation and growth

NFTs are driving innovation and growth in the media and entertainment industry. Companies are collaborating with NFT specialists and marketplaces to offer consumers new ways to engage with their favourite content and characters.

### Consumer demand:

The media and entertainment industry has always been driven by consumer demand, but the rise of digital technologies has made this more important than ever. Consumers now have greater control over what content they consume and how they consume it and they expect content providers to deliver content that meets their needs and preferences.

### Advertising:

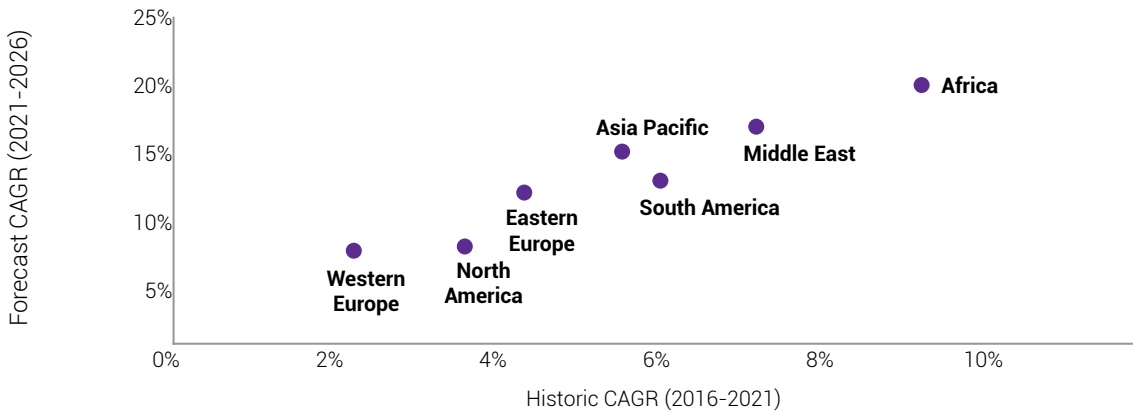
Advertising remains a key revenue source for many media and entertainment companies. The rise of digital advertising has created new opportunities for companies to reach consumers in innovative ways, such as through targeted advertising and influencer marketing. Global ad spending in 2022 was US\$ 713.6 Billion and is projected to grow at a compound annual growth rate (CAGR) of 4.4% to reach US\$ 811.6 Billion by 2025.





### The highest growth in expected to be in Africa, Middle East and Asia Pacific

Global Media Market – 2021-2026



Source: The Business Research Company

## Indian Media & Entertainment Industry

All segments of the M&E sector in India experienced significant growth in 2022, leading to a total revenue increase of ₹ 348 Billion (19.9% YoY) to reach ₹ 2.1 trillion. The industry experienced growth momentum across both traditional media and digital, online gaming and VFX segments. This growth was driven by technology advancement with widespread adoption of smartphones and internet, globalization, content diversity, evolving generational behavior and supporting Government policies. With such strong momentum, the industry is well-positioned to achieve its projected growth rate of 11.5% in 2023, reaching ₹ 2.34 trillion and a CAGR of 10.5% to reach ₹ 2.83 trillion by 2025.

Traditional media which includes television, print, filmed entertainment, OOH, music, radio, contributed to 58% of M&E sector revenues in 2022, while digital media emerged as the second-strongest segment, contributing ₹132 Billion and increasing its share of the M&E sector from 16% in 2019 to 27% in 2022.

Experiential segments outside the home, such as filmed entertainment and live events, recovered significantly. The film segment expanded by ₹ 79 Billion as theatrical releases doubled in 2022. The live events segment also grew during 2022, expanding to ₹ 41 Billion.

# ₹ 105 Billion

**Box Office Collection in 2022, growth 3x over 2021**



# 90 Million

**Paid Video OTT Subscriptions in 2022**

## BALAJI TELEFILMS LIMITED

### Changes in Studios Dissemination and Marketing Content:

The media and entertainment industry has undergone significant changes in recent years, with a shift towards digital distribution channels and new marketing strategies. Studios are increasingly using social media platforms, influencer marketing and online promotions to reach consumers.

### Artists Engaging with Fans:

The rise of social media has enabled artists to engage directly with their fans, leading to new marketing opportunities and revenue streams. Artists are now able to build their personal brands and connect with their audience in new ways.

### Consumer Interaction with Content:

The advent of interactive content has changed the way consumers interact with media. Platforms like YouTube and Instagram have enabled users to create and share their own content, leading to a more engaged audience.

### Rising Consumer Spending:

With the growth of the Indian economy, consumer spending on media and entertainment has been on the rise. This trend is expected to continue, fueled by increasing disposable incomes and changing lifestyles.

### Huge Scope for Media Penetration:

India's media and entertainment industry has significant scope for growth in both urban and rural

areas. With increasing access to smartphones and the internet, there is a huge opportunity to reach new audiences.

### New Geographical Regions Supported by IPs and Branded Content:

The industry is expanding to new geographical regions, supported by the use of IPs and branded content. This trend is likely to continue as the industry seeks to tap into new markets.

### Targeting New Audiences and Adding Subscriber Base:

The industry is targeting new audiences and adding a subscriber base to enhance the business model. This includes the use of subscription-based services and new marketing strategies.

### Smart Connected TV on the Rise:

The number of smart connected TVs is expected to exceed 25 Million by 2025, driven by lower penetration of TVs, imminent large-scale roll out of 5G services in India and continued growth of wired broadband. This trend is likely to lead to new opportunities for content creation and distribution.

### TV and OTT as Points of Connection:

TV and OTT platforms have become important points of connection for interaction and film releases. This trend is expected to continue, with increasing integration between traditional and digital media channels.

### Indian M&E sector grew 20% in 2022 to reach INR2.1 trillion

|                      | 2019         | 2020          | 2021         | 2022         | 2023E        | 2025E        | CAGR 2022-2025 |
|----------------------|--------------|---------------|--------------|--------------|--------------|--------------|----------------|
| Television           | 787          | 685           | 720          | 709          | 727          | 796          | 3.9%           |
| Digital Media        | 308          | 326           | 439          | 571          | 671          | 862          | 14.7%          |
| Print                | 296          | 190           | 227          | 250          | 262          | 279          | 3.7%           |
| Filmed entertainment | 191          | 72            | 93           | 172          | 194          | 228          | 9.8%           |
| Online gaming        | 65           | 79            | 101          | 135          | 167          | 231          | 19.5%          |
| Animation and VFX    | 95           | 53            | 83           | 107          | 133          | 190          | 21.1%          |
| Live event           | 83           | 27            | 32           | 73           | 95           | 134          | 22.2%          |
| Out of Home media    | 39           | 16            | 20           | 37           | 41           | 53           | 12.8%          |
| Music                | 15           | 15            | 19           | 22           | 25           | 33           | 14.7%          |
| Radio                | 31           | 14            | 16           | 21           | 22           | 26           | 7.5%           |
| <b>Total</b>         | <b>1,910</b> | <b>1,476</b>  | <b>1,750</b> | <b>2,098</b> | <b>2,339</b> | <b>2,832</b> | <b>10.5%</b>   |
| <b>Growth</b>        |              | <b>-23.2%</b> | <b>19.3%</b> | <b>19.9%</b> | <b>11.5%</b> |              |                |

All figures are gross of taxes (₹ in Billion) for calendar years | EY estimates



## Government Initiatives

### Animation, Visual Effects, Gaming and Comics (AVGC) Boost

The Indian government has initiated the AVGC Task Force to develop the AVGC segment, comprising members from the government, industry and academia. The task force divided into four subgroups - Education, Gaming, Skilling and Policy and Industry. The task force presented the AVGC Report in December 2022, containing recommendations on skilling, education, market access and development, access to technology, financial viability and promotion of high-quality content. The report recommends measures such as creating a National Center of Excellence, establishing Regional Centers of Excellence, conducting annual international AVGC expos, establishing a UGC-recognized curriculum, expanding vocational education in schools and developing a job aggregation platform. The report also suggests promoting high-quality content creation through the 'Create in India' initiative.

out of which 353 were free and 532 were paid. This momentum can be attributed to increasing creativity in TV programming, rising demand and a boost in budgets for feature films, resulting in improved quality. Moreover, the industry has welcomed new talent and broadened its scope by being open to Indian English writers. The industry is further benefiting from increased access to broadband internet across the country. Thereby enabling the broadcasters building stronger subscription revenue products through customer centric bundles.

#### Advertising:

Television advertising grew by 2% in 2022, almost reaching its pre-COVID-19 levels. Ad growth was driven by volume, while rates remained constant on average. FMCG and e-commerce were the largest contributors to revenue growth, with FMCG remaining the largest sector to advertize on television. The future outlook for television advertising is optimistic, with expectations of a CAGR growth of 5.3% to reach ₹ 371 Billion by 2025.

## Indian Television Industry

The Indian TV industry has seen moderate growth in 2022. TV channel count stood at a total of 885,



81%

Indians are willing to see ads in exchange for free quality content

63%

Ad volumes contributed by FMCG sector

#### Viewership and Reach:

There were 120 Million active pay TV homes and 45 Million free TV homes, with time spent on linear television falling by 7% in 2022 due to a decline in both Hindi and regional language viewership. Smart TV sets, however, increased to 25 Million. The growth in spends on television was driven by new advertiser segments and brands exploring TV advertising to build awareness, along with the rise of new channels offering original content.

### 565 Million homes

TV's daily average reach making it the largest medium in India by far

The future outlook for the Indian TV industry is optimistic, with expectations of continued growth. Total television screens, both linear and bi-directional, are expected to reach 206 Million by 2025 from 180 Million today. Connected TVs are estimated to cross 40 Million by 2025 and free-to-air television is expected to cross 50 Million. The conventional wired broadband, which has been in use by consumers for several decades, is currently undergoing a transition towards hybrid set-top boxes. The crucial benefit of this transition is that users can now view content in real-time mode via TV connect. Furthermore, the hybrid set-top boxes provide users with the ability to access OTT content through their broadband network. It is highly likely that the trend of bundling at least one TV and one broadband + OTT will persist in the future. The growth in the industry will also be driven by new advertiser segments and brands exploring TV advertising to build awareness, as well as the growth of new channels with original content. Subject to implementation of ad caps and regulatory restrictions on pricing, television revenues are expected to continue to grow to ₹ 796 Billion by 2025.

## Indian Film Industry

The Indian film industry experienced significant growth in 2022 with domestic film releases doubling from 2021 levels. Gross box office revenues exceeded ₹ 100 Billion, marking only the second time in India's history. Additionally, 335 Indian films were released abroad. While broadcast rights remained subdued due to lower ratings of film channels, digital rights rationalized and shed their direct-to-OTT premiums as most larger films reverted to theatrical releases. It is expected that the film industry segment will continue to grow, reaching ₹ 228 Billion by 2025, driven by higher per capita income and offering segmented offerings for distinct audience sets across markets and price points.

In terms of domestic theatricals, 1,623 movies were released this year across languages, which is 9% higher than 2019 levels. The highest number of films were released in Telugu, Kannada, followed by Tamil and Malayalam. Only 194 films were released in Hindi. The screen count was 9,382, around 2% lower than before the pandemic. However, Srinagar got its first multiplex cinema, as a move to bring entertainment to the youth of Jammu and Kashmir.

Gross box office revenues increased almost three times the revenues of 2021 to ₹ 105 Billion, with South Indian films now commanding over 50% of box office revenues. Footfalls increased to 994 Million in 2022 but were still significantly lower than the 1,460 Million footfalls recorded in 2019, which showcases the room for growth in the films industry. The average ticket prices saw an increase from ₹ 106 in 2019 to ₹ 119 in 2022.





### Filmed entertainment recovered to 90% of its pre-pandemic levels

| Segment               | 2019       | 2020      | 2021      | 2022       |
|-----------------------|------------|-----------|-----------|------------|
| Domestic Theatricals  | 115        | 25        | 39        | 105        |
| Overseas Theatricals  | 27         | 3         | 6         | 16         |
| Broadcast Rights      | 22         | 7         | 7         | 10         |
| Digital/OTT           | 19         | 35        | 40        | 36         |
| In-cinema Advertising | 8          | 2         | 1         | 5          |
| <b>Total</b>          | <b>191</b> | <b>72</b> | <b>93</b> | <b>172</b> |

₹ in Billion (gross of taxes) | EY Analysis

Over 200 films released on digital platforms in 2022, with more than 75 films releasing directly on the platform without a theatrical release. However, most large films reinstated the initial exclusive theatrical window, critical to marketing a film. Digital rights values rationalized from ₹ 40 Billion in 2021 to ₹ 36 Billion in 2022 as they excluded the "theatrical make-good" and "direct-to-digital release" premiums that were being earlier paid by OTT platforms. In-cinema advertising recovered to ₹ 4.5 Billion, with notable titles getting approximately a significant number of brands on board for cinema advertising. While the latter part of the year saw muted in-cinema advertising, the promising consumer footfall at the beginning of the year and a strong content pipeline rekindled advertisers' interest.

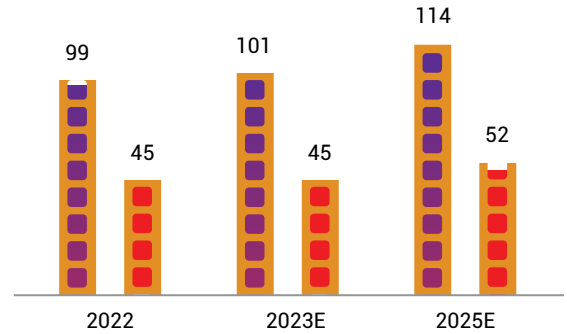
## Subscription Based Video on Demand (SVOD)

It is estimated that the number of households paying for one or more SVOD services has the potential to reach 100 Million, resulting in a total digital video subscription of approximately ₹ 110 Billion by 2025. The subscription revenues are anticipated to grow at a CAGR of 11%, eventually reaching ₹ 97 Billion in 2025.

## Digital subscription

### 1. SVOD can grow two ways

Subscriptions and subscribing households



■ Paid subscriptions ■ Subscribing households

EY estimates | Assumes no significant changes in content or data prices

If prices remain at current levels, paid video subscription households can grow to 52 Million. However, if prices are rationalized, this number can reach up to 100 Million, resulting in a total subscription revenue of between ₹ 91 Billion and ₹ 110 Billion. The growth in the number of subscribing households is also dependent on factors such as growth in per capita income, data pricing, growth of high-quality broadband and the arbitrage between television & OTT pricing.



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In the digital media space, the sharing economy is likely to manifest itself in group subscription products for families, friends, neighbors, colleges and corporates. Furthermore, there will be more opportunities for content syndication among telecommunication companies, direct-to-consumer platforms of brands and through various distribution channels such as transactional video-on-demand (TVOD). These opportunities have the potential to generate more than ₹10 Billion by 2025.

The demand for original content is expected increase from 3,000 hours in 2021 to over 4,000 hours by 2025, supplementing the digital video subscription industry in India for significant growth and expansion going ahead.

### Company Overview

Balaji Telefilms Limited (hereon, referred to as 'Balaji Telefilms', 'the Company', or 'It') is among the pioneers of the Indian Television and Movie industry, catering to the diverse consumer base across Hindi and regional general entertainment space.



The Company was founded under the able guidance of Mr. Jeetendra Kapoor and established under the hands-on leadership of Mrs. Shobha Kapoor and Ms. Ektaa R. Kapoor.

With a rich industry presence of over 29 years, the Company remains committed to its purpose of quality and consistent entertainment, focusing on creating engaging content for different age groups, formats, media and platforms. From movies, daily soaps, drama and comedy to OTT, the Company's extensive expertise and experience is testified in its numerous successful TV shows and milestones, well-received by viewers across the country.

### Digital

Balaji Telefilms introduced ALTT (formerly, by the name of ALT Balaji) in 2017. Under the new identity of ALTT, the platform not only offers a vast array of shows, movies and web series but also leverages Balaji Telefilm's production and creative expertise to produce high-appeal original content and collaborate with partners to create content that appeals to classes and masses alike. ALTT aspires to build a dynamic digital space where viewers can seamlessly access their favourite entertainment, regardless of the device or location. With a commitment to enhancing the streaming experience, ALTT provides a range of features and tools that allow users to personalize their viewing experience, including creating watchlists, setting reminders and enabling subtitles.

### Television

Renowned as a pioneer in the TV medium and credited with transforming the face of Indian television, Balaji Telefilms is committed to being proactive visionaries to stay ahead of the competition. With an unparalleled leadership position in television content, the Company has produced iconic shows across leading channels of the country and continues to churn out top notch TV shows till date that resonate with audience's evolving tastes and preferences. Our journey began with the ground-breaking production of 'Mano Ya Na Mano', followed by the hugely successful comedy show 'Hum Paanch' and has since grown into a conglomerate that has delivered several successful shows that have created as well as broken records in the television domain. Our portfolio boasts a rich





legacy of hit shows that have captured the hearts of millions of viewers across generations. Our current hit shows include Kumkum Bhagya, Kundali Bhagya, Yeh Hai Chahatein, Naagin 6 etc.

### Movies

Driven by an unwavering pursuit of growth and progress, Balaji Telefilms ventured into film production in 2001. In a remarkably short span of time, the Company has solidified its position as one of the leading movie studios in the country, collaborating with top actors and actresses in the industry. Today, our studio has carved a niche for itself as a provider of differentiated cinematic experiences. With a commitment to pushing boundaries and offering captivating stories, the Company continues to make

a lasting impact in the film industry, consistently delivering engaging and diverse movies for theatrical experience as well as direct to digital, keeping in mind the evolving digital landscape.

### Key Performance Highlights 2022-23

ALTT, our OTT platform, has made significant strides in the industry by expanding its library to include a diverse collection of over 90 shows. During the year, a total of 1.11 million subscriptions were sold including 0.6 million renewals highlighting the stickiness of customers and appeal of the content on our platform. We launched 3 new shows on ALTT, with strong reception by target customers.



In a bid to capitalize on production expertise, ALT Digital (Company's subsidiary focused on digital business) has entered into strategic partnerships and deals to produce content for some of the biggest digital platforms. The business has embarked on a comprehensive strategy to diversify revenue streams, streamline operations at all levels and rationalize non-core expenses. ALTT's content slate is taking shape which is expected to yield positive results in the upcoming quarters in the form of launch of content driven shows across genres. Continued focus on core competencies of creative excellence and production expertise is expected to drive the business going forward. During the fiscal, ALTT's content has been watched for over 16.6 billion

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minutes with the number of views totalling to 1.5 billion.

The segment made notable progress in its cost rationalization strategy, wherein EBITDA losses narrowed by more than 50% in FY23 compared to FY22. We remain focused on creating high-appeal original content for ALTT and collaborating with partners to co-create captivating content. We are actively monetizing our existing IPs through derivative channels, including multiple seasons and spinoffs. Additionally, ALTT continues to offer an unbeatable value proposition in the OTT subscription space, providing access to premium content for less than ₹1 a day (₹300/year pack).

On the television front, we have achieved remarkable TRPs and viewership across channels, demonstrating our commitment to delivering strong and innovative content. During the financial year, the business achieved a significant milestone by producing over 1,000 hours of TV content, marking an impressive year-on-year growth of 31%. By the end of the financial year, we had 9 shows on-air across leading broadcasters which contributed to our strong performance. We have an exciting lineup of new



shows scheduled to go on air in the upcoming year, further driving our volume growth in this segment.

In the movie business, we are poised for a promising year ahead with a robust lineup of films. We have adopted a strategic approach to recover a significant portion of production costs through multiple pre-sales deals. In 2022-23, we released four movies: 'Freddy', 'Goodbye', 'Dobaaraa', and 'Ek Villain Returns'. Our subsequent direct to digital releases, 'U-Turn', featuring Alaya F, premiered on Zee5 on April 28th, 2023, and received a positive response. Furthermore, 'Kathal', starring Sanya Malhotra, premiered on Netflix on May 19th, 2023, quickly gaining popularity and topping Netflix's charts. We have several movies in the post-production stage, including 'Thankyou for Coming', 'Dream Girl 2', and 'The Buckingham Murder'. Exciting upcoming projects like The Crew and LSD2 are expected to captivate audiences with their unique storytelling.

## Opportunities and Threats

### Opportunities:

- 📺 The Indian media and entertainment industry is expected to grow at a CAGR of over 10% and reach a market size of US\$ 52.68 Billion by 2025. This growth presents an opportunity for Balaji Telefilms to expand its presence and generate more revenue.
- 📺 The rise of digital platforms has created a shift in consumer behavior, with an increasing preference for on-demand content. This presents an opportunity for Balaji Telefilms to expand its presence in the OTT space through ALTT and cater to changing consumer preferences.
- 📺 The Indian film industry is experiencing a growth in demand for high-quality content, with an increasing number of domestic and international players investing in film production. This presents an opportunity for Balaji Telefilms to collaborate with other industry players and expand its reach in the film production space.
- 📺 The Indian regional content market is experiencing growth, with an increasing number of consumers seeking content in their native languages. This presents an opportunity for Balaji Telefilms to produce more regional content and cater to the growing demand.



With the advent of new technologies such as AR/VR and AI, there is an opportunity for Balaji Telefilms to incorporate these technologies into its content and create immersive experiences for consumers.

### Threats:



- Rapidly evolving technology and changing consumer preferences can make it difficult to attract and retain customers.
- The rise of alternative entertainment channels, such as online streaming platforms, can increase competition as consumers have more choices to satisfy their entertainment needs.
- Externalities causing delays in production schedules, release dates and cancellations can have a significant impact on Balaji Telefilms' revenue and growth prospects.
- The increasing prevalence of piracy and illegal distribution of copyrighted material remains a major challenge as it undermines the value of the original content and hampers revenue streams.

Changes in government regulations and policies, such as censorship laws, taxation policies and licensing requirements, can affect the operations and profitability of the entertainment industry as a whole.

### Risk and Mitigation






Effective risk management is essential for any business, regardless of industry or size. At Balaji Telefilms, the Company identifies and analyzes potential risks to then implement controls that would help in mitigating those risks. Moreover, by regularly monitoring and reviewing the effectiveness of those controls, it strives to minimize the likelihood and impact of negative events that could otherwise harm its reputation, operations and financial performance. A well-designed and executed risk management program provides a competitive advantage by enhancing the Company's ability to navigate a rapidly changing business environment.



| Type                               | Risk   | Mitigation  |
|------------------------------------|--|---|
| <p><b>Piracy/Cybersecurity</b></p> | <p>Piracy refers to the unauthorized use or reproduction of another’s work, such as music, films, or TV shows, without proper licensing or payment. It poses a significant threat to the industry’s revenue streams and can lead to significant financial losses for content creators and distributors. Alongside piracy, cybersecurity threats are also on the rise, with the industry becoming increasingly reliant on digital platforms and data management systems. Cybersecurity risks include data breaches, malware and hacking attempts that can compromise sensitive information.</p> | <p> The Company is committed to mitigating piracy and cybersecurity risks through various measures. These include implementing rigorous process planning, utilizing cyber threat detection and response tools and employing tracking tools to monitor and prevent piracy content. The Company also prioritizes strong enforcement of intellectual property and ownership rights.</p> <p> Furthermore, the Company remains vigilant in adhering to strict laws and regulations that have been amended to provide protection against film piracy.</p> |





| Type   | Risk   | Mitigation  |
|--|--|---|
| <p><b>Evolving Business Model</b></p>              | <p>The dynamic advancements in technology are revolutionizing the traditional business model, leading to the emergence of over-the-top (OTT) platforms, which has caused a shift in the entertainment industry's conventional approach. These platforms are pushing businesses in the M&amp;E Industry to revamp/renew their business model.</p> | <p> To cater to the ever-growing demand for novel experiences among consumers, Balaji Telefilms has launched ALTT, a subscription-based video-on-demand platform with a vast collection of exclusive content.</p> <p> The introduction of this service has not only enabled the Company to expand its reach but also ensured that it stays relevant in an increasingly competitive market.</p>  |
| <p><b>Customers Craving for New Experience</b></p> | <p>The proliferation of alternatives in the market has made customer retention a challenging task, as customers now have a plethora of choices at their disposal.</p>  | <p> To meet the evolving consumer consumption patterns and demands, the Company has shifted its process pattern and adopted new technologies to improve customer experiences.</p> <p> Cloud data setup has been implemented to manage big data and optimize the video management system. This helps the Company understand subscribers' demands and develop content accordingly.</p> <p> Additionally, the Company engages with consumers via different entertainment modes to reach a wider audience. These efforts enable the Company to stay ahead of the curve and adapt to the changing industry landscape.</p> |

| Type                                      | Risk   | Mitigation  |
|---|--|---|
| <p><b>Economic Environmental Risk</b></p> | <p>External events and factors beyond the control of the Company, such as politics, laws and regulations, can impact its business operations. Economic risk, on the other hand, refers to the potential loss of money on a foreign investment due to changes in business circumstances or macroeconomic variables, such as government policies or currency fluctuations.</p> | <ul style="list-style-type: none"> <li>📌 To ensure the continuity of its business operations, the Company prioritizes proactive risk management by devising strategies promptly to address potential risks and global events. This approach helps the Company to mitigate the impact of unpredictable events and minimize potential losses.</li> <li>📌 Furthermore, the Company continually reviews and updates its risk management policies to reflect changes in the business environment and maintain the effectiveness of its risk management practices.</li> </ul> |
| <p><b>Competition Risk</b></p>            | <p>The Media &amp; Entertainment industry is facing intense competition due to the widespread adoption and popularity of video distribution platforms. These platforms offer unique engagement metrics and subscription fees, adding to the competition in the industry.</p>   | <ul style="list-style-type: none"> <li>📌 The Company creates high-quality content featuring good talent, popular celebrities, writers and award-winning directors to stand out in the market's intense competition.</li> <li>📌 The Company anticipates changes and upgrades in the industry and upgrades its content to stay ahead.</li> </ul>  |



**Discussion on standalone financial performance with respect to operational performance**

(in ₹ Crores)

| Particulars             | 2022-23 | 2021-22 | Growth (in %) | Reason for Change  |
|-------------------------|---------|---------|---------------|--|
| Revenue from Operation  | 517.17  | 242.12  | 113.60%       | Income from sale and licensing of movies was significantly higher in the current year] |
| Gross Margin            | 104.00  | 54.64   | 90.35%        |  |
| EBIDTA                  | 46.58   | 14.65   | 218.05%       |  |
| PBT                     | 52.72   | 6.40    | 723.91%       |  |
| PAT                     | 38.92   | 4.38    | 787.69%       |  |
| Current Ratio           | 1.91    | 3.49    | -45.33%       |  |
| Net Profit Margins      | 7.53%   | 1.81%   | 315.59%       |  |
| Debt Equity Ratio       | 0.09    | 0.04    | 114.89%       |  |
| Interest Coverage Ratio | 9.18    | 36.94   | -75.15%       |  |
| Return on Net Worth     | 3.51%   | 0.40%   | 769.46%       |  |
| Debtors Turnover        | 2.11    | 1.01    | 109.34%       |  |
| Inventory Turnover      | 2.74    | 2.13    | 28.61%        |  |

## Human Resource

The Media & Entertainment industry is highly dependent on its workforce and Human Resource Management (HRM) plays a crucial role in ensuring smooth functioning of this industry. Balaji Telefilms recognizes the importance of its employees' overall development, prioritizing their needs and well-being. The total number of employees as on March 31, 2023 was 103.

### Recruitment

The HR department closely monitors all ongoing activities, including recruitment. Balaji Telefilms follows a rigorous and comprehensive recruitment process to ensure that it hires the best talent in the industry. The Company ensures diversity in its hiring practices and strives to create an inclusive and welcoming work environment for all its employees.

### Training and Development

Balaji Telefilms understands that the M&E industry is rapidly evolving and it is crucial to keep up with the latest trends and technologies to stay competitive. The Company provides regular training and development programs to its employees to ensure that they are equipped with the necessary skills and

knowledge to perform their roles efficiently. These programs include on-the-job training, mentoring, coaching and leadership development programs. In addition, Balaji Telefilms organizes safety workshops and training sessions, including fire-mock drills, with the objective of enhancing the preparedness and competency of our workforce in effectively managing unforeseen incidents, thereby ensuring the safety and well-being of both themselves and their colleagues.

### Acknowledging Efforts

The Company understands the importance of recognizing and rewarding the hard work and



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dedication of its employees. Balaji Telefilms offers a comprehensive rewards and benefits program that includes competitive salaries, performance-based bonuses, health insurance and other employee benefits.

### Managing Pay, Schedules and Changes

The HR department manages the pay and schedules of all employees, ensuring that they are compensated fairly for their work. The company follows a transparent and fair performance appraisal process and ensures that promotions and salary increases are based on merit.

### Other Initiatives

In our commitment to promoting employee awareness and fostering a sense of responsibility towards pertinent issues affecting us and our community, Balaji Telefilms extends a comprehensive range of benefits encompassing leisure, fitness, and nutrition. These benefits address key areas such as health, education, and social concerns. As part of our initiatives, notable programs such as the Employee Donation Camp and Breast Cancer Awareness Camp were successfully conducted during the financial year, exemplifying our dedication to employee well-being and community engagement.

## Internal Control Systems and their Adequacy

Balaji Telefilms has implemented a set of well-established policies and procedures for internal control of its operations and activities. The Company recognizes the importance of effective internal controls in maintaining the integrity of its financial statements and protecting its assets.

### Standards for Internal Financial Control

To integrate the entire organization from strategic support functions to core operational functions, Balaji Telefilms has set standards for implementing internal financial control across the organization.

These standards enable the Company to ensure that its internal financial controls are adequate and operating effectively.

### Periodic Review of Audit Findings

The Board of Directors periodically reviews the findings and recommendations of the statutory and internal auditors. This review process helps the Company to identify any deficiencies in its internal control systems and take corrective actions when necessary.

### Active Audit Committee

The Audit Committee of the Board of Directors is active in checks and balances that ensure the adequacy and effectiveness of the internal control systems. This committee suggests improvements to strengthen the internal controls and ensure their ongoing effectiveness.

### Continuous Improvement

Balaji Telefilms recognizes that internal controls are an ongoing process and is committed to continuously improving its internal control systems. The Company regularly reviews and updates its policies and procedures to ensure that they remain relevant and effective.

## Cautionary Statement

Information in the Management Discussion and Analysis that describe the Company's aims, plans, or projections may be considered forward-looking under applicable securities laws and regulations. Actual outcomes may differ significantly from those stated in the statement. Strong competition, leading to price cuts, high volatility in prices of major inputs such as steel, cement, building materials and petroleum products, changes in Government regulations, tax laws, economic developments within the country and other factors such as litigation and labour relations are all important factors that could affect the Company's operations.





## BOARD'S REPORT

### Dear Members,

The Board of Directors is pleased to present the 29<sup>th</sup> Annual Report of Balaji Telefilms Limited ("the Company"), along with the Audited Financial Statements (standalone and consolidated) of the Company for the financial year ended March 31, 2023.

### FINANCIAL HIGHLIGHTS

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

| PARTICULARS   | STANDALONE       |                  | CONSOLIDATED       |                    |
|---|------------------|------------------|--------------------|--------------------|
|   | 2022-23          | 2021-22          | 2022-23            | 2021-22            |
| Income from operations  | 51,716.55        | 24,212.23        | 59,296.45          | 33,685.22          |
| Less: Total expenditure   | 47,057.91        | 22,747.70        | 61,206.57          | 45,853.90          |
| <b>Operating profit/(loss)</b>                                    | <b>4,658.64</b>  | <b>1,464.53</b>  | <b>(1,910.12)</b>  | <b>(12,168.68)</b> |
| Less: Interest  | 809.99           | 164.62           | 815.90             | 175.30             |
| Less: Depreciation  | 955.66           | 1,354.61         | 1,037.19           | 1,503.28           |
| <b>Operating profit/(loss) after interest and depreciation</b>    | <b>2,892.99</b>  | <b>(54.70)</b>   | <b>(3,763.21)</b>  | <b>(13,847.26)</b> |
| Add: Other income   | 2,378.58         | 694.52           | 1,344.19           | 732.04             |
| <b>Profit / (loss) Before Tax</b>                                 | <b>5,271.57</b>  | <b>639.82</b>    | <b>(2,419.02)</b>  | <b>(13,115.22)</b> |
| Less: Provision for taxation                                      | 1,379.74         | 201.40           | 1,379.74           | 201.40             |
| <b>Net profit/(loss) after tax</b>                                | <b>3,891.83</b>  | <b>438.42</b>    | <b>(3,798.76)</b>  | <b>(13,316.62)</b> |
| Other Comprehensive Income  | 3.57             | 0.89             | 44.56              | 4.67               |
| Less: Net loss attributable to Non-controlling Interest           | -                | -                | (85.14)            | (82.75)            |
| <b>Net profit/(loss) attributable to owners of the Company</b>    | <b>3,895.40</b>  | <b>439.31</b>    | <b>(3,669.06)</b>  | <b>(13,229.20)</b> |
| Balance of retained earnings                                      | 31,967.01        | 31,696.63        | (32,684.48)        | (19,286.35)        |
| Adj on adoption of Ind AS 116/115                                 | -                | -                | -                  | -                  |
| Impact of change in Ownership                                     | -                | -                | -                  | -                  |
| Transfer to retained earnings for employee share options (vested) | -                | 33.33            | -                  | 33.33              |
| <b>Sub Total</b>  | <b>35,862.41</b> | <b>32,169.27</b> | <b>(36,353.48)</b> | <b>(32,482.22)</b> |
| Appropriations:   |                  |                  |                    |                    |
| Share issue expenses  | -                | -                | 0.88               | -                  |
| Conversion of preference shares into equity                       | -                | -                | -                  | -                  |
| Payment of dividend   | -                | (202.26)         | -                  | (202.26)           |
| Dividend distribution tax   | -                | -                | -                  | -                  |
| <b>Balance carried to balance sheet</b>                           | <b>35,862.41</b> | <b>31,967.01</b> | <b>(36,352.60)</b> | <b>(32,684.48)</b> |

### COMPANY'S PERFORMANCE

During the year under review, the Standalone Revenue from operations of the Company is ₹ 51,716.55 Lacs, a substantial increase of 113.60% over the previous year's ₹ 24,212.23 Lacs. As per the Consolidated Accounts, the total revenue from operations has

increased by 76.03% from ₹ 33,685.22 Lacs to ₹ 59,296.45 Lacs during the year. Your Company had a Net profit after tax of ₹ 3,891.83 Lacs during the year as compared to Net profit of ₹ 438.42 Lacs of previous year, registering significant growth on a standalone basis.

## BALAJI TELEFILMS LIMITED

Additional information regarding Company's business operations are provided in the Management Discussion and Analysis Report, which forms an integral part of the Board's Report.

### CONSOLIDATED FINANCIAL STATEMENTS

The Audited Consolidated Financial Statements of the Company as on March 31, 2023, prepared in accordance with the relevant applicable Indian Accounting Standards (IND AS), and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, forms part of this Annual Report.

### DIVIDEND

No dividend is proposed to be paid for the financial year 2022-23.

### OPERATIONAL HIGHLIGHTS

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

### TRANSFER TO RESERVES

The Directors of the Company do not propose to transfer any amount to the General Reserve and an amount of ₹ 35,682.41 Lacs is proposed to be retained in the statement of profit and loss account.

### BORROWINGS

The Company has ongoing cash credit facilities amounting to ₹ 5,000 Lacs from Axis Bank repayable on demand at interest rate of 6.5% Repo + 3% equaling to a total interest of 9.5% per annum payable at monthly intervals. The Company has taken loan during the year amounting to ₹ 1,800 Lacs and ₹ 2,900 Lacs from its related parties namely Tusshar Infra Developers Private Limited and Pantheon Buildcon Private Limited respectively at interest rate of 14% per annum, repayable on demand.

### SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on March 31, 2023 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, 34.35% is held by Promoters and Promoter Group and balance of 65.65% 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. There are no outstanding deposits at the end of the financial year 2022-23. 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.

### 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.

### CHANGE IN REGISTERED OFFICE OR NATURE OF BUSINESS

There was no change in the Registered Office or nature of business of the Company during the year under review.

### SUBSIDIARIES

As on March 31, 2023, your Company has the following Subsidiaries:

- BALAJI MOTION PICTURES LIMITED (BMPL)**

BMPL is into the business of distribution of motion pictures and films. It is a wholly-owned subsidiary of the Company.
- 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 the Company. Like previous year, ALT Digital continues to be a material subsidiary of the Company, as its income exceeded 10% of the consolidated income of the Company in the immediately preceding accounting year. Further, in compliance with Regulation 24A (1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Secretarial Audit Report of ALT Digital for the Financial Year ended March 31, 2023 forms part of this Annual Report.

Further, during the year under review, the Company converted outstanding dues of ALT Digital into equity shares of the said subsidiary.

### 3. MARINATING FILMS PRIVATE LIMITED (MFPL)

MFPL is the creator producer of reality shows, web-series and events. MFPL is a wholly-owned subsidiary of the Company.

### 4. DING INFINITY PRIVATE LIMITED (DING)

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

The shareholders are further informed that during the year under review, Chhayabani Balaji Entertainment Private Limited (an erstwhile subsidiary of the Company) was liquidated vide National Company Law Tribunal (NCLT) order dated April 11, 2022 and consequently ceased to be a subsidiary with effect from that date.

A separate statement highlighting the financial statements of subsidiaries of the Company are detailed in the prescribed Form AOC-1, which forms part of the Consolidated Financial Statements in compliance with Section 129(3) and other applicable provisions, if any, of the Companies Act, 2013, read with rules made thereunder and is appended as **Annexure I** to the Board's Report.

There has been no material change in the nature of the business of the subsidiaries.

In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statement and related information of the Company, and the audited accounts of each of its subsidiaries, are available at [www.balajitelefilms.com](http://www.balajitelefilms.com)

### EMPLOYEE STOCK OPTION PLAN (ESOP)

The applicable disclosures for the year ended March 31, 2023, as required to be given under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (erstwhile SEBI (Share Based Employee Benefits) Regulations, 2014) with respect to Balaji Telefilms ESOP Plan, 2017 is available on the website of the Company at:

[http://www.balajitelefilms.com/pdf/ESOP\\_2019\\_Disclosure\\_under\\_SEBI\(SBEB\)%20Regulations\\_2014.pdf](http://www.balajitelefilms.com/pdf/ESOP_2019_Disclosure_under_SEBI(SBEB)%20Regulations_2014.pdf)

During the year, there has not been any material change in the ESOP Plan adopted by the Company. The Plan is in compliance with the said ESOP Regulations.

Members are requested to note that as the ESOP Plan, 2017 was expiring on March 31, 2023, the Nomination and Remuneration Committee and Board of Directors recommended the adoption of Balaji Telefilms ESOP Scheme, 2023, in order to continue to promote the culture of employee ownership throughout the Balaji Group. Further, the Members of the Company via Postal Ballot on March 29, 2023 approved the grant, issue and allotment of the options to the Employees under Balaji Telefilms ESOP Scheme, 2023 and further implementation of the said Scheme in the Company and its Subsidiary(ies).

Members seeking to inspect certificate from MMJB & Associates LLP, Company Secretaries, the Secretarial Auditors of the Company, with respect to the implementation of ESOP Scheme, are required to send an email to [investor@balajitelefilms.com](mailto:investor@balajitelefilms.com).

### ANNUAL RETURN

In accordance with the provisions of the Companies Act, 2013, the Annual Return of the Company as on March 31, 2023 in the prescribed form is available on the website of the Company at:

[http://www.balajitelefilms.com/annual\\_return.php](http://www.balajitelefilms.com/annual_return.php)

### MEETINGS OF THE BOARD

During the year under review, 5 (Five) meetings of the Board of Directors were held on May 20, 2022, July 13, 2022, August 10, 2022, November 10, 2022 and February 14, 2023; the relevant details of the meetings are forming part of the Corporate

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Governance Report which is an integral part of this Annual Report. The intervening gap between two Board Meetings did not exceed 120 days. A calendar of meetings for every year is prepared and approved by the Directors in advance, to facilitate participation at the Board/Committee meetings.

### COMMITTEES OF THE BOARD

In compliance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had constituted various Board Committees including Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management 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 is an integral part of the Annual Report.

### DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

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) and the Articles of Association of the Company, Mrs. Shobha Kapoor (DIN: 00005124), Managing Director, is liable to retire by rotation at the ensuing AGM and being eligible, seeks re-appointment. An appropriate resolution for her re-appointment is being placed for the approval of the Members of the Company at the ensuing AGM. The brief resume of the Director and other related information has been detailed in the Notice convening the 29<sup>th</sup> AGM of the Company.

Further, as the tenure of Mrs. Shobha Kapoor as Managing Director and Ms. Ektaa R. Kapoor as Joint Managing Director is expiring on November 09, 2023, the Board has recommended the re-appointment of Mrs. Shobha Kapoor as Managing Director and Ms. Ektaa R. Kapoor as Joint Managing Director for a period of 5 (five) years, subject to the approval of the shareholders at the ensuing AGM. The detailed terms for the proposed re-appointment are forming part of the Notice convening the 29<sup>th</sup> AGM.

The Members are also informed about the following changes in the Key Managerial Personnel, which took place during the year under review:

- Ms. Priyanka Chaudhary (DIN: 06520285) was appointed as Additional Non-Executive Director of the Company w.e.f. May 20, 2022. Further, Ms. Chaudhary was regularized at the AGM of the F.Y. 2021-22 held on August 18, 2022;
- Mr. Nachiket Pantvaidya stepped down from the position of Chief Executive Officer of the Company w.e.f. closure of the working hours of May 31, 2022;
- Mr. Abhishek Kumar was appointed as the Chief Executive Officer of the Company w.e.f. July 15, 2022;
- Mr. Anshuman Thakur (DIN: 03279460), Non-Executive Director of the Company resigned from his position w.e.f. closure of the working hours on September 12, 2022;
- Mr. Jason Ashok Kothari (DIN: 07343314), Non-Executive Independent Director of the Company resigned from his position w.e.f. closure of the working hours on January 31, 2023 due to personal reasons and professional commitments, including his founding of a new global Company in the entertainment industry. There was no other material reason for him for stepping down from the Board before the expiry of his term as an Independent Director;
- Ms. Tannu Sharma resigned from the position of Company Secretary and Compliance Officer of the Company w.e.f. closure of the working hours of November 18, 2022, however, Ms. Sharma was re-appointed at the same position by the Board of Directors at their meeting held on February 14, 2023.

The Members are also requested to note that the following changes in Directors took place post closure of the financial year, till the date of this Report:

- Mr. Ramesh Sippy (DIN: 00652881), Non-Executive Director of the Company resigned from his position w.e.f. closure of the working hours on April 26, 2023.

### DECLARATION BY INDEPENDENT DIRECTORS

As at the end of the financial year, there were 5 (Five) Non-Executive Independent Directors on the Board of the Company.



The Company has received necessary declaration from all Independent Directors under Section 149(7) of the Companies Act, 2013, confirming that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 and 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the Independent Directors are duly registered with the Indian Institute of Corporate Affairs (IICA).

Further, the Independent Directors have also affirmed compliance with the Code of Conduct adopted by the Company. The Board is of the opinion that the Independent Directors of the Company hold the highest standards of integrity and possess requisite expertise, proficiency and experience required to fulfil their duties as Independent Directors.

During the year under review, a separate meeting of the Independent Directors was held on August 10, 2022.

#### **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 evaluation is carried out on an annual basis, and feedback from each Director with the suggestions is encouraged. The evaluation process focuses on effectiveness of the Board, Board dynamics, Board Meetings and procedures, Committee effectiveness, succession planning and flow of information to the Board and Committees.

The following are some of the parameters 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.

#### **EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS**

The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that an 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.

#### **AUDITORS**

##### **STATUTORY AUDIT**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, as the term of the erstwhile Auditors viz. Price Water House Chartered Accountants LLP was coming to an end, the Members at the 28<sup>th</sup> Annual General Meeting (AGM) held on August 18, 2022 approved the appointment of Deloitte Haskins and Sells LLP, Chartered Accountants (Firm Registration no. 117366W/ W-100018) as the Statutory Auditors of the Company for a period of 5 (five) years, till the conclusion of the AGM to be held for the Financial Year 2026-27. Deloitte Haskins and Sells LLP, Chartered Accountants have confirmed that they are not disqualified as per Section 141 of the Companies Act, 2013 from continuing as Auditors of the Company.

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, except that the Statutory Auditor in their report on standalone and consolidated financial

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statements have included Emphasis of Matter drawing Members attention to Note No. 41 and Note No. 43 of standalone and consolidated financial statements respectively, in connection with receivables from one of its co-producer and a film Director.

The "Undisputed GST liability" as mentioned in clause 3(vii)(b) of CARO report, pertains to "Unbilled Revenue" under GST law. In our considered view, GST liability of the Company arises only when the invoices are raised on the counter parties. Further, no payments have been received against these transactions.

This view has been upheld by our predecessor statutory auditors in earlier years.

Further, the Company has been regular in disclosing these transactions in its statutory filings / returns filed with appropriate Government Authorities. The said returns / filings have been accepted by the Government Authorities and no demand has been raised there against.

Based on the above and relying on the expert advice from our Tax advisors, the Company believes that the liability, along with any interest thereon, is currently not due.

### **COST AUDIT**

In accordance with Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable to the Company. Accordingly, there was no requirement for maintenance of relevant records by 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 appointed MMJB & Associates LLP, Company Secretaries as Secretarial Auditors of the Company for the financial year 2022-23.

Secretarial Audit Report issued by MMJB & Associates LLP, Company Secretaries in Form No. MR-3 for the financial year 2022-23 is appended as **Annexure II** to the Board's Report. The said Report does not contain any qualification, reservation, disclaimer or observation requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013, except the following remark:

- *Board composition was not in compliance with Regulation 17(1) of SEBI LODR (from May 20, 2022 to September 12, 2022). The same was duly rectified effective September 13, 2022. Further, BSE Limited and National Stock Exchange of India Limited had imposed a penalty of ₹ 6,84,400/- each (inclusive of Goods and Services Tax), which has been paid in full by the Company.*

**Reply to Comments:** The said default has been made good w.e.f. closing of business hours on September 12, 2022, post stepping down of Mr. Anshuman Thakur from the position of Non-Executive Director. Further, the penalty so imposed by both the Stock Exchanges has been paid in full by the Company.

### **SECRETARIAL AUDIT REPORT OF UNLISTED MATERIAL SUBSIDIARY**

Secretarial Audit Report of ALT Digital Media Entertainment Limited ("ALT Digital/Unlisted Material Subsidiary Company") issued by AVS & Associates, Practicing Company Secretaries, in Form No. MR-3 for the financial year 2022-23 is appended as **Annexure III** to the Board's Report.

The said Report does not contain any qualification, reservation, disclaimer or observation, except that there is no Woman Director on the Board which is required to be appointed under Section 149 of the Companies Act, 2013 and the rules made thereunder; there is no Managing Director or Chief Executive Officer or Manager or Whole-Time Director on the Board which is required to be appointed under Section 203 of the Companies Act, 2013 and the rules made thereunder; and the Company has borrowed money from its holding company in excess of the limit of Section 180(1)(c) of the Companies Act, 2013 which was duly approved by the shareholders by way of special resolution before March 31, 2023.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

In terms of Section 134 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company works with internal control systems commensurate with the size, scale and complexity of its operations.



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. To maintain objectivity and independence, the Internal Auditors report directly to the Audit Committee. Based on the report of the Internal Auditors, process owners undertake corrective action, wherever required. Significant observations and corrective actions needed or taken are presented to the Audit Committee.

### **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 our Company in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 AND SUSTAINABILITY REPORT**

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 1000 listed entities based on market capitalization are required to furnish Business Responsibility and Sustainability Report (BRSR). However, as the Company does not fall under the list of top 1000 companies basis market capitalization, the requirement of furnishing BRSR is not applicable upon the Company for the financial year 2022-23.

### **POLICIES ADOPTED BY THE COMPANY:**

#### **a) 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 Vigil Mechanism/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 the 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>.

#### **b) CORPORATE SOCIAL RESPONSIBILITY POLICY AND INITIATIVES**

The Corporate Social Responsibility Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility (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 CSR Policy of the Company is also posted on the website of the Company which may be accessed at <http://www.balajitelefilms.com/corporate-social-responsibility.php>.

The Annual Report on CSR activities is annexed here with as **Annexure IV** to the Board's Report.

#### **c) NOMINATION & REMUNERATION POLICY**

The Nomination and Remuneration Committee has framed a policy which inter-alia provides the matters to be dealt with and considered by the Nomination and Remuneration Committee, procedure for succession of Directors and Key Managerial Personnel, selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel, Senior Management Personnel and their remuneration etc. as part of its charter, and other matters provided under Section 178(3) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy may be accessed at our website at <http://www.balajitelefilms.com/nomination-remuneration-policy.php>. During the year under review, the Policy was amended on February 14, 2023 in line with the changes in applicable laws.

### d) POLICY ON MATERIAL SUBSIDIARIES

The Company's Policy on material subsidiaries is available on the Company's website and can be accessed at the link: [http://www.balajitelefilms.com/pdf/Policy%20for%20determining%20Material%20Subsidiary\\_24052019.pdf](http://www.balajitelefilms.com/pdf/Policy%20for%20determining%20Material%20Subsidiary_24052019.pdf).

### e) RISK MANAGEMENT POLICY

Pursuant to Regulation 17(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Risk Management Policy, which inter-alia provides for the identification of risk, if any, to the Company's operations and growth. The Board of Directors does not foresee any immediate risk of this nature.

The details of the Risk Management Policy of the Company are available on the website of the Company at <http://www.balajitelefilms.com/pdf/RISK%20MANAGEMENT%20POLICY.pdf>

### f) RELATED PARTY TRANSACTIONS POLICY

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at <http://www.balajitelefilms.com/related-party-trancation-policy.php>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

### g) 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 have been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. During the year 2022-23, no such complaint was registered with the Company.

### h) DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution Policy adopted by the Company is available at <https://www.balajitelefilms.com/pdf/Dividend%20Distribution%20Policy.pdf>

In addition to the aforesaid policies, few other policies as required by the Companies Act, 2013 or rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been adopted by the Company.

### 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

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statement relates on the date of this Report.

### OTHER DISCLOSURES

#### i) 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.

#### ii) SECRETARIAL STANDARDS

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

#### iii) DISCLOSURE UNDER SECTION 197(12) AND RULE 5 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.

Further, the requisite details relating to the remuneration of the specified employees covered under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are also appearing at **Annexure V** to the Board's Report.

#### iv) RELATED PARTY TRANSACTIONS

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 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 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 an on-going basis without charging any rent. The details of Related Party Transactions have been disclosed in Note No. 36 to the financial statements. Further, the information on transactions with related parties pursuant to Section 134(3)(h) of the Companies Act, 2013 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.

#### v) 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.

Also, the Company has a Risk Management Committee which meets at regular intervals to oversee related matters.

#### vi) DISSOLUTION OF SUBSIDIARY COMPANY

Chhayabani Balaji Entertainment Private Limited (CBEPL), which became a subsidiary of the Company w.e.f. February 16, 2015, was not carrying any business activities and did not have any proposed business plans in future. The shareholders of CBEPL approved voluntary liquidation of the Company during the financial year 2020-21. Further, the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') vide its Order dated April 11, 2022 has approved the Dissolution of CBEPL. Accordingly, CBEPL has ceased to be a Subsidiary of the Company with effect from April 11, 2022.

#### vii) INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

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, ₹ 1,05,401/- of unpaid/unclaimed dividend was transferred during the year to the Investor Education and Protection Fund. Details of unpaid/unclaimed dividend are available at <https://ris.kfintech.com/services/IEPF/IEPFInfo.aspx?q=OQ8HMfJ0uy4%3d>.

As on the date of this Report, Ms. Tannu Sharma, Company Secretary is the Nodal Officer appointed by the Company under the provisions of IEPF Rules. The details are available at <https://www.balajitelefilms.com/nodal-officer.php>.

viii) During the year under review, the Company has not issued any equity shares or shares with differential voting rights as to dividend, voting or otherwise.

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



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- x) The Managing Director / Joint Managing Director of the Company has not received any remuneration or commission from any of the subsidiary companies.
- xi) 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.
- xii) During the year under review, there was no revision of financial statements and Board's Report of the Company.
- xiii) No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of any application made, or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 is not applicable for the year under review.
- xiv) The requirement to disclose the details of any difference between the valuation done at the time of a one-time settlement and the valuation done while taking loan from banks or financial institutions, along with the reasons thereof, is not applicable for this year.

### CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

#### A. 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, higher star rating 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.

#### B. 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.

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earnings in terms of actual inflows is ₹ 179.39 Lacs (Previous Year ₹ 195.44 Lacs) and the foreign exchange outgo in terms of actual outflows is ₹ 18.60 Lacs (Previous Year ₹ 8.62 Lacs).

### 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) and Section 134(5) of the Companies Act, 2013:

- a) In the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- 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, 2023 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 Board places on record its deep appreciation to all employees for their hard work, dedication,

unstinted efforts and commitment. The Board places on record its appreciation for the support and co-operation the Company has been receiving from its customers, suppliers and Bankers.

The Board also take this opportunity to thank all Shareholders, Investors, Business Associates, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

**For and on behalf of the Board of Directors**

Sd/-

**Jeetendra Kapoor**

Chairman

(DIN: 00005345)

**Place:** Mumbai

**Date:** May 30, 2023

# ANNEXURE I

## FORM AOC-1

for the financial year ended March 31, 2023

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                  | 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 held by the Company |
|---------|---|---------------------|---------------|---------------|--------------------|--------------|-------------------|-------------|----------|--------------------------|--|-------------------------|---------------------------------------|
| 1.      | Balaji Motion Pictures Limited          | N.A.                | N.A.          | 200.00        | (823.43)           | 124.69       | 748.12            | -           | 519.15   | (83.52)                  | -  | (83.52)                 | 100                                   |
| 2.      | ALT Digital Media Entertainment Limited | N.A.                | N.A.          | 69,464.59     | (59,784.85)        | 23,833.46    | 14,153.72         | 775.38      | 5,492.53 | (7,675.79)               | -  | (7,675.79)              | 100                                   |
| 3.      | Marinating Films Private Limited        | December 24, 2014   | N.A.          | 771.00        | (638.13)           | 304.67       | 171.80            | 153.61      | -        | 18.25                    | -  | 18.25                   | 100                                   |
| 4.      | Ding Infinity Private Limited           | May 25, 2021        | N.A.          | 22.22         | 108.07             | 1,152.53     | 1,022.23          | 111.72      | 2,294.76 | (189.20)                 | -  | (189.20)                | 55                                    |

(₹ in Lacs)

For and on behalf of the Board of Directors

Sd/-

**Jeetendra Kapoor**  
Chairman  
(DIN:00005345)

Place: Mumbai

Date: May 30, 2023



## ANNEXURE II

### FORM NO. MR.3

#### SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2023

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 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.

**Auditor's Responsibility:**

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

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 from April 01, 2022 to March 31, 2023 (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 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 March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act'), and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of 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;
  - (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 and Sweat Equity) Regulations, 2021;

- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(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), 2021; **(Not Applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ('Buy-back Regulations') **(Not Applicable to the Company during the Audit Period)**
- (i) The Securities and Exchange Board of India (Depositories and Participants), Regulation 2018.

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 and amendments made thereunder. ('Listing Regulations')

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. mentioned above *except that the Board composition was not in compliance with Regulation 17(1) of SEBI LODR (from 20<sup>th</sup> May, 2022 to 12<sup>th</sup> September, 2022). The same was duly rectified effective 13<sup>th</sup> September, 2022. Further, BSE Limited and National Stock Exchange of India Limited has imposed a penalty of ₹ 6,84,400/- each (inclusive of Goods and Services Tax), which has been paid in full by the Company.*

**We further report that**, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and

records in pursuance thereof, on test-check basis, the Company has complied with the law applicable specifically to the Company i.e. The Cinematography Act, 1952.

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors except as mentioned above. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations. Further, one Independent Director had resigned from the Company w.e.f. 31<sup>st</sup> January, 2023 and the shortfall was filled by the Company on 26<sup>th</sup> April, 2023.

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 (except few meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

### **We further report that during the audit period the Company has:**

1. taken on record dissolution of Chhayabani Balaji Entertainment Private Limited (CBEPL), subsidiary of the Company, which was dissolved by National Company Law Tribunal (NCLT), Mumbai Bench vide its order dated 11<sup>th</sup> April, 2022. Accordingly, CBEPL ceased to be a subsidiary of the Company from the said date.



2. approved the proposal for acquiring 51% stake in Trishoolin Picturez India Private Limited by way of subscribing to the Equity shares.
3. converted the outstanding dues of Alt Digital Media Entertainment Limited (Wholly owned subsidiary), into equity shares of the said subsidiary.
4. considered and approved The Balaji Telefilms Employee Stock Options Scheme, 2023

**For MMJB & Associates LLP  
Company Secretaries**

**Bhavisha Jewani**  
Designated Partner

**FCS:** 8503

**CP:** 9346

**PR:** 2826/2022

**UDIN:** FO08503E000340120

**Date:** 19.05.2023

**Place:** Mumbai

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

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 event 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. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For MMJB & Associates LLP  
Company Secretaries**

**Bhavisha Jewani  
Designated Partner**

**FCS: 8503**

**CP: 9346**

**PR: 2826/2022**

**UDIN: F008503E000340120**

**Date:** 19.05.2023

**Place:** Mumbai





## ANNEXURE III

### FORM NO. MR.3

#### SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2023

*[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 with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

#### **Auditor's Responsibility:**

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on an audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by the Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

#### **Modified Opinion:**

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 the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 ('**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 31<sup>st</sup> March, 2023 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 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 and Sweat Equity) Regulations, 2021 **(Not Applicable to the Company during the audit period)**;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the review 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 clients to the extent applicable;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the audit period)** and;
- (h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the audit period)**;
- (vi) We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on the test-check basis, the Company has complied with the following law applicable specifically to the Company to the extent applicable:
  - The Information Technology Act, 2000 read with the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Not**

**Applicable to the Company during the audit period)**

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

- *There is no Woman Director on the Board which is required to be appointed under Section 149 of the Companies Act, 2013 and the rules made thereunder;*
- *There is no Managing Director or Chief Executive Officer or Manager or Whole-Time Director on the Board which is required to be appointed under Section 203 of the Companies Act, 2013 and the rules made thereunder; and*
- *The Company has borrowed money from its holding company in excess of the limit of Section 180(1)(c) of the Companies Act, 2013 which was duly approved by the shareholders by way of special resolution before March 31, 2023.*

### **We further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings and agenda items were generally sent 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 by 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 except the remarks specified in the report.



We further report that during the audit period, the followings material events occurred:

1. The Company has taken shareholders' approval in the form of a Special Resolution for conversion of outstanding loan/payables amounting to ₹ 170,74,99,991/- advanced by Balaji Telefilms Limited ("Holding Company"), into equity shares of the Company, through issue and allotment of 7,45,95,893 equity shares of the face value of ₹ 10/- each at a premium of ₹ 12.89/- per share, as full and final settlement on the outstanding unsecured Loan/ other payables on Preferential Basis under section 42, 62 and other applicable provisions of the Companies Act, 2013;
2. The Company has taken shareholders' approval in the form of a Special Resolution for borrowing

made till March 17, 2023 and also accorded approval to borrow money in excess of Paid-up Share Capital, Free Reserves and Securities Premium of the Company for an amount not exceeding of ₹ 300 Crores.

For **AVS & Associates**  
Company Secretaries

SD/-

**Vijay Yadav**

Partner

**Membership No:** FCS 11990

**CP No:** 16893

**Place:** Navi Mumbai

**Peer Review No:** 1451/2021

**Date:** May 19, 2023

**UDIN:** F011990E000340879

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.

To,  
The Board of Directors  
**ALT Digital Media Entertainment Limited**  
Add: C-13, Balaji House, Dalia Industrial Estate,  
Opp. Laxmi Indl Estate, New Link Road,  
Andheri – (West), Mumbai - 400053

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

1. Maintenance of secretarial and other records under applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **AVS & Associates**  
Company Secretaries

**Vijay Yadav**

Partner

**Membership No:** FCS 11990

**CP No:** 16893

**Peer Review No:** 1451/2021

**UDIN:** F011990E000340879

**Place:** Navi Mumbai

**Date:** May 19, 2023



## ANNEXURE IV

### ANNUAL REPORT ON CSR

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

1. Brief outline on CSR Policy of the Company:

The Company believes in conducting its business responsibly. It continuously seeks ways to bring about an overall positive impact on the society and environment where it operates and as a part of its social objectives. The Company has been making consistent efforts over the years towards economic and social upliftment of the marginalized sections of society.

2. Composition of CSR Committee:

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

3. Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

<http://balajitelefilms.com/corporate-social-responsibility.php>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): **N.A.**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

|    | Financial Year | Amount available for set-off from preceding financial years (₹ In Lacs) | Amount required to be set-off for the financial year, if any (₹ In Lacs) |
|----|----------------|---|--|
| 1. | 2021-22        | 0.69  | -  |
| 2. | 2022-23        | -   | 5.16   |
|    | <b>TOTAL</b>   | <b>0.69</b>   | <b>5.16</b>  |

6. Average net profit of the Company as per section 135(5): ₹ **4,767.13 Lacs**

(a) Two percent of average net profit of the Company as per section 135(5): ₹ **95.34 Lacs**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**

(c) Amount required to be set off for the financial year, if any: ₹ **0.69 Lacs**

(d) Total CSR obligation for the financial year (7a+7b- 7c): ₹ **94.65 Lacs**



## BALAJI TELEFILMS LIMITED

7. (a) CSR amount spent or unspent for the financial year:

(₹ In Lacs)

| Total Amount Spent for the Financial Year | Amount Unspent  |                  |   |        |                  |
|---|---|------------------|---|--------|------------------|
|   | Total Amount transferred to Unspent CSR Account as per section 135(6) |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) |        |                  |
|   | Amount  | Date of transfer | Name of the Fund  | Amount | Date of transfer |
| 99.81                                     | NIL   |                  |   |        |                  |

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

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

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

| Sr. No.      | Name of the Project                      | Item from the list of activities in Schedule VII to the Act | Local Area (Yes/No) | Location of the Project |             | Amount spent for the Project | Mode of Implementation – Direct (Yes/No) | Mode of implementation -Through implementing agency |            |
|--------------|--|---|---------------------|-------------------------|-------------|------------------------------|--|---|------------|
|              |  |   |                     | State                   | District    |                              |  | Name  | CSR number |
| 1.           | For activities related to Animal Welfare | Item No. (iv)   | Yes                 |                         |             | 22,33,279                    | Yes                                      | Not applicable                                      |            |
| 2.           | Implementing Agency                      | Item No. (i), (ii), (iii), (iv)                             | Yes                 |                         |             | 50,00,000                    | No                                       | Krishna Kala Trust<br>No.:<br>CSR00025284           |            |
| 3.           | Providing Aid for Senior Citizens        | Item No. (iii)  | Yes                 | Mumbai,                 | Maharashtra | 7,76,000                     | Yes                                      | Not Applicable                                      |            |
| 4.           | To provide Medical Aid                   | Item No. (i)  | Yes                 |                         |             | 8,80,500                     | Yes                                      | Not Applicable                                      |            |
| 5.           | Promotion of education                   | Item No. (ii)   | Yes                 |                         |             | 91,148                       | Yes                                      | Not Applicable                                      |            |
| 6.           | Aid for eradicating Malnutrition         | Item No. (i) and (ii)                                       | Yes                 |                         |             | 10,00,000                    | Yes                                      | Not Applicable                                      |            |
| <b>TOTAL</b> |  |   |                     |                         |             | <b>99,80,927</b>             |  |   |            |

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

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ **99.81 Lacs**

(g) Excess amount for set off, if any: ₹ **5.16 Lacs**



| Sr. No. | Particular  | Amount<br>(₹ In Lacs) |
|---------|---|-----------------------|
| i.      | Two percent of average net profit of the Company as per section 135(5)                                      | 95.34                 |
| ii.     | Total amount spent for the Financial Year   | 99.81                 |
| iii.    | Amount utilized from previous year excess spent   | 0.69                  |
| iv.     | Excess amount spent for the financial year [(ii)-(i)]   | 4.47                  |
| v.      | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL                   |
| vi.     | Amount available for set off in succeeding financial years [(iii)+(iv)]                                     | 5.16                  |

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

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

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

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

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset-wise details**)
- Date of creation or acquisition of the capital asset(s): **None**
  - Amount of CSR spent for creation or acquisition of capital asset: **NIL**
  - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: **N.A.**
  - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **N.A.**
10. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): **N.A**

**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: May 30, 2023

## PARTICULARS OF EMPLOYEES

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

| Sr. No | Name of the Director/ KMP                     | Designation                   | Remuneration of Director/ KMP for the Financial Year 2022-23 (Amounts in ₹) (Including perquisite value of ESOPs exercised) | Remuneration of Director/ KMP for the Financial Year 2022-23 (Amounts in ₹) (Excluding perquisite value of ESOPs exercised) | % increase in Remuneration in the Financial Year 2022-23 (Excluding perquisite value of ESOPs exercised) | % increase in Remuneration in the Financial Year 2022-23 (Including perquisite value of ESOPs exercised) | Ratio of Remuneration of each Director to median remuneration (Including perquisite value of ESOPs exercised) of employees for the Financial Year 2022-23 |
|--------|---|-------------------------------|---|---|--|--|---|
| 1.     | Mr. Jeetendra Kapoor                          | Chairman                      | 4,50,000  | 4,50,000  | 12.50%   | 12.50%   | 0.83  |
| 2.     | Mrs. Shobha Kapoor                            | Managing Director             | 2,39,88,000   | 2,39,88,000   | -  | -  | 44.34   |
| 3.     | Ms. Ektaa R. Kapoor                           | Joint Managing Director       | 2,39,88,000   | 2,39,88,000   | -  | -  | 44.34   |
| 4.     | Mr. Duraiswamy Gunaseela Rajan                | Independent Director          | 6,50,000  | 6,50,000  | 8.33%  | 8.33%  | 1.20  |
| 5.     | Mr. Devender Kumar Vasal                      | Independent Director          | 6,50,000  | 6,50,000  | 8.33%  | 8.33%  | 1.20  |
| 6.     | Mr. Pradeep Kumar Sarda                       | Independent Director          | 2,25,000  | 2,25,000  | 100.00%  | 100.00%  | 0.42  |
| 7.     | Mr. Arun Kumar Purwar                         | Independent Director          | 5,50,000  | 5,50,000  | 10.00%   | 10.00%   | 1.02  |
| 8.     | Dr. Archana Hingorani                         | Independent Director          | 4,00,000  | 4,00,000  | (25.00%)   | (25.00%)   | 0.74  |
| 9.     | Mr. Jason Kothari*                            | Independent Director          | 5,50,000  | 5,50,000  | 10.00%   | 10.00%   | 1.02  |
| 10.    | Mr. Anshuman Thakur**                         | Non-Executive Director        | 3,00,000  | 3,00,000  | (25.00%)   | (25.00%)   | 0.55  |
| 11.    | Ms. Jyoti Deshpande                           | Non-Executive Director        | 4,50,000  | 4,50,000  | 12.50%   | 12.50%   | 0.83  |
| 12.    | Mr. Ramesh Sippy                              | Non-Executive Director        | 4,50,000  | 4,50,000  | 12.50%   | 12.50%   | 0.83  |
| 13.    | Ms. Priyanka Chaudhary* (w.e.f. May 20, 2022) | Non-Executive Director        | 3,50,000  | 3,50,000  | -  | -  | 0.65  |
| 14.    | Mr. Abhishek Kumar# (w.e.f. July 15, 2022)    | Group Chief Executive Officer | 2,75,69,925   | 2,75,69,925   | -  | -  | 50.95   |
| 15.    | Mr. Sanjay Dwivedi                            | Group Chief Financial Officer | 2,79,12,420   | 2,79,12,420   | 20.99%   | 20.99%   | 51.59   |
| 16.    | Ms. Tannu Sharma*** (w.e.f. March 15, 2022)   | Group Head Secretarial        | 21,50,572   | 21,50,572   | -  | -  | 3.98  |

**Note:** Remuneration reflected above includes Employer's Contribution to Provident Fund wherever applicable

\* Ceased to be a Director w.e.f. January 31, 2023

\*\* Ceased to be a Director w.e.f. September 12, 2022

\*\*\* Ms. Tannu Sharma was appointed only for part of the year in the previous year and therefore comparison percentage vis-à-vis current year has not been reflected.

# Ms. Priyanka Chaudhary and Mr. Abhishek Kumar appointed during the year and therefore comparison has been reflected above.





- Mr. Virendra Babubhai Dalal ceased to be a Director w.e.f. November 08, 2021 and accordingly information has not been reflected above.
  - Mrs. Simmi Singh Bisht has resigned from the office of Group Head Secretarial w.e.f. June 20, 2021 and accordingly information has not been reflected above.
  - Mr. Nachiket Pantvaiddya has resigned from the office of Chief Executive Officer w.e.f. May 31, 2022 and accordingly information has not been reflected above.
- b) **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year.** The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the above table.
- c) **The percentage increase in the median remuneration of employees in the Financial Year.** In the Financial year, there was 10% increase in remuneration.
- d) **The number of permanent employees on the rolls of Company:** There are 103 permanent employees on the rolls of the Company as on March 31, 2023
- e) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof, and point out if there are any exceptional circumstances for increase in the managerial remuneration:** In the financial year, there was no increase in remuneration.
- f) **Affirmation that the remuneration is as per the remuneration policy of the Company:** It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.
- g) **INFORMATION AS PER RULE 5(2) OF CHAPTER XIII, THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**
- (i) The following details are given hereunder in respect of employees employed throughout the year and were in receipt of remuneration aggregating ₹ 1.02/-Crores or more per annum.

| Employee Name       | Designation             | Educational qualification | Age | Experience (in years) | Date of Joining | Gross Remuneration paid | Previous Employment and Designation        | Whether such employee holds by himself or alongwith his spouse or dependent children not less than 2% of the Equity Shares of the Company | Whether such employee is a relative of any Director or Manager and if yes name of the Director or Manager |
|---------------------|-------------------------|---------------------------|-----|-----------------------|-----------------|-------------------------|--|---|---|
| Mrs. Shobha Kapoor  | Managing Director       | Undergraduate             | 74  | 29                    | Nov 10, 1994    | 2,39,88,000             | N.A.                                       | Yes   | Yes. She is wife of Mr. Jeetendra Kapoor and Mother of Ms. Ektaa R. Kapoor                                |
| Ms. Ektaa R. Kapoor | Joint Managing Director | Undergraduate             | 47  | 29                    | 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               | Chartered Accountant      | 53  | 28                    | Jan 25, 2013    | 2,79,12,420             | Nimbus Communication Limited (SVP Finance) | No  | No  |

## BALAJI TELEFILMS LIMITED

| Employee Name      | Designation | Educational qualification                                       | Age | Experience (in years) | Date of Joining | Gross Remuneration paid | Previous Employment and Designation   | Whether such employee holds by himself or alongwith his spouse or dependent children not less than 2% of the Equity Shares of the Company | Whether such employee is a relative of any Director or Manager and if yes name of the Director or Manager |
|--------------------|-------------|---|-----|-----------------------|-----------------|-------------------------|---|---|---|
| Mr. Abhishek Kumar | Group CEO   | Master's in business administration, Bachelor of Arts-Economics | 43  | 23                    | July 15, 2022   | 2,75,69,925             | Jupiter Capital, Chief Operating Officer<br>Rainforest Ventures, Managing Partner | No  | No  |

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

| Employee Name           | Designation                  | Educational qualification                                       | Age | Experience (in years) | Date of Joining | Gross Remuneration paid | Previous Employment and Designation   | Whether such employee holds by himself or alongwith his spouse or dependent children not less than 2% of the Equity Shares of the Company | Whether such employee is a relative of any Director or Manager and if yes name of the Director or Manager |
|-------------------------|------------------------------|---|-----|-----------------------|-----------------|-------------------------|---|---|---|
| Mr. Abhishek Kumar      | Group CEO                    | Master's in business administration, Bachelor of Arts-Economics | 43  | 23                    | July 15, 2022   | 2,75,69,925             | Jupiter Capital, Chief Operating Officer<br>Rainforest Ventures, Managing Partner | No  | No  |
| Mr. Nachiket Pantvaidya | Group CEO till May 31, 2022  | P.G.D.M   | 51  | 26                    | July 19, 2021   | 60,41,480               | Sony Entertainment Network (SR EVP & Business Head)                               | No  | No  |
| Mr. Zulfiqar Khan       | Group COO till June 15, 2022 | B.Com (Delhi University)  | 47  | 20                    | June 18, 2021   | 49,97,789               | Star India, Eros Now, and HOOQ  | No  | No  |

For and on behalf of the Board of Directors

Sd/-

**Jeetendra Kapoor**

Chairman

(DIN: 00005345)

Place: Mumbai  
Date: May 30, 2023



## ANNEXURE VI

### FORM AOC-2

#### PARTICULARS OF CONTRACTS /ARRANGEMENTS / TRANSACTIONS MADE WITH RELATED PARTIES

For the financial year ended March 31, 2023

**[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, 2023 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<br>(Wholly-owned subsidiary) | Arrangement to let out Company's premises<br>Viz.C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400053 to its Subsidiary Companies for usage as its Registered Office without charging of any rent. | On-going  | -  | In order to curtail the expenses and minimise losses, the Company has entered into this arrangement with its Holding Company. | February 12, 2019             | N.A.                            | N.A.  |
| Marinating Films Private Limited<br>(Wholly-owned subsidiary)        |   |   |  |   |                               | N.A.                            | N.A.  |
| Balaji Motion Pictures Limited<br>(Wholly-owned subsidiary)          |   |   |  |   | February 14, 2023             | N.A.                            | N.A.  |

#### 2) DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS

There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2023, which were at arm's length basis.

For and on behalf of the Board of Directors

Sd/-

**Jeetendra Kapoor**

Chairman

(DIN: 00005345)

Place: Mumbai

Date: May 30, 2023



## **CORPORATE GOVERNANCE REPORT**

A report on Corporate Governance, in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is outlined below.

### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

In your Company, Corporate Governance embraces the tenets of trusteeship, accountability and transparency. Adherence to each of these principles has set a culture in the Company, wherein good Corporate Governance underlines interface with all stakeholders. In addition to compliance with regulatory requirements, the Company endeavors to ensure that highest standards of ethical and responsible conduct are met across the organization. The Company's philosophy on Corporate Governance is as under:

- Ensure that quantity, quality and frequency of financial and managerial information, which the 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.

### **1. 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 and authorities to discharge its fiduciary duty of safeguarding the interests of the shareholders. The Board exercises its powers either directly 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 and respective Committees also discharge its responsibilities/duties as enlisted under the Listing Regulations and other applicable laws.

#### **➤ COMPOSITION**

The Board of your Company has an appropriate mix of Executive, Non- Executive Directors and Independent Directors. Further, Chairman of the Company is a Non-Executive Director.

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. Brief profile of each of the Directors is available on the Company's website at <https://www.balajitelefilms.com/board-of-directors.php>.

The Board's actions and decisions are aligned with the Company's best interests. In the opinion of the Board, all the Independent Directors are independent of the management and satisfy the criteria of independence as defined under the Companies Act, 2013 (the "Act") and Listing Regulations.



As on March 31, 2023, the Board comprised of eleven (11) Members, as per following details:

| S. No  | Name and Category/Designation of Director                          | Relationship with other Directors                               | Director Identification Number |
|--|--|---|--------------------------------|
| <b>PROMOTER DIRECTORS</b>                          |  |   |                                |
| 1.   | Mr. Jeetendra Kapoor<br><i>Chairman and Non-Executive Director</i> | Husband of Mrs. Shobha Kapoor and father of Ms. Ektaa R. Kapoor | 00005345                       |
| 2.   | Mrs. Shobha Kapoor<br><i>Managing Director</i>                     | Wife of Mr. Jeetendra Kapoor and mother of Ms. Ektaa R. Kapoor  | 00005124                       |
| 3.   | Ms. Ektaa R. Kapoor<br><i>Joint Managing Director</i>              | Daughter of Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor         | 00005093                       |
| <b>INDEPENDENT DIRECTORS</b>                       |  |   |                                |
| 4.   | Mr. Duraiswamy Gunaseela Rajan                                     | -   | 00303060                       |
| 5.   | Mr. Pradeep Kumar Sarda  | -   | 00021405                       |
| 6.   | Mr. Arun Kumar Purwar  | -   | 00026383                       |
| 7.   | Mr. Devender Kumar Vasal   | -   | 06858991                       |
| 8.   | Dr. Archana Niranjana Hingorani                                    | -   | 00028037                       |
| <b>NON-EXECUTIVE AND NON-INDEPENDENT DIRECTORS</b> |  |   |                                |
| 9.   | Ms. Jyoti Deshpande  | -   | 02303283                       |
| 10.  | Ms. Priyanka Chaudhary   | -   | 06520285                       |
| 11.  | Mr. Ramesh Gopal Sippy   | Brother of Mrs. Shobha Kapoor                                   | 00652881                       |

**Note:** During the year under review, Mr. Anshuman Thakur (DIN: 03279460), Non- Executive Director of the Company and Mr. Jason Kothari (DIN: 07343314), Independent Director of the Company stepped down from the Board of the Company w.e.f. closure of the working hours on September 12, 2022 and January 31, 2023, respectively.

During the financial year ended on March 31, 2023, five (5) Board Meetings were held, as per following details:

| S. No | Date of Board Meeting | Board strength | Total number of Directors present | Total number of Independent Directors present |
|-------|-----------------------|----------------|-----------------------------------|---|
| 1.    | May 20, 2022          | 12             | 12                                | 6 out of 6                                    |
| 2.    | July 13, 2022         | 13             | 11                                | 5 out of 6                                    |
| 3.    | August 10, 2022       | 13             | 10                                | 4 out of 6                                    |
| 4.    | November 10, 2022     | 12             | 11                                | 6 out of 6                                    |
| 5.    | February 14, 2023     | 11             | 9                                 | 4 out of 5                                    |

The attendance of the Directors at the Company's Board Meetings, last Annual General Meeting during the financial year 2022-23 and the number of Directorships and Committee Memberships/Chairpersonships held by them in various Companies as on March 31, 2023 are given below:

| Name of the Director | Board meetings attended during 2022-23 (out of total 5 meetings held) | Attendance at last AGM | No. of Directorships in all Companies* | Name of other listed companies where Directorship held, with category of directorship | Committee position held in all companies# |        | No. of shares held in the Company (as on March 31, 2023) |
|----------------------|---|------------------------|--|---|---|--------|--|
|                      |   |                        |  |   | Chair-person                              | Member |  |
| Mr. Jeetendra Kapoor | 5   | Present                | 4                                      | NIL   | 1   | 2      | 32,60,522  |
| Mrs. Shobha Kapoor   | 4   | Present                | 4                                      | NIL   | NIL                                       | 1      | 1,10,08,850  |
| Ms. Ektaa R. Kapoor  | 2   | Absent                 | 4                                      | NIL   | NIL                                       | 1      | 1,84,33,254  |



## BALAJI TELEFILMS LIMITED

| Name of the Director            | Board meetings attended during 2022-23 (out of total 5 meetings held) | Attendance at last AGM | No. of Directorships in all Companies*   | Name of other listed companies where Directorship held, with category of directorship  | Committee position held in all companies# |        | No. of shares held in the Company (as on March 31, 2023) |
|---------------------------------|---|------------------------|--|--|---|--------|--|
|                                 |   |                        |  |  | Chair-person                              | Member |  |
| Mr. Duraiswamy Gunaseela Rajan  | 5   | Present                | 7  | <ul style="list-style-type: none"> <li>• IFGL Refractories Limited (Independent Director)</li> <li>• Digjam Limited (Independent Director)</li> <li>• Rubfila International Limited (Independent Director)</li> </ul>  | 5   | 7      | 300  |
| Mr. Pradeep Kumar Sarda         | 2   | Present                | 1  | NIL  | NIL                                       | 1      | NIL  |
| Mr. Arun Kumar Purwar           | 5   | Present                | 4  | <ul style="list-style-type: none"> <li>• Alkem Laboratories Limited (Independent Director)</li> <li>• IIFL Finance Limited (Independent Director)</li> </ul>   | 2   | 3      | 20,900   |
| Mr. Devender Kumar Vasal        | 5   | Absent                 | 2  | NIL  | NIL                                       | 3      | NIL  |
| Dr. Archana Niranjani Hingorani | 4   | Present                | 6  | <ul style="list-style-type: none"> <li>• Alembic Pharmaceutical Limited (Independent Director)</li> <li>• Grindwell Norton Limited (Independent Director)</li> <li>• 5Paisa Capital Limited (Independent Director)</li> <li>• Den Networks Limited (Independent Director)</li> </ul> | 2   | 8      | NIL  |
| Mr. Jason Kothari               | 4   | Absent                 | Ceased to be a Director during the year under review with effect from closing of business hours on January 31, 2023.   |  |   |        |  |
| Mr. Anshuman Thakur             | 3   | Present                | Ceased to be a Director during the year under review with effect from closing of business hours on September 12, 2022. |  |   |        |  |



| Name of the Director   | Board meetings attended during 2022-23 (out of total 5 meetings held) | Attendance at last AGM | No. of Directorships in all Companies* | Name of other listed companies where Directorship held, with category of directorship   | Committee position held in all companies# |        | No. of shares held in the Company (as on March 31, 2023) |
|------------------------|---|------------------------|--|---|---|--------|--|
|                        |   |                        |  |   | Chair-person                              | Member |  |
| Ms. Jyoti Deshpande    | 5   | Absent                 | 4                                      | <ul style="list-style-type: none"> <li>Network18 Media &amp; Investments Limited (Non-Executive and Non Independent Director)</li> <li>TV18 Broadcast Limited (Non-Executive and Non Independent Director)</li> </ul> | NIL                                       | NIL    | NIL  |
| Mr. Ramesh Gopal Sippy | 5   | Present                | 2                                      | NIL   | NIL                                       | 1      | NIL  |
| Ms. Priyanka Chaudhary | 4   | Present                | 1                                      | NIL   | NIL                                       | NIL    | NIL  |

**NOTES:**

\*Excludes directorships in (1) Private Companies (2) Section 8 Companies (3) Companies incorporated outside India and (4) Alternate Directorships.

#Only Audit Committee and Stakeholders Relationship Committee of public companies have been considered for committee position.

The number of Directorships, Chairperson(s)/Membership(s) across Committee of all Directors are within the respective limits prescribed under the Companies Act, 2013 and Listing Regulations. In compliance with Regulation 17A of the Listing Regulations, none of the Directors of the Company held directorship in more than seven listed entities and no Independent Director served their directorship in more than seven listed entities.

As stipulated by Regulation 26(1) of the Listing Regulations, none of the Director was a Member of more than ten (10) committees or Chairperson of more than five (5) committees across all listed companies in which he/she is a Director.

**➤ 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. The necessary details of Directors associated with the Company as at March 31, 2023 are as follows:

| Skills / Expertise / Competencies | Jeetendra Kapoor | Shobha Kapoor | Ektaa R. Kapoor | D.G. Rajan | Pradeep Kumar Sarda | Arun Kumar Purwar | D. K. Vasal | Archana Hingorani | Jyoti Deshande | Priyanka Chaudhary | Ramesh Gopal Sippy |
|-----------------------------------|------------------|---------------|-----------------|------------|---------------------|-------------------|-------------|-------------------|----------------|--------------------|--------------------|
| Leadership skills                 | ✓                | ✓             | ✓               | ✓          | ✓                   | ✓                 | ✓           | ✓                 | ✓              | ✓                  | ✓                  |
| Finance and Accounting Dexterity  | ✓                | ✓             | ✓               | ✓          | ✓                   | ✓                 | ✓           | ✓                 | ✓              | ✓                  | ✓                  |

| Skills / Expertise / Competencies  | Jeetendra Kapoor | Shobha Kapoor | Ektaa R. Kapoor | D.G. Rajan | Pradeep Kumar Sarda | Arun Kumar Purwar | D. K. Vasal | Archana Hingorani | Jyoti Deshande | Priyanka Chaudhary | Ramesh Gopal Sippy |
|--|------------------|---------------|-----------------|------------|---------------------|-------------------|-------------|-------------------|----------------|--------------------|--------------------|
| <i>Understanding the use of Information Technology in Digital Media, Entertainment Industry and OTT platform</i> | -                | ✓             | ✓               | ✓          | -                   | ✓                 | ✓           | -                 | ✓              | ✓                  | ✓                  |
| <i>Experience of large Companies in diverse industries</i>   | ✓                | ✓             | ✓               | ✓          | ✓                   | ✓                 | ✓           | ✓                 | ✓              | ✓                  | ✓                  |
| <i>Governance Experience in developing and maintaining high governance standards</i>                             | ✓                | ✓             | ✓               | ✓          | ✓                   | ✓                 | ✓           | ✓                 | ✓              | ✓                  | ✓                  |

➤ **BOARD PROCEDURE**

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy, apart from other matters, as may be required to be considered by the Board from time-to-time. 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 resolution by circulation, as permitted by law, which is noted and confirmed in the subsequent Board/Committee meetings.

Board/Committee Meetings of the Company follow a structured agenda. The Company Secretary, in consultation with the Chairman, Managing Director, Chief Executive Officer and Chief Financial Officer prepares the agenda of the Meetings. All major agenda items, along with relevant and comprehensive background information, are sent in advance to enable the Board to take informed decisions. Any Board member may, in consultation with the Chairman and with the consent of all Directors present at the Meeting, bring up any matter for the consideration of the Board. Management executives make presentations on relevant

issues and provide comprehensive updates on the operations of the Company, business plans, legal matters and answer the queries, if any, raised by any Director.

The Board reviews all information that it is required to as per the applicable laws and such information is discussed in detail and then taken on record/approved by the Board after due deliberations. Quality debates and participation by all Directors and invitees are encouraged at Board/Committee meetings. The Board engages with the Management during business review and presentations, and provides constructive suggestions and guidance on various issues, as may be required from time-to-time. The Board periodically reviews Compliance Reports to ensure adherence to laws and regulations applicable to the Company.

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.

➤ **BOARD INDEPENDENCE**

Our definition of 'Independence' of Directors is derived from Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Listing





Regulations. Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, all Non-Executive Directors as on March 31, 2023, except Mr. Jeetendra Kapoor, Ms. Jyoti Deshpande, Ms. Priyanka Chaudhary 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. The Independent Directors do not have any material pecuniary relationship or transaction with the Company, or its Executive Directors, Promoters, or Management, which may affect their judgement.

During the year under review, Mr. Jason Kothari (DIN: 07343314), Independent Director of the Company resigned from the Board due to personal and professional commitments, including his founding of a new global Company in the entertainment industry. There was no other material reason for him for stepping down from the Board before the expiry of his term as an Independent Director.

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 [https://www.balajitelefilms.com/pdf/Independent%20Director\\_Letter%20of%20Appointment.pdf](https://www.balajitelefilms.com/pdf/Independent%20Director_Letter%20of%20Appointment.pdf).

Pursuant to Regulation 25 of the Listing Regulations and the Companies Act, 2013, a meeting of the Independent Directors was held on August 10, 2022, without the presence of Non-Independent Directors and the Management Personnel, to inter-alia:

- 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.

#### ➤ **FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS**

Directors of the Company are regularly updated on the latest business plans, new regulatory requirements and other issues affecting the Company to enable it to take informed decisions. At every quarterly Board Meeting, a detailed business update is presented for Board's perusal. Statutory and legal updates in applicable laws are discussed at the quarterly Board Meetings.

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 programs. The details of such familiarization program have been disclosed on the Company's website at [https://www.balajitelefilms.com/pdf/Familiarization%20Programme\\_ID\\_28042022\\_for%20uploading.pdf](https://www.balajitelefilms.com/pdf/Familiarization%20Programme_ID_28042022_for%20uploading.pdf)

#### ➤ **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, and the Chairperson. For the year under review, a structured questionnaire, duly approved by the Nomination and Remuneration Committee, 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.

For the financial year under review, the Board expressed its satisfaction with the overall performance, professional expertise and knowledge of each of its Directors. All Directors effectively contributed to the decision-making process by the Board. All Committees were duly constituted and functioned effectively. The Board also expressed its satisfaction with the documents received explaining Company's processes and operations. The Board expressed its satisfaction with the decision-making and decision-implementing procedures followed by it.

## 2. COMMITTEES OF THE BOARD

In compliance with the requirements of the Companies Act, 2013 and the Listing Regulations, and to monitor various facets of business and ensure accountability, the Board has constituted various Statutory Committees. The composition of each such Committee is in accordance with all regulatory requirements, and is available on the website of the Company at <https://www.balajitelefilms.com/pdf/otherdocuments/List%20of%20Committees-BTL.pdf>

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 presented before the Board for review on a quarterly basis. The Board Committees are set up under the

formal approval of the Board to carry out clearly defined roles.

The Board has currently established the following Statutory Committees:

### a) AUDIT COMMITTEE

The Audit Committee provides direction to the Audit and Risk Management function of 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.

The responsibilities and terms of reference of the Audit Committee inter-alia includes 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, 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 Regulation 18 read with Part C, Schedule II of the Listing Regulations.

In addition to the above, the Audit Committee mandatorily reviews the information as required under Part C, Schedule II of the Listing Regulations.



The composition of the Committee, details of meetings held during the Financial Year 2022-23 and the attendance thereat is as follows:

| S. No | Date of Committee Meeting | Mr. Duraiswamy Gunaseela Rajan (Chairperson) | Mr. Jeetendra Kapoor (Member) | Mr. Pradeep Kumar Sarda (Member) | Mr. Devender Kumar Vasal (Member) |
|-------|---------------------------|--|-------------------------------|----------------------------------|-----------------------------------|
| 1.    | May 20, 2022              | ✓  | ✓                             | Leave of absence                 | ✓                                 |
| 2.    | August 10, 2022           | ✓  | ✓                             | Leave of absence                 | ✓                                 |
| 3.    | November 10, 2022         | ✓  | Leave of absence              | Leave of absence                 | ✓                                 |
| 4.    | February 14, 2023         | ✓  | Leave of absence              | ✓                                | ✓                                 |

The required quorum was present at all meetings. All members of the Audit Committee are financially literate and possess financial/accounting expertise.

Ms. Tannu Sharma, Group Head - Secretarial acted as the Secretary of the Committee.

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.

#### **b) NOMINATION AND REMUNERATION COMMITTEE**

The Committee's composition and terms of reference are as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D, Schedule II of the Listing Regulations. The Committee is entrusted with inter-alia, the following role and responsibilities:

a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

b) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of any external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

c) Formulation of criteria for evaluation of performance of independent directors and the board of directors;

d) Devising a policy on diversity of board of directors;

e) 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 of directors their appointment and removal.

f) 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.

g) Recommend to the board, all remuneration, in whatever form, payable to senior management.

The composition of the Committee, details of meetings held during the Financial Year 2022-23 and the attendance thereat is as follows:

| S. No | Date of Committee Meeting | Mr. Duraiswamy Gunaseela Rajan (Chairperson) | Mr. Jeetendra Kapoor (Member) | Mr. Pradeep Kumar Sarda (Member) | Mr. Devender Kumar Vasal (Member) |
|-------|---------------------------|--|-------------------------------|----------------------------------|-----------------------------------|
| 1.    | May 20, 2022              | ✓  | ✓                             | Leave of absence                 | ✓                                 |
| 2.    | July 13, 2022             | ✓  | Leave of absence              | Leave of absence                 | ✓                                 |
| 3.    | August 10, 2022           | ✓  | ✓                             | Leave of absence                 | ✓                                 |
| 4.    | November 10, 2022         | ✓  | ✓                             | Leave of absence                 | ✓                                 |
| 5.    | February 14, 2023         | ✓  | ✓                             | ✓                                | ✓                                 |

The required quorum was present at all meetings.

Ms. Tannu Sharma, Group Head - Secretarial acted as the Secretary of the Committee.

### Performance evaluation criteria for Independent Directors

In accordance with the Companies Act, 2013 and Listing Regulations, the Nomination and Remuneration 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.

### Nomination and Remuneration Policy

During the year under review Nomination & Remuneration Policy was amended as on February 14, 2023 in line with the changes in the Listing Regulations. The said Policy may be accessed at <https://www.balajitelefilms.com/pdf/NRC%20Policy%20last%20amended%20January%2017,%202023.pdf>.

### c) STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Committee's composition and terms of reference are as per the provisions of Section 178(5) of the Act and Regulation 20 read with Part D, Schedule II of the Listing Regulations. The Committee is entrusted with the following role and responsibilities:

1. Resolving 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.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of 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.



The composition of the Committee, details of meetings held during the Financial Year 2022-23 and the attendance thereat is as follows:

| S. No | Date of Committee Meeting | Mr. Jeetendra Kapoor (Chairman) | Mrs. Shobha Kapoor (Member) | Ms. Ektaa R. Kapoor (Member) | Mr. Devender Kumar Vasal (Member) |
|-------|---------------------------|---------------------------------|-----------------------------|------------------------------|-----------------------------------|
| 1.    | May 20, 2022              | ✓                               | ✓                           | ✓                            | ✓                                 |
| 2.    | August 10, 2022           | ✓                               | ✓                           | ✓                            | ✓                                 |
| 3.    | November 10, 2022         | ✓                               | ✓                           | ✓                            | ✓                                 |
| 4.    | February 14, 2023         | ✓                               | ✓                           | ✓                            | ✓                                 |

The required quorum was present at all meetings. The Chairman of the Committee is a Non-Executive Director.

Ms. Tannu Sharma, Group Head - Secretarial acted as the Secretary of the Committee. It may be noted that Ms. Sharma resigned from the position of Company Secretary and Compliance Officer of the Company w.e.f. the closure of business hours of November 18, 2022. However, she rejoined the Company as the Company Secretary and Compliance Officer w.e.f. February 14, 2023.

The details of shareholders' complaints received during the financial year 2022-23 are as follows:

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|-----------------|--------------------------|--------------------------|-----------------|
| 0               | 0                        | 0                        | 0               |

#### d) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Committee's composition and terms of reference are as per the provisions of Section 135 of the Companies Act, 2013 and the Rules framed thereunder, which includes:

1. 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;
2. to recommend the amount of expenditure to be incurred on CSR activities as indicated in the CSR Policy;
3. monitoring the CSR Policy of the Company from time to time;
4. to update, alter or replace the Annual Action Plan, as and when necessary;
5. institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company; and
6. 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.

The composition of the Committee, details of meetings held during the Financial Year 2022-23 and the attendance thereat is as follows:

| S. No | Date of Committee Meeting | Mr. Jeetendra Kapoor (Chairman) | Mrs. Shobha Kapoor (Member) | Mr. Duraiswamy Gunaseela Rajan (Member) | Mr. Devender Kumar Vasal (Member) |
|-------|---------------------------|---------------------------------|-----------------------------|---|-----------------------------------|
| 1.    | May 20, 2022              | ✓                               | ✓                           | ✓                                       | ✓                                 |
| 2.    | August 10, 2022           | ✓                               | ✓                           | ✓                                       | ✓                                 |
| 3.    | November 10, 2022         | ✓                               | ✓                           | ✓                                       | ✓                                 |
| 4.    | February 14, 2023         | ✓                               | ✓                           | ✓                                       | ✓                                 |

The required quorum was present at all meetings.

Ms. Tannu Sharma, Group Head - Secretarial acted as the Secretary of the Committee.

### Corporate Social Responsibility Policy

The Board has approved revised CSR Policy of the Company as formulated and recommended by the CSR Committee and the same may be accessed at <https://www.balajitelefilms.com/pdf/csr/CSR%20Policy%20last%20amended%20Feb%2011,%202022.pdf>.

### e) RISK MANAGEMENT COMMITTEE

A Risk Management Committee having terms of reference as enlisted under Regulation 21 read with Part D, Schedule II of the Listing Regulations has been constituted.

The composition of the Committee, details of meetings held during the Financial Year 2022-23 and the attendance thereat is as follows:

| S. No | Date of Committee Meeting | Mrs. Shobha Kapoor (Chairperson) | Mr. Jeetendra Kapoor (Member) | Mr. Duraiswamy Gunaseela Rajan (Member) |
|-------|---------------------------|----------------------------------|-------------------------------|---|
| 1.    | August 10, 2022           | ✓                                | ✓                             | ✓                                       |
| 2.    | November 10, 2022         | ✓                                | ✓                             | ✓                                       |
| 3.    | February 14, 2023         | ✓                                | ✓                             | ✓                                       |

The required quorum was present at all meetings.

Ms. Tannu Sharma, Group Head - Secretarial acted as the Secretary of the Committee.

### 3. CERTIFICATIONS/DECLARATIONS

#### 1. Certificate required under Regulation 17(8)

The Company maintains detailed internal controls to protect its assets and interests, and to ensure the integrity and fairness of its financial reporting.

The certificate required under Regulation 17(8) of the Listing Regulations, duly signed by Chief Executive Officer and the Chief Financial Officer, was presented

The terms of reference of the Committee includes:

1. formulation of the risk management policy, ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
2. monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;
3. periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
4. keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.

before the Board in the Board Meeting held on May 30, 2023 and is enclosed as **Annexure I** to this Report.

#### 2. Code of Conduct

The Company is committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics, and to making full and accurate disclosures in compliance with all applicable laws, rules and regulations. The Code of Conduct has been uploaded on the Company's website at <https://www.balajitelefilms.com/code-of-conduct.php>.

All Board members and senior Management personnel have affirmed their compliance



with the Code of Conduct for the financial year under review.

A declaration on compliance with the Code of Conduct, duly signed by Mr. Abhishek Kumar, Chief Executive Officer of the Company, is attached as **Annexure-II**.

### 3. Compliance Certificate on Corporate Governance

As per Regulation 34 of the Listing Regulations, a Certificate on compliance of Corporate Governance, issued by the Statutory Auditors of the Company is attached as **Annexure III** to this Report.

### 4. Certificate for non-disqualification of Directors

Pursuant to Regulation 34(3) and Schedule V, Para C, Clause (10)(i) of the Listing Regulations, the Board hereby confirms that a certificate has been obtained from the Company Secretary in practice, stating that none of the Directors have been debarred or disqualified from being appointed or continuing as Director by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any such other Statutory Authority. The certificate is attached as **Annexure IV** to this Report.

### 5. Declaration from Independent Directors

The Company has received declarations from all Independent Directors of the Company confirming they meet the criteria of independence as prescribed by Section 149 of the Companies Act, 2013, and Regulation 16 & 25 of the Listing Regulations.

The Board is of the opinion that its Independent Directors fulfil the conditions

specified in these regulations and are independent of the Management.

### 6. Compliance with Mandatory Requirements

The Company has complied with all the mandatory requirements of Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of SEBI Listing Regulations. The Company has also complied with the requirements of the Corporate Governance Report provided in sub-regulation (2) to (10) of Part C of Schedule V of the Listing Regulations.

### 7. 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 2022-23.

## 4. GENERAL SHAREHOLDER'S INFORMATION

### 1. GENERAL BODY MEETINGS / POSTAL BALLOT:

#### a) Annual General Meeting (AGM):

The AGM is the main platform for interaction between the Management and the shareholders. The Company ensures that the Notice for the AGM, along with the Annual Report of the Company, is sent to shareholders in advance. In view of the Covid outbreak and in line with various Circulars and Notifications issued by SEBI and Ministry of Corporate Affairs, the AGM for the Financial year 2019-20, 2020-21 and 2021-22 were held through Video Conference.

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

| Financial Year | Date and Time                           | Venue  | Special Resolutions proposed / passed   |
|----------------|---|--|---|
| 2021-22        | Thursday, August 18, 2022 at 03:00 P.M. | Held through video-conference, Registered office was the deemed venue. | <ul style="list-style-type: none"> <li>Grant of Stock options exceeding 1% of the issued share capital of the Company to Mr. Abhishek Kumar, Group CEO</li> </ul> |

| Financial Year | Date and Time                               | Venue  | Special Resolutions proposed / passed  |
|----------------|---|--|--|
| 2020-21        | Tuesday, August 31, 2021 at 03:00 P.M.      | Held through video-conference, Registered office was the deemed venue. | <ul style="list-style-type: none"> <li>• Payment of Remuneration to Mrs. Shobha Kapoor, Managing Director for a further period of 2 (Two) years w.e.f. November 10, 2021 of her present tenure.*</li> <li>• Payment of remuneration to Ms. Ektaa R. Kapoor, Joint Managing Director of the Company for a further period of 2 (Two) years w.e.f. November 10, 2021 of her present tenure.*</li> </ul> |
| 2019-20        | Wednesday, September 30, 2020 at 03.00 P.M. | Held through video-conference, Registered office was the deemed venue. | <ul style="list-style-type: none"> <li>• Reappointment of Mr. Jeetendra Kapoor (DIN:00005345) as a Non-Executive Director of the Company;</li> <li>• Continuation of Directorship of Mr. Arun Kumar Purwar (DIN: 00026383) as Non-Executive Independent Director of the Company.</li> </ul>  |

\* These resolutions were proposed but not passed at the AGM held on August 30, 2021 as the votes cast against the resolution were more than those cast in favor of the resolution. However, the same were passed by the shareholders via Postal Ballot on December 17, 2021.

**b) Extra Ordinary General Meeting (EOGM):**

No Extra Ordinary General Meeting of the Members of the Company was held during the financial year 2022-23.

**c) Special Resolutions passed by the way of Postal Ballot during the financial year 2022-23:**

- **Date of Postal Ballot Notice:** February 14, 2023
- **Voting period:** Tuesday, February 28, 2023 (09.00 a.m. IST) and ended on Wednesday, March 29, 2023 (05.00 p.m. IST)
- **Date of passing:** Resolutions are deemed to be passed on March 29, 2023, being the last date for e-Voting.
- **Person who conducted Postal Ballot exercise:** Mr. Vijay Yadav (Membership No. FCS 11990), Partner of AVS & Associates, Company Secretaries.

| Name of the resolution  | Type of resolution | No. of votes polled | Votes cast in favor (Number) | Votes cast in favor (Percentage) | Votes cast against (Number) | Votes cast against (Percentage) |
|---|--------------------|---------------------|------------------------------|----------------------------------|-----------------------------|---------------------------------|
| Approval of Balaji Telefilms –Employee Stock Options Scheme, 2023 (“BALAJI TELEFILMS ESOP Scheme, 2023”) and grant of Employee Stock Options to the Employees of the Company thereafter | Special            | 59938497            | 59927918                     | 99.98                            | 10579                       | 0.02                            |
| Grant of Stock Options to the Employees of the Subsidiary Company(ies) of the Company under Balaji Telefilms Employee Stock Options Scheme, 2023  | Special            | 59938497            | 59927889                     | 99.98                            | 10608                       | 0.02                            |





- d) Special Resolution to be passed through Postal Ballot as on the date of this report:** As on the date of this Report, the Company does not intend to pass any Resolution through Postal Ballot.

**Procedure for conducting Postal Ballot held during the year:**

In accordance with the MCA Circulars, the Postal Ballot Notice was sent only by electronic mode to those Members whose names appeared on the Register of Members / List of Beneficial Owners as on the record date and whose email address were registered with the Company/ Depositories/Depositories Participants. As per the MCA Circulars, physical copies of the Notice, Postal Ballot Forms and Pre-paid Business Reply Envelopes were not sent to the Members for the Postal Ballot. Members were requested to provide their assent or dissent through e-Voting mode only.

Mr. Vijay Yadav (Membership No. FCS 11990), Partner of AVS & Associates, Company Secretaries was appointed as the Scrutinizer for conducting the Postal Ballot process, in a fair and transparent manner. The Company engaged services of KFin Technologies Limited ("KFin"), the Registrar and Transfer Agent ("RTA") as the agency to provide e-Voting facility.

Postal Ballot Notice was also made available on the Company's website at [www.balajitelefilms.com](http://www.balajitelefilms.com), websites of the Stock Exchanges i.e. The BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') and on the website of KFin Technologies Limited

All the material documents referred in the Explanatory Statement, were available for inspection. Members intending to inspect the documents were requested to send an email to [investor@balajitelefilms.com](mailto:investor@balajitelefilms.com) mentioning their Name, Folio no. / Client ID and DP ID, and the documents they intend to inspect, with a self-attested copy of their PAN card attached to the email.

The voting rights of Members were in proportion to their shares of the paid-up equity share capital of the Company as on Friday, February 24, 2023 being the cut-off date fixed for the Postal Ballot.

The voting period commenced from Tuesday, February 28, 2023 at 09:00 hours IST and ended on Wednesday, March 29, 2023 at 17:00 hours IST. The scrutinizer completed his scrutiny and submitted his report (Scrutinizer Report) on March 29, 2023, and the consolidated results of the voting were announced accordingly. The results as mentioned above were also displayed on the Company website, besides being communicated to the stock exchanges, depository and registrar and share transfer agent.

**OTHER INFORMATION:**

| <b>Financial Year</b>                    | <b>April 01, 2023 to March 31, 2024</b>   |
|--|---|
| Listing details                          | <p><b>BSE Limited</b><br/>Phiroze Jeejeebhoy Towers,<br/>Dalal Street, Mumbai – 400 001.<br/><b>Stock code: 532382</b></p> <p><b>National Stock Exchange of India Limited</b><br/>Exchange Plaza, 5<sup>th</sup> floor, Plot No. C/1,<br/>G Block, Bandra Kurla Complex, Bandra (East),<br/>Mumbai – 400 051.<br/><b>Stock code: BALAJITELE</b></p> |
| ISIN                                     | INE794B01026  |
| Listing Fees                             | Paid for both the Stock Exchanges   |
| Listing on Stock Exchanges outside India | Not Listed  |

|  |  |
|--|--|
| <b>Financial Year</b>                          | <b>April 01, 2023 to March 31, 2024</b>  |
| Registered Office of Company                   | C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053.<br><b>Tel:</b> +91-22-40698000<br><b>Fax:</b> +91-22-40698181<br><b>E-mail:</b> <a href="mailto:investor@balajitelefilms.com">investor@balajitelefilms.com</a><br><b>Website:</b> <a href="http://www.balajitelefilms.com">www.balajitelefilms.com</a>   |
| Registrar and Share Transfer Agent             | <b>KFIN Technologies Limited</b><br>Selenium Building, Tower-B,<br>Plot No 31 & 32, Financial District,<br>Nanakramguda, Serilingampally, Hyderabad,<br>Rangareddy, Telangana, India - 500 032.<br><b>Toll Free/ Phone Number:</b> 1800 309 4001<br><b>WhatsApp Number:</b> (+91) 910 009 4099<br><b>E-mail:</b> <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a><br><b>Website:</b> <a href="http://www.ris.kfintech.com">www.ris.kfintech.com</a>  |
| Annual General Meeting                         | <b>Thursday, August 17, 2023 at 03:00 PM. IST</b><br>Pursuant to the Ministry of Corporate Affairs (“MCA”) General Circulars dated December 28, 2022, May 05, 2022, May 05, 2020, April 13, 2020 and April 08, 2020 (hereinafter referred to as “MCA Circulars”) and Circular dated January 05, 2023 and May 12, 2020, issued by SEBI, the 29 <sup>th</sup> Annual General Meeting of the Company is being conducted through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) and hence physical attendance of the Members to the AGM venue is not required. The deemed venue for the AGM shall be the Registered Office of the Company. |
| Date of Book Closure                           | Friday, August 11, 2023 to Thursday, August 17, 2023 (both days inclusive).  |
| Payment of Dividend                            | No Dividend is proposed to be paid for the Financial Year 2022-23.   |
| Financial Calendar for financial reporting of* | Second week of August, 2023  |
| • Quarter ending June 30, 2023                 | Second week of November, 2023  |
| • Quarter ending September 30, 2023            | Second week of February, 2023  |
| • Quarter ending December 31, 2023             | Third week of May, 2024  |
| • Year ending March 31, 2024                   |  |

\*There may be change(s) to the above schedule, depending on any new guidelines from the Ministry of Corporate Affairs/ Securities Exchange Board of India.

## 2. MEANS OF COMMUNICATION:

### Financial/Quarterly results

The Quarterly/Half Yearly Financial Results are submitted with the Stock Exchanges viz. BSE Limited (BSE) & National Stock Exchange of India Limited (NSE) and are also published in Business Standard/ Financial Express (All India) and Mumbai Lakshadeep (Regional Daily) as required by the Listing Regulations. The up-to-date results are also available on the Company’s website and can be accessed at <http://www.balajitelefilms.com/outcome-board-meetings-agm-egm.php>



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### Press Releases

Press Releases of the Company on the quarterly financial results are available on the website of the Company, i.e. [www.balajitelefilms.com](http://www.balajitelefilms.com), and portals of the Stock Exchanges where the Company's shares are listed.

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### Company's Website

The important information including the Annual Report, important policies, the quarterly/half yearly results, financials of subsidiaries, shareholding pattern etc. are placed on the Company's website [www.balajitelefilms.com](http://www.balajitelefilms.com).

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### Annual Report

The Annual Report of the Company, giving a detailed insight on the working of the Company, practices followed, is sent to all the shareholders at their registered addresses. In keeping with the "Green Initiative" recommended by the Ministry of Corporate Affairs (MCA), and Circulars issued by SEBI/MCA, the Annual Report is emailed to the shareholders. Further, the hard copy of the Annual Report is also made available at the specific request of the shareholder.

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### Management Discussion and Analysis

The Management Discussion and Analysis Report, covering the industrial overview and major aspects of operations of the Company, forms part of the Annual Report.

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### Designated E-mail-ID

The Company has a designated email ID viz. [investor@balajitelefilms.com](mailto:investor@balajitelefilms.com), to ensure prompt redressal of investor's request/complaints.

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### SCORES

SEBI has enabled for investors to place their complaints/grievances on a centralized web-based complaints redressal system viz. SEBI Complaints Redress System (SCORES). Upon the receipt of any complaint, the Company strives to respond quickly and the Action Taken Reports (ATRs) are uploaded on the current status of the complaint.

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## 3. DISCLOSURES

### i) Related Parties Transactions

Suitable disclosures pertaining to Related Party Transaction(s) as required under IND AS-24 have been made in note no. 36 of the Notes to the Standalone Financial Statements.

All Related Party transactions entered during the year were presented before the Audit Committee for review and approval. 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 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 Wholly-owned Subsidiary Companies for using it as its Registered office on an on-going basis, without charging any rent thereof. Further, 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 Form AOC-2 and the same forms part of the Board's Report.

The Policy on Related Party Transactions can be found on the Company's website at the following link <http://www.balajitelefilms.com/related-party-trancation-policy.php>.

**ii) Payment to Directors**

The details of the remuneration paid to the Directors of the Company for the year ended March 31, 2023 are as follows:

(in ₹)

| Name of the Director           | Designation             | Salary (Basic)     | Perquisites & Allowances | Comm-<br>ission* | Sitting Fees     | Bonus    | Perfor-<br>mance<br>Linked<br>Incentive | Seve-<br>rance<br>Fees | Employer's<br>contribution<br>to Provident<br>Fund | Total              |
|--------------------------------|-------------------------|--------------------|--------------------------|------------------|------------------|----------|---|------------------------|--|--------------------|
| Mr. Jeetendra Kapoor           | Chairman                | -                  | -                        | -                | 4,50,000         | -        | -                                       | -                      | -  | 4,50,000           |
| Mrs. Shobha Kapoor             | Managing Director       | 1,44,00,000        | 95,66,400                | -                | -                | -        | -                                       | -                      | 21,600   | 2,39,88,000        |
| Ms. Ektaa R. Kapoor            | Joint Managing Director | 1,44,00,000        | 95,66,400                | -                | -                | -        | -                                       | -                      | 21,600   | 2,39,88,000        |
| Mr. Pradeep Kumar Sarada       | Independent Director    | -                  | -                        | -                | 2,25,000         | -        | -                                       | -                      | -  | 2,25,000           |
| Mr. Duraiswamy Gunaseela Rajan | Independent Director    | -                  | -                        | -                | 6,50,000         | -        | -                                       | -                      | -  | 6,50,000           |
| Mr. Devender Kumar Vasal       | Independent Director    | -                  | -                        | -                | 6,50,000         | -        | -                                       | -                      | -  | 6,50,000           |
| Mr. Arun Kumar Punwar          | Independent Director    | -                  | -                        | -                | 5,50,000         | -        | -                                       | -                      | -  | 5,50,000           |
| Dr. Archana Hingorani          | Independent Director    | -                  | -                        | -                | 4,00,000         | -        | -                                       | -                      | -  | 4,00,000           |
| Mr. Jason Kothari              | Independent Director    | -                  | -                        | -                | 5,50,000         | -        | -                                       | -                      | -  | 5,50,000           |
| Mr. Anshuman Thakur            | Non-Executive Director  | -                  | -                        | -                | 3,00,000         | -        | -                                       | -                      | -  | 3,00,000           |
| Ms. Jyoti Deshpande            | Non-Executive Director  | -                  | -                        | -                | 4,50,000         | -        | -                                       | -                      | -  | 4,50,000           |
| Mr. Ramesh Sippy               | Non-Executive Director  | -                  | -                        | -                | 4,50,000         | -        | -                                       | -                      | -  | 4,50,000           |
| Ms. Priyanka Chaudhary         | Non-Executive Director  | -                  | -                        | -                | 3,50,000         | -        | -                                       | -                      | -  | 3,50,000           |
| <b>Total</b>                   |                         | <b>2,88,00,000</b> | <b>1,91,32,800</b>       | <b>-</b>         | <b>50,25,000</b> | <b>-</b> | <b>-</b>                                | <b>-</b>               | <b>43,200</b>                                      | <b>5,30,01,000</b> |

**\*Note:**

Director Commission of ₹ 49.05 Lac has been provided for F.Y. 23 (as per relevant provisions of the law) and has not actually been paid during the current year. Accordingly, this has not been captured above.

The terms of remuneration of the Executive Directors were approved by the shareholders on December 17, 2021. No stock options were granted to any of the Director during the financial year 2022-23.

The criteria for making payment to Non-Executive Directors may be accessed at <https://www.balajitelefilms.com/pdf/NRC%20Policy%20last%20amended%20January%202017,%202023.pdf>

There is no provision for payment of Performance Linked Incentive or Bonus to the Directors; and no such payment was made during the year under review.

The other conditions such as Notice Period for Executive Directors and the term of appointment of Independent Directors are in accordance with the Company's Policies and respective shareholders approval made for such appointment.



### iii) Disclosure of Pending Cases/ Instances of Non-Compliances

The Company has generally 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.

During the year 2022-23, National Stock Exchange of India Limited & BSE Limited imposed a penalty for non-compliance of Regulation 17 of Listing Regulations with respect to composition of Board. The default has been made good w.e.f. September 13, 2022, post stepping down of Mr. Anshuman Thakur from the position of Non-Executive, Non-Independent Director of the Company. Further, the penalty so imposed by both the Stock Exchanges has been paid by the Company.

### iv) 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. In addition, the Company has also adopted the following non-mandatory requirements of Listing Regulations as on March 31, 2023 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.

### v) 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 have been denied access to the Audit Committee of the Board of Directors of the Company.

All the complaints are reported through mail to the Head HR of the Company and then forwarded to the Ethics Committee for preliminary review. The Ethics Committee decides further course of action after preliminary review of the complaint/protected disclosure.

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](mailto:dgrajan@balajitelefilms.com)).

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

The details of complaints received during the financial year 2022-23 are as follows:

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|-----------------|--------------------------|--------------------------|-----------------|
| 0               | 0                        | 0                        | 0               |

### vi) Prevention of Insider Trading

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

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

cases of any violation of the PIT Regulations and Code.

### vii) 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 and 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.

During the financial year under review, no complaints were received regarding Sexual Harassment at the workplace in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The relevant details as required to be furnished under the applicable laws are as follows:

|   |     |
|---|-----|
| Number of complaints filed during the financial year          | Nil |
| Number of complaints disposed-off during the financial year   | Nil |
| Number of complaints pending at the end of the financial year | Nil |

Internal Complaints Committee and Apex Committee have been set up to redress complaints received regarding Sexual Harassment. All employees are covered under this policy.

### viii) Subsidiary Company

As on March 31, 2023, the Company has the following subsidiaries:

- ALT Digital Media Entertainment Limited (Wholly-owned and material subsidiary)
- Marinating Films Private Limited (Wholly-owned subsidiary)
- Balaji Motion Pictures Limited (Wholly-owned subsidiary)

- Ding Infinity Private Limited (Subsidiary Company)

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

- Financial Statements and Investments made by the Subsidiary Companies on quarterly basis;
- Statement of all Significant transactions entered by the Unlisted Subsidiary Companies;
- Copies of the minutes of the meetings of the Board of Directors of the Subsidiary Companies are presented at the subsequent Board Meetings.

### ix) Material Subsidiary

The Company has one material subsidiary viz. ALT Digital Media Entertainment Limited (ALT Digital). ALT Digital was incorporated on July 01, 2015 in Mumbai and the registered office address is C-13 Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri-West, Mumbai 400053.

The Members of ALT Digital, at the 7<sup>th</sup> Annual General Meeting (AGM) held on August 18, 2022 approved the appointment of M/s. Deloitte Haskins and Sells LLP, Chartered Accountants (Firm Registration no. 117366W/ W-100018) as the Statutory Auditors of the Company for a period of 5 (five) years, till the conclusion of Annual General Meeting to be held for the Financial Year 2026-27, as the tenure of the erstwhile Auditors viz. Price Waterhouse Chartered Accountants LLP came to an end at the said Annual General Meeting.

In line with the requirements of Regulation 24(1) of the Listing Regulations, Mr. Duraiswamy Gunaseela Rajan, and Mr. Devender Kumar Vasal who are Independent Directors on the Board of the Company, are also Independent Directors on the Board of ALT Digital.

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



**X) Details of loans and advances in the nature of loans to firms/companies in which directors are interested as at March 31, 2023**

| Sr No | Entity to whom Loan is Given            | Relationship with BTL | Opening Balance     | Amount of loan given during the year | Amount of loan repaid during the year/ Amount converted | Interest Charged During the year | Outstanding loan at March 2023 |
|-------|---|-----------------------|---------------------|--------------------------------------|---|----------------------------------|--------------------------------|
| 1     | Balaji Motion Pictures Limited          | Subsidiary Company    | 6,75,16,403         | 4,14,20,000                          | (5,36,51,344)   | 65,13,439                        | 6,17,98,498                    |
| 2     | ALT Digital Media Entertainment Limited | Subsidiary Company    | 11,99,71,816        | 1,54,20,95,946                       | (1,73,69,99,991)  | 10,58,40,539                     | 3,09,08,310                    |
|       | <b>Total</b>                            |                       | <b>18,74,88,219</b> | <b>1,58,35,15,946</b>                | <b>(1,79,06,51,335)</b>                                 | <b>11,23,53,978</b>              | <b>9,27,06,808</b>             |

**xi) Disclosure on Risk Management**

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

**xii) Disclosure on commodity price risk and commodity hedging activities**

The Company has not undertaken any commodity price risk during financial year 2022-23. The Company does not indulge in commodity hedging activities.

**xiii) 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/shares 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 at <https://ris.kfintech.com/services/IEPF/IEPFInfo.aspx?q=OQ8HMfJOuy4%3d>

**xiv) 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.

**xv) Total Fees (Paid to Statutory Auditors)**

The total fees paid to Statutory Auditors on consolidated basis for all the services rendered by them to the Company and its subsidiaries is ₹ 76.50 Lacs. During the year under review, Deloitte Haskins & Sells LLP, Chartered Accountants, were appointed as the Statutory Auditors, as the tenure of the erstwhile auditors came to an end at the Annual General Meeting held on August 18, 2023.

**xvi) Recommendations of Committee**

There was no such instance during the financial year 2022-23, where the Board had not accepted any recommendation of any Committee of the Board.

**xvii) Share Transfer System**

As per Regulation 40(1) of the Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form, except in case of a request received for transmission or transposition of securities. Requests for share transfers, rematerialization and transposition are attended to within the time period as stipulated by the Listing Regulations and other applicable laws, rules and regulations.

**xviii) Dematerialization of Equity Shares**

As on March 31, 2023, 10,11,26,165 Equity Shares constituting 99.99% of the total equity share capital of the Company were in the

## BALAJI TELEFILMS LIMITED

dematerialized form; and only 4,278 Equity Shares constituting 0.001% of the total equity share capital of the Company were in physical form. The shares of the Company are actively traded on BSE Limited and National Stock Exchange of India Limited.

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

### xix) Outstanding GDRs/ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments in the past and hence as on March 31, 2023 there were no outstanding GDRs/ADRs/ Warrants or any convertible instruments.

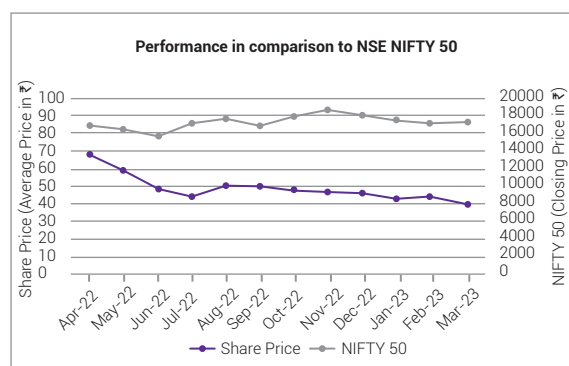
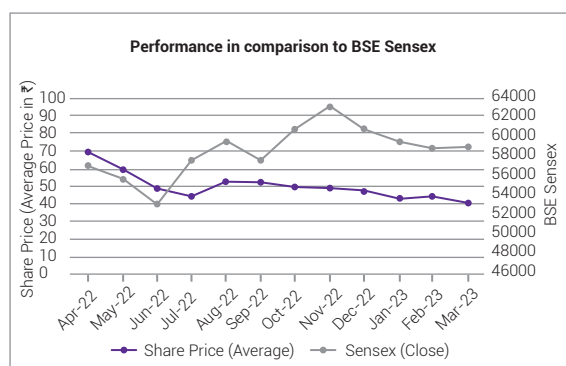
### xx) Stock Market Data relating to Shares listed in India

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 2022-23 are as below:

(in ₹)

| Month  | Face value ₹ 2/- per share |       |  |       |
|--------|----------------------------|-------|--|-------|
|        | BSE Limited                |       | National Stock Exchange of India Limited |       |
|        | HIGH                       | LOW   | HIGH                                     | LOW   |
| Apr-22 | 79.00                      | 59.70 | 79.00                                    | 59.65 |
| May-22 | 64.60                      | 53.55 | 64.80                                    | 53.70 |
| Jun-22 | 56.75                      | 40.65 | 56.55                                    | 40.55 |
| Jul-22 | 50.85                      | 39.35 | 50.90                                    | 39.00 |
| Aug-22 | 56.45                      | 46.50 | 56.55                                    | 46.05 |
| Sep-22 | 57.40                      | 47.65 | 57.70                                    | 43.40 |
| Oct-22 | 52.00                      | 46.00 | 51.75                                    | 46.00 |
| Nov-22 | 53.00                      | 44.75 | 50.10                                    | 44.60 |
| Dec-22 | 50.90                      | 42.35 | 50.90                                    | 42.30 |
| Jan-23 | 46.00                      | 40.50 | 45.90                                    | 40.50 |
| Feb-23 | 50.00                      | 39.20 | 49.65                                    | 39.10 |
| Mar-23 | 44.99                      | 35.30 | 45.05                                    | 35.00 |

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 ended March 31, 2023:





**xxi) Credit Rating**

The Company has not obtained any Credit Rating during the year under review.

**xxii) Shareholding pattern as on March 31, 2023**

| Category of Shareholder                | Number of Shares    | % of Total Shares |
|--|---------------------|-------------------|
| <b>Promoter and Promoter Group (A)</b> | <b>3,47,32,876</b>  | <b>34.34</b>      |
| <b>Public Shareholding</b>             |                     |                   |
| Foreign Portfolio Investor             | 86,58,287           | 8.56              |
| Foreign Portfolio - Corporate          | 98,31,018           | 9.72              |
| Financial Institutions/ NBFC           | 800                 | 0.00              |
| Bodies Corporate                       | 2,74,00,502         | 27.09             |
| Resident Individuals                   | 1,84,72,062         | 18.27             |
| NRI                                    | 3,83,151            | 0.38              |
| Clearing member                        | 25,916              | 0.03              |
| Trusts                                 | 750                 | 0.00              |
| NRI Non-Repatriation                   | 6,03,240            | 0.60              |
| HUF                                    | 9,43,784            | 0.93              |
| IEPF                                   | 56,676              | 0.06              |
| Foreign National                       | 181                 | 0.00              |
| Directors                              | 21,200              | 0.02              |
| <b>Total Public Shareholding (B)</b>   | <b>6,63,97,567</b>  | <b>65.66</b>      |
| <b>Total Shareholding (A + B)</b>      | <b>10,11,30,443</b> | <b>100.00</b>     |

**xxiii) Distribution of shareholding as on March 31, 2023**

| Category (Shares) | No. of Shareholders | % of Total Shareholders | Total No. of Shares | Amount in ₹         | % To Equity   |
|-------------------|---------------------|-------------------------|---------------------|---------------------|---------------|
| 1 - 5000          | 34773               | 98.75                   | 92,42,362           | 1,84,84,724         | 9.14          |
| 5001 - 10000      | 227                 | 0.64                    | 16,63,076           | 33,26,152           | 1.64          |
| 10001 - 20000     | 110                 | 0.31                    | 15,51,158           | 31,02,316           | 1.53          |
| 20001 - 30000     | 38                  | 0.11                    | 8,83,863            | 17,67,726           | 0.87          |
| 30001 - 40000     | 14                  | 0.04                    | 5,14,988            | 10,29,976           | 0.51          |
| 40001 - 50000     | 7                   | 0.02                    | 3,04,986            | 6,09,972            | 0.30          |
| 50001 - 100000    | 13                  | 0.04                    | 9,53,193            | 19,06,386           | 0.94          |
| 100001 and above  | 32                  | 0.09                    | 8,60,16,817         | 17,20,33,634        | 85.06         |
| <b>TOTAL:</b>     | <b>35214</b>        | <b>100.00</b>           | <b>10,11,30,443</b> | <b>20,22,60,886</b> | <b>100.00</b> |

**xxiv) Plant Location**

Since the Company is not engaged in manufacturing activities, it does not have any plant.

## BALAJI TELEFILMS LIMITED

### xxv) Address for Correspondence:

#### i) For transfer of shares in physical form and re-materialization:

##### **KFIN Technologies Limited**

Selenium Building, Tower-B,  
Plot No. 31 & 32, Financial District,  
Nanakramguda, Serilingampally, Hyderabad,  
Rangareddy, Telangana, India - 500 032.

**E-mail:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

**Toll Free/ Phone Number:** 1800 309 4001

**WhatsApp Number:** (+91) 910 009 4099

**Website:** [www.ris.kfintech.com](http://www.ris.kfintech.com)

#### ii) For Shares held in demat form: To the respective depository participant(s).

#### iii) Any other query or any complaint:

| <b>Financial Statements Queries</b>   | <b>Investor's Correspondence Queries</b>   |
|---|--|
| <b>Mr. Sanjay Dwivedi</b><br><b>Group Chief Financial Officer</b><br>Balaji Telefilms Limited<br>C-13, Balaji House, Dalia Industrial Estate,<br>Opp. Laxmi Industrial Estate, New Link Road,<br>Andheri (West), Mumbai – 400 053.<br><b>Tel:</b> +91-22-40698000<br><b>Fax:</b> +91-22-40698181/82<br><b>Email:</b> <a href="mailto:sanjay.dwivedi@balajitelefilms.com">sanjay.dwivedi@balajitelefilms.com</a><br><a href="mailto:investor@balajitelefilms.com">investor@balajitelefilms.com</a> | <b>Ms. Tannu Sharma</b><br><b>Group Head - Secretarial</b><br>Balaji Telefilms Limited<br>C-13, Balaji House, Dalia Industrial Estate,<br>Opp. Laxmi Industrial Estate, New Link Road,<br>Andheri (West), Mumbai – 400 053.<br><b>Tel:</b> +91-22-40698000<br><b>Fax:</b> +91-22-40698181/82<br><b>Email:</b> <a href="mailto:tannu.sharma@balajitelefilms.com">tannu.sharma@balajitelefilms.com</a><br><a href="mailto:investor@balajitelefilms.com">investor@balajitelefilms.com</a> |

**For and on behalf of the Board of Directors**

Sd/-

**Jeetendra Kapoor**

**Chairman**

**(DIN: 00005345)**

**Place:** Mumbai

**Date:** May 30, 2023



## ANNEXURE I

### CEO 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, Abhishek Kumar, Chief Executive Officer and Sanjay Dwivedi, Chief Financial Officer of Balaji Telefilms Limited, do hereby certify that:

- a. We have reviewed the Standalone and Consolidated financial statements and the cash flow statement of the Company for the financial year ended March 31, 2023 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain 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. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2023 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such 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 to the Auditors and the Audit Committee:
  - i. there have been no significant changes in internal control over financial reporting during the year;
  - ii. there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. there have been no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Date:** May 30, 2023  
**Place:** Mumbai

Sd/-  
**Abhishek Kumar**  
Group Chief Executive Officer

Sd/-  
**Sanjay Dwivedi**  
Group Chief Financial Officer

## **ANNEXURE II**

### **DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT**

I, Abhishek Kumar, Chief Executive Officer of Balaji Telefilms Limited ("the Company") hereby confirm that all the members of Board of Directors and senior management personnel have affirmed compliance with the code of conduct as applicable to the Company, for the financial year 2022-23.

**Place:** Mumbai  
**Date:** May 30, 2023

Sd/-  
**Abhishek Kumar**  
**Chief Executive Officer**



## ANNEXURE III

### INDEPENDENT AUDITOR'S CERTIFICATE TO THE MEMBERS OF BALAJI TELEFILMS LIMITED

#### CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement letter reference no. A/2925/002 dated September 30, 2022.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Balaji Telefilms Limited (the "Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

#### Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

#### Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2023.
9. 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 DELOITTE HASKINS & SELLS LLP**  
**Chartered Accountants**  
(Firm's Registration No.: 117366W/W-100018)

**Pallavi Sharma**

**Partner**

(Membership No.: 113861)

(UDIN: 23113861BGXTSP7494)

**Place:** Mumbai

**Date:** May 30, 2023



## ANNEXURE IV

### 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, provided to us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (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](http://www.mca.gov.in)) as considered necessary, and explanations furnished to us by the Company & its officers, we hereby certify that none of the Director on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 has been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

| S. No. | DIN      | Name of the Director            | Date of Appointment |
|--------|----------|---------------------------------|---------------------|
| 1.     | 00005345 | Mr. Jeetendra Amarnath Kapoor   | February 01, 2000   |
| 2.     | 00005124 | Mrs. Shobha Ravi Kapoor         | November 10, 1994   |
| 3.     | 00005093 | Ms. Ekta Kapoor Ravi            | November 10, 1994   |
| 4.     | 00021405 | Mr. Pradeep Kumar Sarda         | May 17, 2004        |
| 5.     | 06858991 | Mr. Devender Kumar Vasal        | May 15, 2014        |
| 6.     | 00303060 | Mr. Duraiswamy Gunaseela Rajan  | July 19, 2010       |
| 7.     | 00026383 | Mr. Arun Kumar Purwar           | May 20, 2015        |
| 8.     | 00028037 | Dr. Archana Niranjana Hingorani | August 28, 2020     |
| 9.     | 02303283 | Ms. Jyoti Deshpande             | March 23, 2018      |
| 10.    | 06520285 | Ms. Priyanka Chaudhary          | May 20, 2022        |
| 11.    | 00652881 | *Mr. Ramesh Gopal Sippy         | September 01, 2019  |

**\*Mr. Ramesh Gopal Sippy tendered his resignation from the position of Non-Executive Director w.e.f. April 26, 2023.**

## BALAJI TELEFILMS LIMITED

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)**

**Rashmi Shah**

**Proprietor**

**Membership No:** A24722

**COP No.:** 22489

**Peer Review No.** 3350/2023

**UDIN:** A024722E000311921

**Date:** 16.05.2023

**Place:** Mumbai





# INDEPENDENT AUDITOR'S REPORT

To The Members of **Balaji Telefilms Limited**

## Report on the Audit of the Standalone Financial Statements

### OPINION

We have audited the accompanying standalone financial statements of Balaji Telefilms Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit of the standalone financial statements 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 Responsibility for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### EMPHASIS OF MATTER

We draw your attention to Note 41, to the Standalone Financial Statement regarding advances given by the Company in an earlier year aggregating ₹ 1,619 Lacs to one of its co-producer and film director in connection with production of a film, against whom arbitration proceedings are in progress.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter  | Auditor's Response  |
|---------|---|---|
| 1       | The carrying amount of the Company's investments in and loans to subsidiaries (Alt Digital Media Entertainment Limited, Balaji Motion Pictures Limited and Marinating Films Private Limited) aggregates Rs. 82,363.85 Lacs. (Refer Notes 5, 15 and 34 to the standalone financial statements) | Our principal audit procedures included the following: <ul style="list-style-type: none"> <li>Obtained an understanding of the design and operating effectiveness of the controls over valuation of investments and recoverability of loans.</li> <li>evaluated the design and tested the operating effectiveness of the controls over valuation of investments and recoverability of loans.</li> </ul> |

| S r. No. | Key Audit Matter   | Auditor's Response   |
|----------|--|--|
|          | <p>The carrying amount of such investments and loans forms a significant part of the total assets of the Company. Accumulated losses have eroded/partly eroded the net worth of the respective subsidiaries, which is an indication of potential impairment to the carrying amount of these investments and loans.</p> <p>The Company assesses the carrying amount of these investments and recoverability of loans by taking into account forecasting of revenue based on business plans which are based on various assumptions including growth rate and discount factor. Management uses an independent external professional valuer to determine the fair value of these investments.</p> <p>We considered this as a Key Audit Matter due to uncertainties and significant judgement required by the Management in preparation of future cash flows based on the business plans, valuation model, the underlying assumptions such as discount rate and growth rate and the disclosures required to be given in the financial statements as per requirements of Ind AS 36 – "Impairment of Assets".</p> | <ul style="list-style-type: none"> <li>• Assessed 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.</li> <li>• Compared the forecasts with the latest approved budgets.</li> <li>• Assessed Management's forecasts to evaluate whether the forecasts are reasonable.</li> <li>• Perused the report issued by the external valuation experts engaged by the management and conducting enquiries with them to understand the assumptions and reasonableness thereof.</li> <li>• Evaluated the competence, capability and objectivity of the independent professional valuer engaged by the Company.</li> <li>• Together with auditor's valuation specialists:             <ul style="list-style-type: none"> <li>➤ Tested the appropriateness of the method and model used for determining the fair value of investments, mathematical accuracy of the calculations, evaluating reasonableness of the key assumptions used such as growth rate and discount rate.</li> <li>➤ Performed sensitivity analysis around the valuation assumptions.</li> </ul> </li> <li>• Verified the disclosures in the financial statements in accordance with requirements of Ind AS 36 – "Impairment of Assets".</li> </ul> |

## INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- 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 consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider

whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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

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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

In preparing the standalone 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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 standalone 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 financial 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 standalone 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 the 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 standalone 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 standalone financial statements, including the disclosures, and whether the

standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

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.

### OTHER MATTERS

The financial statements of the Company for the year ended March 31, 2022, were audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 20, 2022.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit 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 Cash Flows and

Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,  
  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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, as amended 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 standalone financial statements - Refer Note 33 to the standalone financial statements.;
  - ii. The Company did not have any long-term contracts including derivative



contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 48(g) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 48(g) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or

provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

**Pallavi Sharma**

(Partner)

(Membership No. 113861)

(UDIN: 23113861BGXTSN5591)

Place: Mumbai

Date: 30th May, 2023

## Report on Internal Financial Controls with reference to financial statements

### ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Balaji Telefilms Limited on the financial statements of the Company for the year ended March 31, 2023)**

#### **REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

We have audited the internal financial controls with reference to financial statements of Balaji Telefilms Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

#### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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.

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 with reference to financial statements.

#### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

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**

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 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**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to financial statements 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 Deloitte Haskins & Sells LLP**

Chartered Accountants  
(Firm's Registration No. 117366W/W- 100018)

#### **Pallavi Sharma**

(Partner)  
(Membership No. 113861)  
(UDIN: 23113861BGXTSN5591)

Place: Mumbai

Date: May 30, 2023

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date of Balaji Telefilms Limited on the financial statements of the Company for the year ended March 31, 2023)**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of the Property, Plant and Equipment and relevant details of right-of-use assets.
    - B. As the Company does not hold any Intangible assets, reporting under clause (i)(a) B of the Order is not applicable.
  - (b) The Property, Plant and Equipment were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.
  - (c) Based on our examination of the registered sale deed provided to us, we report that, the title deeds of the immovable property, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) disclosed in the financial statements included in property, plant and equipment, are held in the name of the Company as at the balance sheet date.
  - (b) The Company has not revalued any of its property, plant and equipment (including right of use assets) during the year. The Company does not have any intangible assets.
- (c) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
  - (ii) (a) Having regard to the nature of the Company's business / activities, the Company does not hold any inventory (i.e., goods). Therefore, the provisions of clause 3(ii)(a) of the said order are not applicable to the Company.
  - (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising book debt statements, statements on ageing analysis of the debtors filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.
  - (iii) The Company has not made any investments or provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties during the year. The company has provided loans, unsecured, to two subsidiary companies during the year, in respect of which:





- (a) The Company has provided loans or advances in the nature of loans during the year and details of which are given below:

|  | Loans (₹ in Lacs) |
|--|-------------------|
| A. Aggregate amount provided during the year:                              |                   |
| - Subsidiaries   | 15,835.16         |
| B. Balance outstanding as at balance sheet date in respect of above cases: |                   |
| - Subsidiaries   | 927.07            |

- (b) The investments made and the terms and conditions of the grant of all the above-mentioned loans in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loans, the principal and interest is payable on demand. During the year the Company has not demanded such loan or advances in the nature of loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause (iii)(f) below)
- (d) In respect of loans provided by the Company, there is no amount overdue for more than 90 days at the balance sheet date.
- (e) None of the loans granted by the Company have fallen due during the year.
- (f) The Company has granted Loans which are repayable on demand details of which are given below:

|  | (₹ in Lacs)            |
|--|------------------------|
| <b>Particulars</b>                       | <b>Related Parties</b> |
| Aggregate of loans - Repayable on demand | 15,835.16              |
| Percentage of loans to the total loans   | 100%                   |

- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amount which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable, except in respect of Goods and Service tax aggregating Rs. 2,081.86 lacs (including interest thereon of Rs. 455.64 lacs) which are in arrears for a period more than six months with due dates from January 20, 2021 to October 20, 2021.

## BALAJI TELEFILMS LIMITED

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

| Name of the Statute  | Nature of dues | Amount (₹ in Lacs) | Period to which the Amount Relates | Forum where Dispute is Pending |
|----------------------|----------------|--------------------|------------------------------------|--------------------------------|
| The Finance Act 1994 | Service Tax    | 2,943.00           | April 2008 to April 2011           | Commissioner of Service Tax    |

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of the cash credit facility availed or in the payment of interest thereon to any lender during the year. Loans amounting to Rs. 5,017.23 outstanding as at 31 March, 2023 are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. According to the information and explanations given to us, such loans and interest thereon have not been demanded for repayment during the financial year. Considering the above, in our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for



all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to December 2022 and the draft of the internal audit reports where issued after the balance sheet date covering the period January to March, 2023 for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its director and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Group is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause (xvi)(a), (b), (c) and (d) of the Order is not applicable.
- The Company does not have any Core Investment Company (CIC) as part of the group as per the definition of group contained in the Core Investments Companies (Reserve Bank ) Directions, 2016 and hence the reporting under the clause (xvi)(d) of the order is not applicable.
- (xvii) The Company has not incurred any cash losses in the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities,

other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W- 100018)

**Pallavi Sharma**

(Partner)

(Membership No. 113861)

(UDIN: 23113861BGXTSN5591)

Place: Mumbai

Date: May 30, 2023

## STANDALONE BALANCE SHEET

as at March 31, 2023

| Particulars  | Note No. | (₹ In Lacs)             |                         |
|--|----------|-------------------------|-------------------------|
|  |          | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| <b>ASSETS</b>  |          |                         |                         |
| <b>Non-current assets</b>  |          |                         |                         |
| (a) Property, plant and equipment  | 4(a)     | 1,308.23                | 1,458.22                |
| (b) Right-of-use asset   | 4(b)     | 431.86                  | 200.73                  |
| <b>Financial assets</b>  |          |                         |                         |
| (i) Investments  | 5        | 81,937.28               | 64,860.31               |
| (ii) Loans   | 6        | 12.50                   | 53.13                   |
| (iii) Other financial assets   | 7(i)     | 747.06                  | 108.37                  |
| (d) Deferred tax assets (net)  | 8        | 727.52                  | 758.46                  |
| (e) Non-current income tax assets (net)  | 9        | 1,987.41                | 964.58                  |
| (f) Other non-current assets   | 10       | 4,964.54                | 4,876.53                |
| <b>Total non-current assets</b>  |          | <b>92,116.40</b>        | <b>73,280.33</b>        |
| <b>Current assets</b>  |          |                         |                         |
| (a) Inventories  | 11       | 15,927.14               | 14,271.94               |
| <b>Financial assets</b>  |          |                         |                         |
| (i) Investments  | 12       | -                       | 123.56                  |
| (ii) Trade receivables   | 13       | 22,318.72               | 26,607.60               |
| (iii) Cash and cash equivalents  | 14(a)    | 1,564.32                | 967.29                  |
| (iv) Bank balances other than (iii) above  | 14(b)    | 1,022.20                | 9.53                    |
| (v) Loans  | 15       | 964.57                  | 1,912.38                |
| (vi) Other financial assets  | 7(ii)    | -                       | 911.05                  |
| (c) Contract assets  | 7(a)     | 549.14                  | 285.26                  |
| (d) Other current assets   | 16       | 1,591.21                | 4,956.79                |
| <b>Total current assets</b>  |          | <b>43,937.30</b>        | <b>50,045.40</b>        |
| <b>Total Assets</b>  |          | <b>136,053.70</b>       | <b>123,325.73</b>       |
| <b>EQUITY AND LIABILITIES</b>  |          |                         |                         |
| <b>Equity</b>  |          |                         |                         |
| (a) Equity share capital   | 17       | 2,022.61                | 2,022.61                |
| (b) Other equity   | 18       | 110,801.20              | 106,950.05              |
| <b>Total equity</b>  |          | <b>112,823.81</b>       | <b>108,972.66</b>       |
| <b>Liabilities</b>   |          |                         |                         |
| <b>Non-current liabilities</b>   |          |                         |                         |
| (a) Financial liabilities  |          |                         |                         |
| (i) Lease liabilities  | 4(b)     | 200.77                  | -                       |
| (b) Provisions   | 23       | 2.37                    | -                       |
| <b>Total non-current liabilities</b>   |          | <b>203.14</b>           | <b>-</b>                |
| <b>Current liabilities</b>   |          |                         |                         |
| (a) Financial liabilities  |          |                         |                         |
| (i) Borrowings   | 19       | 10,049.87               | 4,517.17                |
| (ii) Lease liabilities   | 4(b)     | 169.95                  | 210.56                  |
| (iii) Trade payables   | 20       |                         |                         |
| (i) total outstanding dues of micro enterprises and small enterprises;                       |          | 218.58                  | 227.88                  |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises; |          | 9,301.82                | 5,511.80                |
| (iv) Other financial liabilities   | 21       | 8.46                    | 9.53                    |
| (b) Other current liabilities  | 22       | 3,223.85                | 3,831.39                |
| (c) Provisions   | 23       | 54.22                   | 44.74                   |
| <b>Total current liabilities</b>   |          | <b>23,026.75</b>        | <b>14,353.07</b>        |
| <b>Total Equity and Liabilities</b>  |          | <b>136,053.70</b>       | <b>123,325.73</b>       |

Significant Accounting Policies

1 to 3

See accompanying notes to the financial statements

4 to 52

As per our report of even date

For Deloitte Haskins &amp; Sells LLP

Chartered Accountants

Firm Registration No. 117366W/W-100018

For and on behalf of the Board of Directors

Pallavi Sharma  
Partner

Membership No: 113861

Jeetendra Kapoor  
(Chairman)

DIN: 00005345

Place: Mumbai

Shobha Kapoor  
(Managing Director)

DIN: 00005124

Place: Mumbai

D.G. Rajan  
(Audit Committee Chairman)

DIN: 00303060

Place: Chennai

Sanjay Dwivedi  
(Group Chief Financial Officer)

Place: Mumbai

Place : Mumbai

Date : May 30, 2023

Abhishek Kumar  
(Group Chief Executive Officer)

Place: Mumbai

Date: May 30, 2023

Tannu Sharma  
(Group Head Secretarial)

Place: Mumbai



# STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

(₹ In Lacs)

| Particulars  | Note No. | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|----------|-----------------------------------|-----------------------------------|
| <b>(I) INCOME</b>  |          |                                   |                                   |
| (a) Revenue from operations  | 24       | 51,716.55                         | 24,212.23                         |
| (b) Other Income   | 25       | 2,378.58                          | 694.52                            |
| <b>(II) Total income</b>   |          | <b>54,095.13</b>                  | <b>24,906.75</b>                  |
| <b>(III) EXPENSES</b>  |          |                                   |                                   |
| (a) Cost of Production / Acquisition Fees                                    | 26(a)    | 42,971.40                         | 29,668.49                         |
| (b) Changes in inventories   | 26(b)    | (1,655.20)                        | (10,920.18)                       |
| (c) Marketing and distribution expenses                                      | 27       | 1,793.79                          | 68.88                             |
| (d) Employee benefits expense  | 28       | 1,475.78                          | 1,516.07                          |
| (e) Finance costs  | 29       | 809.99                            | 164.62                            |
| (f) Depreciation and amortization expense                                    | 30       | 955.66                            | 1,354.61                          |
| (g) Other expenses   | 31       | 2,472.14                          | 2,414.44                          |
| <b>(IV) Total expenses</b>   |          | <b>48,823.56</b>                  | <b>24,266.93</b>                  |
| <b>(V) Profit Before Tax (II-IV)</b>   |          | <b>5,271.57</b>                   | <b>639.82</b>                     |
| <b>(VI) Tax expense:</b>   | 32       |                                   |                                   |
| Current tax  |          | 1,350.00                          | 175.60                            |
| Deferred tax   |          | 29.74                             | 25.80                             |
| <b>Total tax expense</b>   |          | <b>1,379.74</b>                   | <b>201.40</b>                     |
| <b>(VII) Profit for the year (V-VI)</b>                                      |          | <b>3,891.83</b>                   | <b>438.42</b>                     |
| <b>(VIII) Other comprehensive income</b>                                     |          |                                   |                                   |
| Items that will not be reclassified to profit or loss                        |          |                                   |                                   |
| Remeasurements of the post employment benefit obligations gain/(loss)        |          | 4.77                              | 1.19                              |
| Income tax relating to items that will not be reclassified to profit or loss |          | (1.20)                            | (0.30)                            |
| <b>Other comprehensive income for the year, net of tax</b>                   |          | <b>3.57</b>                       | <b>0.89</b>                       |
| <b>(IX) Total comprehensive income for the year (VII+VIII)</b>               |          | <b>3,895.40</b>                   | <b>439.31</b>                     |
| <b>(X) Basic earnings per share (In ₹)</b>                                   | 38       | 3.85                              | 0.43                              |
| <b>Diluted earnings per share (In ₹)</b>                                     |          | 3.83                              | 0.43                              |
| (Face value of ₹ 2 each)   |          |                                   |                                   |
| Significant Accounting Policies  | 1 to 3   |                                   |                                   |
| See accompanying notes to the financial statements                           | 4 to 52  |                                   |                                   |

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
Firm Registration No. 117366W/W-100018

**Pallavi Sharma**  
**Partner**  
Membership No: 113861

Place : Mumbai  
Date : May 30, 2023

**For and on behalf of the Board of Directors**

**Jeetendra Kapoor**  
**(Chairman)**  
DIN: 00005345  
Place: Mumbai

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

**Abhishek Kumar**  
**(Group Chief Executive Officer)**  
Place: Mumbai  
Date: May 30, 2023

**Shobha Kapoor**  
**(Managing Director)**  
DIN: 00005124  
Place: Mumbai

**Sanjay Dwivedi**  
**(Group Chief Financial Officer)**  
Place: Mumbai

**Tannu Sharma**  
**(Group Head Secretarial)**  
Place: Mumbai

# STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

(₹ in Lacs)

| Particulars  | For the year ended<br>March 31, 2023 |                    | For the year ended<br>March 31, 2022 |                   |
|--|--------------------------------------|--------------------|--------------------------------------|-------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                                |                                      |                    |                                      |                   |
| <b>Profit before tax</b>   |                                      | <b>5,271.57</b>    |                                      | <b>639.82</b>     |
| <i>Adjustments for:</i>  |                                      |                    |                                      |                   |
| Depreciation and amortization expense  | 955.66                               |                    | 1,354.61                             |                   |
| Advances written off   | 6.97                                 |                    | 247.72                               |                   |
| Finance cost   | 809.99                               |                    | 164.62                               |                   |
| Write off / Loss on Sale of Property, plant and equipment                    | 0.04                                 |                    | 1.21                                 |                   |
| Net gains on financial assets measured at fair value through profit and loss | (0.23)                               |                    | (36.98)                              |                   |
| Sundry credit balance written back   | (7.37)                               |                    | (312.59)                             |                   |
| Unwinding of discount on security deposit                                    | (39.26)                              |                    | (70.30)                              |                   |
| Bad-debts write-off  | -                                    |                    | 35.49                                |                   |
| Employee share based payment expenses  | (46.22)                              |                    | 153.59                               |                   |
| Profit on Sale of Property, plant and equipment                              | (952.82)                             |                    | -                                    |                   |
| Interest income  | (1,147.05)                           |                    | (204.28)                             |                   |
| Lease concession   | -                                    | (420.29)           | (17.52)                              | 1,315.57          |
| <b>Operating profit before working capital changes</b>                       |                                      | <b>4,851.28</b>    |                                      | <b>1,955.39</b>   |
| <i>Adjustments for:</i>  |                                      |                    |                                      |                   |
| Decrease/(Increase) in trade receivables                                     | 4,289.32                             |                    | (5,163.71)                           |                   |
| Decrease in other current financial assets                                   | 912.12                               |                    | 110.33                               |                   |
| Decrease in other current assets   | 3,365.58                             |                    | 2,408.91                             |                   |
| (Increase)/decrease in contract assets                                       | (263.88)                             |                    | 3,925.24                             |                   |
| (Increase)/decrease in other non current financial assets                    | (724.47)                             |                    | 7.21                                 |                   |
| (Increase) in other non current assets                                       | (94.98)                              |                    | (575.67)                             |                   |
| (Increase) in inventories  | (1,655.20)                           |                    | (10,920.18)                          |                   |
| Increase/(decrease) in trade payables  | 3,646.31                             |                    | (3,594.33)                           |                   |
| (Decrease) in other current financial liabilities                            | (1.07)                               |                    | (0.60)                               |                   |
| (Decrease)/Increase in other current liabilities and provisions              | (590.90)                             |                    | 2,927.44                             |                   |
|  |                                      | 8,882.83           |                                      | (10,875.36)       |
| <b>Cash generated from/(used in) from operations</b>                         |                                      | <b>13,734.11</b>   |                                      | <b>(8,919.97)</b> |
| Direct taxes paid  |                                      | (2,353.81)         |                                      | (787.99)          |
| <b>Net cash generated from/(used in) operating activities (A)</b>            |                                      | <b>11,380.30</b>   |                                      | <b>(9,707.96)</b> |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                                |                                      |                    |                                      |                   |
| Payments for purchase of property, plant and equipment                       | (497.45)                             |                    | (236.08)                             |                   |
| Sale of property, plant and equipment  | 1,143.00                             |                    | 40.00                                |                   |
| Proceeds from sale of current investments                                    | 123.79                               |                    | 1,630.10                             |                   |
| Payments for purchase of non current investments                             | -                                    |                    | (500.00)                             |                   |
| Investment in Fixed Deposits with Banks                                      | (1,013.74)                           |                    | -                                    |                   |
| Loans given to related parties and employees                                 | (15,941.00)                          |                    | (1,389.57)                           |                   |
| Repayment of Loan given to related parties and employees                     | 911.12                               |                    | 93.33                                |                   |
| Interest income received   | 49.55                                |                    | 119.76                               |                   |
| <b>Net cash (used in) investing activities (B)</b>                           |                                      | <b>(15,224.73)</b> |                                      | <b>(242.46)</b>   |



# STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

(₹ in Lacs)

| Particulars   | For the year ended<br>March 31, 2023 |                 | For the year ended<br>March 31, 2022 |                   |
|---|--------------------------------------|-----------------|--------------------------------------|-------------------|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                           |                                      |                 |                                      |                   |
| Loan taken from related party   | 4,684.72                             |                 | 1,000.00                             |                   |
| Repayment of Loan taken from related party                              | -                                    |                 | (1,000.00)                           |                   |
| Borrowing taken under cash credit facility                              | 501.44                               |                 | 4,496.38                             |                   |
| Payment of principal portion of lease liability                         | (319.39)                             |                 | (511.40)                             |                   |
| Interest expenses on lease liability                                    | (31.98)                              |                 | (33.71)                              |                   |
| Interest and other finance charges paid during the year                 | (393.33)                             |                 | (103.78)                             |                   |
| Dividend paid to company's shareholders                                 | -                                    |                 | (202.26)                             |                   |
| <b>Net cash generated from financing activities (C)</b>                 |                                      | <b>4,441.46</b> |                                      | <b>3,645.23</b>   |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>   |                                      | <b>597.03</b>   |                                      | <b>(6,305.19)</b> |
| Cash and cash equivalents at the beginning of the year                  |                                      | 967.29          |                                      | 7,272.48          |
| <b>Cash and cash equivalents at the end of the year (Refer Note 14)</b> |                                      | <b>1,564.32</b> |                                      | <b>967.29</b>     |
| <b>D. NON-CASH FINANCING AND INVESTING ACTIVITIES</b>                   |                                      |                 |                                      |                   |
| Acquisition of Right to use asset                                       |                                      | 604.58          |                                      | 423.05            |

## Components of cash and cash equivalents

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Cash and cash equivalents above comprise of</b>                        |                         |                         |
| (a) Cash on hand  | 25.58                   | 28.61                   |
| (b) Balances with banks-  |                         |                         |
| (i) In current accounts   | 1,518.16                | 886.92                  |
| (ii) In deposit accounts with original maturity of less than three months | 20.58                   | 51.76                   |
| <b>Cash and cash equivalents at the end of the year</b>                   | <b>1,564.32</b>         | <b>967.29</b>           |

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
 Firm Registration No. 117366W/W-100018

**Pallavi Sharma**  
 Partner  
 Membership No: 113861

Place : Mumbai  
 Date : May 30, 2023

**For and on behalf of the Board of Directors**

**Jeetendra Kapoor**  
 (Chairman)  
 DIN: 00005345  
 Place: Mumbai

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

**Abhishek Kumar**  
 (Group Chief Executive Officer)  
 Place: Mumbai  
 Date: May 30, 2023

**Shobha Kapoor**  
 (Managing Director)  
 DIN: 00005124  
 Place: Mumbai

**Sanjay Dwivedi**  
 (Group Chief Financial Officer)  
 Place: Mumbai

**Tannu Sharma**  
 (Group Head Secretarial)  
 Place: Mumbai

# STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

## A. Equity share capital (Refer Note 17)

| Particulars                                     | (₹ In Lacs)     |
|---|-----------------|
| <b>As at April 01, 2021</b>                     | <b>2,022.61</b> |
| Changes in equity share capital during the year | -               |
| <b>As at March 31, 2022</b>                     | <b>2,022.61</b> |
| Changes in equity share capital during the year | -               |
| <b>As at March 31, 2023</b>                     | <b>2,022.61</b> |

## B. Other Equity (Refer Note 18)

| Particulars   | Reserves and surplus |                            |                   |                 |                                   | Total             |
|---|----------------------|----------------------------|-------------------|-----------------|-----------------------------------|-------------------|
|   | General reserve      | Securities premium account | Retained earnings | Capital reserve | Share options outstanding account |                   |
| <b>As at April 01, 2021</b>                                       | <b>5,133.10</b>      | <b>68,749.34</b>           | <b>31,696.63</b>  | <b>(47.08)</b>  | <b>711.58</b>                     | <b>106,243.57</b> |
| Profit for the year   | -                    | -                          | 438.42            | -               | -                                 | 438.42            |
| Other comprehensive income for the year                           | -                    | -                          | 0.89              | -               | -                                 | 0.89              |
| <b>Total comprehensive income for the year</b>                    | <b>-</b>             | <b>-</b>                   | <b>439.31</b>     | <b>-</b>        | <b>-</b>                          | <b>439.31</b>     |
| Transfer to retained earnings for employee share options (vested) | -                    | -                          | 33.33             | -               | (33.33)                           | -                 |
| Employee share options expense (Refer note 42)                    | -                    | -                          | -                 | -               | 469.43                            | 469.43            |
| Transactions with owners in their capacity as owners:             |                      |                            |                   |                 |                                   |                   |
| Payment of dividends (Refer note 46)                              | -                    | -                          | (202.26)          | -               | -                                 | (202.26)          |
| <b>Balance as at March 31, 2022</b>                               | <b>5,133.10</b>      | <b>68,749.34</b>           | <b>31,967.01</b>  | <b>(47.08)</b>  | <b>1,147.68</b>                   | <b>106,950.05</b> |
| <b>As at April 01, 2022</b>                                       | <b>5,133.10</b>      | <b>68,749.34</b>           | <b>31,967.01</b>  | <b>(47.08)</b>  | <b>1,147.68</b>                   | <b>106,950.05</b> |
| Profit for the year   | -                    | -                          | 3,891.83          | -               | -                                 | 3,891.83          |
| Other comprehensive income for the year                           | -                    | -                          | 3.57              | -               | -                                 | 3.57              |
| <b>Total comprehensive income for the year</b>                    | <b>-</b>             | <b>-</b>                   | <b>3,895.40</b>   | <b>-</b>        | <b>-</b>                          | <b>3,895.40</b>   |
| Employee share options expense (Refer note 42)                    | -                    | -                          | -                 | -               | (44.25)                           | (44.25)           |
| <b>Balance as at March 31, 2023</b>                               | <b>5,133.10</b>      | <b>68,749.34</b>           | <b>35,862.42</b>  | <b>(47.08)</b>  | <b>1,103.43</b>                   | <b>110,801.20</b> |

As per our report of even date  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
 Firm Registration No. 117366W/W-100018

For and on behalf of the Board of Directors

**Pallavi Sharma**  
**Partner**  
 Membership No: 113861

**Jeetendra Kapoor**  
**(Chairman)**  
 DIN: 00005345  
 Place: Mumbai

**Shobha Kapoor**  
**(Managing Director)**  
 DIN: 00005124  
 Place: Mumbai

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

**Sanjay Dwivedi**  
**(Group Chief Financial Officer)**  
 Place: Mumbai

Place: Mumbai  
 Date: May 30, 2023

**Abhishek Kumar**  
**(Group Chief Executive Officer)**  
 Place: Mumbai  
 Date: May 30, 2023

**Tannu Sharma**  
**(Group Head Secretarial)**  
 Place: Mumbai





## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

### 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) read alongwith Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

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

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

#### (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 amendments issued but not effective

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

- Ind AS 101 – First time adoption of Indian Accounting Standard
- Ind AS 102 – Share-based Payment
- Ind AS 103 – Business Combinations
- Ind AS 107 – Financial Instruments Disclosures
- Ind AS 109 – Financial Instruments
- Ind AS 115 – Revenue from Contracts with Customers
- Ind AS 1 – Presentation of Financial Statements
- Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

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- Ind AS 12 - Income Taxes
- Ind AS 34 – Interim Financial Reporting

These amendments are not expected to have a material impact on the Company.

### (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 who assesses the financial performance and position of the Company and makes strategic decisions.

### (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 carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair

value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

### (d) Revenue Recognition

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

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

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

Revenue from events is recognized over the period of time.

Service Income for Curation of Digital Content is recognized at a point in time.

The transaction price, being the amount to which the Company expects to be entitled and has rights to under the contract is



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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 tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other

Comprehensive Income or in Equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

**(g) Leases**

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company 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:

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

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

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

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

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

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

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

As a lessor

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

**(h) Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(i) Inventories**

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

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

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

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

**(j) Trade receivables**

Trade receivables are amounts due from customers for services performed in



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the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at the fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method, less loss allowance

### (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

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using the effective interest rate method.

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

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

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

### Impairment of Financial Assets:

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

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

### De-recognition of Financial Assets:

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or

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

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

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.



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### Subsequent measurement:

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

### Derecognition:

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

### **(l) Offsetting Financial Instruments**

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

### **(m) Property, Plant and Equipment**

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

other repairs and maintenance expenses are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

### Depreciation methods, estimated useful lives and residual value

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

Studios and sets – 3 years

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

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

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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 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/asset 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'.





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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
- 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

## **NOTES**

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- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### **(s) Rounding of Amounts**

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

### **NOTE 3: CRITICAL ESTIMATES AND JUDGMENTS**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

#### Estimated useful life of Tangible Assets:

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

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

The calculation of Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment

cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material adjustment to taxable profits/losses.

#### Estimation of Defined Benefit Obligation:

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

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

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

#### Estimation of Contingent Liabilities:

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

#### Recognition of Deferred Tax Assets:

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which



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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 43.

### Impairment assessment of Investments carried at cost:

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

### 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 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.

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**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 (CWIP) |
|--|----------------------|-------------------|------------------------------|-------------------|-----------------|------------------------|-------------------|---------------------|-------------------------|--------------------|---------------------------------|
| <b>I. GROSS CARRYING AMOUNT</b>                      |                      |                   |                              |                   |                 |                        |                   |                     |                         |                    |                                 |
| Balance as at April 01, 2022                         | 472.57               | 1,276.25          | 2,663.90                     | 9,034.64          | 1,167.29        | 348.80                 | 539.04            | 109.59              | 454.70                  | 16,066.78          | -                               |
| Additions  | -                    | 49.54             | -                            | -                 | -               | -                      | 2.60              | -                   | -                       | 52.14              | 570.30                          |
| Disposals / Written off                              | (235.75)             | (386.19)          | (1,604.48)                   | (5,718.60)        | (73.31)         | -                      | (4.50)            | -                   | (197.98)                | (8,220.80)         | -                               |
| Transfer from CWIP                                   | -                    | -                 | -                            | 570.30            | -               | -                      | -                 | -                   | -                       | 570.30             | (570.30)                        |
| <b>Balance as at March 31, 2023</b>                  | <b>236.82</b>        | <b>939.60</b>     | <b>1,059.42</b>              | <b>3,886.34</b>   | <b>1,093.98</b> | <b>348.80</b>          | <b>537.13</b>     | <b>109.59</b>       | <b>256.72</b>           | <b>8,468.42</b>    | <b>-</b>                        |
| <b>II. ACCUMULATED DEPRECIATION</b>                  |                      |                   |                              |                   |                 |                        |                   |                     |                         |                    |                                 |
| Balance as at April 01, 2022                         | (136.34)             | (1,250.19)        | (2,360.66)                   | (8,630.53)        | (872.75)        | (329.94)               | (477.15)          | (96.30)             | (454.70)                | (14,608.56)        | -                               |
| Depreciation expense                                 | (7.74)               | (14.85)           | (63.36)                      | (386.72)          | (84.52)         | (4.52)                 | (18.42)           | (2.08)              | -                       | (582.21)           | -                               |
| Disposals / Written off                              | 85.61                | 386.19            | 1,604.48                     | 5,678.58          | 73.27           | -                      | 4.50              | -                   | 197.98                  | 8,030.61           | -                               |
| <b>Balance as at March 31, 2023</b>                  | <b>(58.47)</b>       | <b>(878.85)</b>   | <b>(819.53)</b>              | <b>(3,338.67)</b> | <b>(884.00)</b> | <b>(334.46)</b>        | <b>(491.07)</b>   | <b>(98.38)</b>      | <b>(256.72)</b>         | <b>(7,160.19)</b>  | <b>-</b>                        |
| <b>III. NET CARRYING AMOUNT AS AT MARCH 31, 2023</b> | <b>178.35</b>        | <b>60.75</b>      | <b>239.89</b>                | <b>547.67</b>     | <b>209.98</b>   | <b>14.34</b>           | <b>46.06</b>      | <b>11.21</b>        | <b>-</b>                | <b>1,308.23</b>    | <b>-</b>                        |
| <b>I. Gross Carrying Amount</b>                      |                      |                   |                              |                   |                 |                        |                   |                     |                         |                    |                                 |
| Balance as at April 01, 2021                         | 472.57               | 1,266.54          | 2,636.76                     | 8,862.00          | 1,385.29        | 348.80                 | 525.73            | 96.31               | 454.70                  | 16,048.70          | -                               |
| Additions  | -                    | 9.71              | 27.14                        | -                 | -               | -                      | 13.31             | 13.28               | -                       | 63.44              | 172.64                          |
| Disposals / Written off                              | -                    | -                 | -                            | -                 | (218.00)        | -                      | -                 | -                   | -                       | (218.00)           | -                               |
| Transfer from CWIP                                   | -                    | -                 | -                            | 172.64            | -               | -                      | -                 | -                   | -                       | 172.64             | (172.64)                        |
| <b>Balance as at March 31, 2022</b>                  | <b>472.57</b>        | <b>1,276.25</b>   | <b>2,663.90</b>              | <b>9,034.64</b>   | <b>1,167.29</b> | <b>348.80</b>          | <b>539.04</b>     | <b>109.59</b>       | <b>454.70</b>           | <b>16,066.78</b>   | <b>-</b>                        |
| <b>II. ACCUMULATED DEPRECIATION</b>                  |                      |                   |                              |                   |                 |                        |                   |                     |                         |                    |                                 |
| Balance as at April 01, 2021                         | (128.44)             | (1,228.00)        | (2,273.21)                   | (8,108.09)        | (936.97)        | (325.22)               | (458.21)          | (94.03)             | (454.70)                | (14,006.87)        | -                               |
| Depreciation expense                                 | (7.90)               | (22.19)           | (87.45)                      | (522.44)          | (112.57)        | (4.72)                 | (18.94)           | (2.27)              | -                       | (778.48)           | -                               |
| Disposals  | -                    | -                 | -                            | -                 | 176.79          | -                      | -                 | -                   | -                       | 176.79             | -                               |
| <b>Balance as at March 31, 2022</b>                  | <b>(136.34)</b>      | <b>(1,250.19)</b> | <b>(2,360.66)</b>            | <b>(8,630.53)</b> | <b>(872.75)</b> | <b>(329.94)</b>        | <b>(477.15)</b>   | <b>(96.30)</b>      | <b>(454.70)</b>         | <b>(14,608.56)</b> | <b>-</b>                        |
| <b>III. NET CARRYING AMOUNT AS AT MARCH 31, 2022</b> | <b>336.23</b>        | <b>26.06</b>      | <b>303.24</b>                | <b>404.11</b>     | <b>294.54</b>   | <b>18.86</b>           | <b>61.89</b>      | <b>13.29</b>        | <b>-</b>                | <b>1,458.22</b>    | <b>-</b>                        |

**Notes**

- Building includes ₹ 220.86 Lacs (Previous year ₹220.86 Lacs), being cost of ownership premises in a Co-operative Society including cost of shares of face value of ₹ 0.01 lac received under Bye-laws of the Society.
- Refer Note 19 for information on Company's premises mortgage as security by the Company.



## NOTES

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### NOTE 4(b): LEASES

#### (i) Amounts recognized in balance sheet

##### Right-of-use Asset (ROU)

(₹ in Lacs)

| Particulars               | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---------------------------|-------------------------|-------------------------|
| <b>Right-of-use Asset</b> |                         |                         |
| Premises                  | 431.86                  | 200.73                  |
| <b>Total</b>              | <b>431.86</b>           | <b>200.73</b>           |

**Note :** The Company's significant long term leasing arrangements consist of Office space

The balance sheet shows the following amounts relating to right-of-use assets and movement during the year:

(₹ in Lacs)

| Particulars                              | Amount        |
|--|---------------|
| <b>Balance as on April 01, 2021</b>      | <b>353.81</b> |
| Add: Additions during the year           | 423.05        |
| Less: Disposals during the year          | -             |
| Less: Lease modification during the year | -             |
| Less: Amortization during the year       | (576.13)      |
| <b>Balance as of March 31, 2022</b>      | <b>200.73</b> |
| <b>Balance as on April 01, 2022</b>      | <b>200.73</b> |
| Add: Additions during the year           | 604.58        |
| Less: Disposals during the year          | -             |
| Less: Amortization during the year       | (373.45)      |
| <b>Balance as of March 31, 2023</b>      | <b>431.86</b> |

##### Lease liabilities

The following is the break-up of current and non-current lease liabilities as at year end.

(₹ in Lacs)

| Particulars                   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-------------------------------|-------------------------|-------------------------|
| Current lease liabilities     | 169.95                  | 210.56                  |
| Non-current lease liabilities | 200.77                  | -                       |
| <b>Total</b>                  | <b>370.72</b>           | <b>210.56</b>           |

The following is the carrying amounts of lease liabilities and the movements during the year:

(₹ in Lacs)

| Particulars                                      | Amount          |
|--|-----------------|
| <b>Balance as on April 01, 2021</b>              | <b>(316.43)</b> |
| Add: Additions during the year                   | (423.05)        |
| Add: Interest for the year                       | (33.71)         |
| Less: Lease payments made during the year        | 545.11          |
| Less: Lease concessions received during the year | 17.52           |
| <b>Balance as of March 31, 2022</b>              | <b>(210.56)</b> |

## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

| (₹ in Lacs)                                      |                 |
|--|-----------------|
| Particulars                                      | Amount          |
| <b>Balance as on April 01, 2022</b>              | <b>(210.56)</b> |
| Add: Additions during the year                   | (479.55)        |
| Add: Interest for the year                       | (31.98)         |
| Less: Lease payments made during the year        | 351.37          |
| Less: Lease concessions received during the year | -               |
| <b>Balance as of March 31, 2023</b>              | <b>(370.72)</b> |

## (ii) Amounts recognized in the statement of profit and loss

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

| (₹ in Lacs)   |                                      |                                      |
|---|--------------------------------------|--------------------------------------|
| Particulars   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
| <b>Amortization charge on right-of-use assets (Refer note 30)</b> |                                      |                                      |
| <b>Premises</b>   |                                      |                                      |
| - Studio  | 200.73                               | 390.28                               |
| - Office Space  | 172.72                               | 185.85                               |
| <b>Total</b>  | <b>373.45</b>                        | <b>576.13</b>                        |

| (₹ in Lacs)  |                                      |                                      |
|--|--------------------------------------|--------------------------------------|
| Particulars  | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
| <b>Interest expense (included in finance cost) (Refer note 29)</b> |                                      |                                      |
| Interest on lease liability  | 31.98                                | 33.71                                |
| <b>Total</b>   | <b>31.98</b>                         | <b>33.71</b>                         |

The total cash outflow for leases for the year ended March 31, 2023 was ₹ 351.37 Lacs (for year ended March 31, 2022 : ₹ 545.11 Lacs).

## (iii) Extension and termination options:

Extension and termination options are included in a number of property leases. These are used to maximize operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not with the respective lessor.

## (iv) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

| (₹ in Lacs)        |                         |                         |
|--------------------|-------------------------|-------------------------|
| Particulars        | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Less than one year | 193.82                  | 213.98                  |
| One to five years  | 208.78                  | -                       |
| <b>Total</b>       | <b>402.60</b>           | <b>213.98</b>           |



## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

### NOTE 5 NON-CURRENT INVESTMENTS

(₹ In Lacs)

| Particulars  | As at          |                  | As at          |                  |
|--|----------------|------------------|----------------|------------------|
|  | March 31, 2023 |                  | March 31, 2022 |                  |
| (1) Investment in fully paid-up Equity shares (unquoted) (at cost)   |                |                  |                |                  |
| (i) Wholly owned subsidiaries :  |                |                  |                |                  |
| (a) 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 42)  | 279.29         | 479.29           | 184.86         | 384.86           |
| (b) 67,66,45,893 (Previous year 60,20,50,000) Equity shares of ₹10/- each in Alt Digital Media Entertainment Limited*                  | 79,080.00      |                  | 62,005.00      |                  |
| Add : Capital contribution on account of employee stock option plan (Refer note 42)  | 528.50         | 79,608.50        | 620.96         | 62,625.96        |
| (c) 44,60,000 (Previous year 44,60,000) Equity Shares of ₹10/- each in Marinating Films Private Limited                                |                | 1,023.99         |                | 1,023.99         |
| (ii) Subsidiaries :  |                |                  |                |                  |
| (a) 12,75,000 (Previous year 12,75,000) Equity Shares of ₹10/- each in Chhayabani Balaji Entertainment Private Limited (Refer Note 34) | 240.70         |                  | 240.70         |                  |
| Less : Impairment of investments   | (240.70)       | -                | (240.70)       | -                |
| (b) 1,22,223 (Previous year 1,22,223) Equity Shares of ₹10/- each in Ding Infinity Private Limited                                     |                | 500.00           |                | 500.00           |
| (2) 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           |
| (3) Investment in Associate (unquoted) (at cost)   |                |                  |                |                  |
| (i) IPB Capital Advisors LLP (Refer Note 40)   |                | 0.50             |                | 0.50             |
| <b>Aggregate carrying value of unquoted investments</b>  |                | <b>81,937.28</b> |                | <b>64,860.31</b> |
| <b>Aggregate amount of impairment in the value of investments</b>  |                | <b>240.70</b>    |                | <b>240.70</b>    |

\* During the current year loan given to Alt Digital Media Entertainment Limited aggregating to ₹ 17,075 Lacs has been converted into 74,595,893 equity shares of ₹10 each at ₹ 22.89 per share (including premium of ₹12.89 per share).

## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

### NOTE 6 LOANS (NON-CURRENT)

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>Unsecured</b>   |                         |                         |
| Loan to key managerial personnel (Refer Note 15 and Note 36) | 12.50                   | 53.13                   |
| <b>Total</b>   | <b>12.50</b>            | <b>53.13</b>            |

### NOTE 7 OTHER FINANCIAL ASSETS

(₹ in Lacs)

| Particulars                             | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>(i) Non-current financial assets</b> |                         |                         |
| Unsecured, Considered good              |                         |                         |
| Security deposits *                     | 747.06                  | 108.37                  |
| <b>Total</b>                            | <b>747.06</b>           | <b>108.37</b>           |
| <b>(ii) Current financial assets</b>    |                         |                         |
| Unsecured, Considered good              |                         |                         |
| (a) Other Receivables                   | -                       | 179.10                  |
| (b) Security deposits                   | -                       | 731.95                  |
| <b>Total</b>                            | <b>-</b>                | <b>911.05</b>           |

\* Non-Current Security Deposits includes deposits (undiscounted) given to three directors of the Company amounting to ₹ 615.00 Lacs (Previous year ₹ 622.50 Lacs current) for the properties taken on lease from them.

#### Note 7(a) Contract assets

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Contract assets relating to commissioned television programs# | 549.14                  | 285.26                  |
| <b>Total</b>  | <b>549.14</b>           | <b>285.26</b>           |

#The above contract assets as at balance sheet date are not due.

### NOTE 8 DEFERRED TAX ASSET (NET)

(₹ in Lacs)

| Particulars                                   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Deferred tax assets</b>                    |                         |                         |
| Depreciation on Property, plant and equipment | 707.88                  | 748.74                  |
| Security Deposit                              | 21.73                   | -                       |
| ROU and Lease Liabilities (Net)               | -                       | 2.48                    |
| Others  | 13.29                   | 10.42                   |
|   | <b>742.90</b>           | <b>761.64</b>           |
| <b>Deferred tax liabilities</b>               |                         |                         |
| Fair valuation of investments                 | -                       | (3.18)                  |
| ROU and Lease Liabilities (Net)               | (15.38)                 | -                       |
|   | <b>(15.38)</b>          | <b>(3.18)</b>           |
| <b>Deferred tax assets (net)</b>              | <b>727.52</b>           | <b>758.46</b>           |





## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

### (i) Movement in deferred tax balances

(₹ in Lacs)

| Particulars  | For the year ended March 31, 2023 |                                       |                            |                 |
|--|-----------------------------------|---------------------------------------|----------------------------|-----------------|
|  | Opening Balance                   | Charged/ (Credited) to profit or loss | Charged/ (Credited) to OCI | Closing Balance |
| <b>Tax effect of items constituting deferred tax liabilities</b> |                                   |                                       |                            |                 |
| Fair value of investments  | 3.18                              | (3.18)                                | -                          | -               |
| ROU and Lease Liabilities (Net)                                  | (2.48)                            | 17.86                                 | -                          | 15.38           |
|  | <b>0.70</b>                       | <b>14.68</b>                          | <b>-</b>                   | <b>15.38</b>    |
| <b>Tax effect of items constituting deferred tax assets</b>      |                                   |                                       |                            |                 |
| Depreciation on Property, plant and equipment                    | 748.74                            | 40.86                                 | -                          | 707.88          |
| Deferred Sales Consideration                                     | 0.11                              | 0.11                                  | -                          | -               |
| Security Deposit   | -                                 | (21.73)                               | -                          | 21.73           |
| Others   | 10.31                             | (4.18)                                | 1.20                       | 13.29           |
|  | <b>759.16</b>                     | <b>15.06</b>                          | <b>1.20</b>                | <b>742.90</b>   |
| <b>Deferred tax assets (net)</b>                                 | <b>758.46</b>                     | <b>29.74</b>                          | <b>1.20</b>                | <b>727.52</b>   |

(₹ in Lacs)

| Particulars  | For the year ended March 31, 2022 |                                       |                            |                 |
|--|-----------------------------------|---------------------------------------|----------------------------|-----------------|
|  | Opening Balance                   | Charged/ (Credited) to profit or loss | Charged/ (Credited) to OCI | Closing Balance |
| <b>Tax effect of items constituting deferred tax liabilities</b> |                                   |                                       |                            |                 |
| Fair value of investments  | 32.94                             | (29.76)                               | -                          | 3.18            |
|  | <b>32.94</b>                      | <b>(29.76)</b>                        | <b>-</b>                   | <b>3.18</b>     |
| <b>Tax effect of items constituting deferred tax assets</b>      |                                   |                                       |                            |                 |
| Depreciation on Property, plant and equipment                    | 749.42                            | 0.68                                  | -                          | 748.74          |
| Deferred sales consideration                                     | 2.74                              | 2.63                                  | -                          | 0.11            |
| Loss allowance on financial assets                               | 73.26                             | 73.26                                 | -                          | -               |
| ROU and Lease Liabilities (Net)                                  | (9.42)                            | (11.90)                               | -                          | 2.48            |
| Others   | 1.50                              | (9.11)                                | 0.30                       | 10.31           |
|  | <b>817.50</b>                     | <b>55.56</b>                          | <b>0.30</b>                | <b>761.64</b>   |
| <b>Deferred tax assets (net)</b>                                 | <b>784.56</b>                     | <b>25.80</b>                          | <b>0.30</b>                | <b>758.46</b>   |

## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

### NOTE 9 NON-CURRENT INCOME TAX ASSETS (NET)

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Advance Tax [Provision netted off of ₹ 4,516.11 Lacs (previous year ₹ 3,166.11 Lacs)] | 1,987.41                | 964.58                  |
| <b>Total</b>  | <b>1,987.41</b>         | <b>964.58</b>           |

### NOTE 10 OTHER NON-CURRENT ASSETS

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| Advance to vendors (considered good – unsecured) (Refer Note 41) | 4,964.54                | 4,876.53                |
| <b>Total</b>   | <b>4,964.54</b>         | <b>4,876.53</b>         |

### NOTE 11 INVENTORIES

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Cost or Net realizable value, whichever is lower</b> |                         |                         |
| <b>Work in process</b>                                  |                         |                         |
| Films   | 15,927.14               | 14,271.94               |
| <b>Total</b>  | <b>15,927.14</b>        | <b>14,271.94</b>        |

### NOTE 12 CURRENT INVESTMENTS

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>Investment in Mutual Fund</b>   |                         |                         |
| HDFC Liquid Fund (Regular-Growth) @ ₹ 10 Face Value Number of units - Nil (Previous year - 2976.184 units) (measured at fair value through profit or loss) | -                       | 123.56                  |
| <b>Aggregate amount of unquoted Investments</b>  | <b>-</b>                | <b>123.56</b>           |

### NOTE 13 TRADE RECEIVABLES

(₹ in Lacs)

| Particulars                                       | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Unsecured</b>                                  |                         |                         |
| Trade Receivables - billed                        | 10,851.58               | 7,485.28                |
| Trade Receivables - unbilled *                    | 11,466.90               | 10,352.29               |
| Trade Receivables - Related Party (Refer Note 36) | 0.24                    | 8,770.03                |
| <b>Total Trade Receivables</b>                    | <b>22,318.72</b>        | <b>26,607.60</b>        |

\* The receivable is unbilled because the Company has not yet issued an invoice, however the balance has been included under trade receivables because it is an unconditional right to consideration.

Further, unbilled includes ₹ 9,304.91 Lacs (Previous year ₹ 10,105.76 Lacs) receivable from Related Party (Refer Note 36)



## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

### Ageing as at March 31, 2023

(₹ in Lacs)

| Particulars                                    | Outstanding for following periods from due date |                 |                    |                    |           |           |                   | Total            |
|--|---|-----------------|--------------------|--------------------|-----------|-----------|-------------------|------------------|
|  | Unbilled  | Not Due         | Less than 6 Months | 6 Months to 1 Year | 1-2 years | 2-3 years | More than 3 years |                  |
| <b>(i) Undisputed trade receivables</b>        |   |                 |                    |                    |           |           |                   |                  |
| Considered good                                | 11,466.90                                       | 9,203.90        | 1,533.43           | 114.49             | -         | -         | -                 | 22,318.72        |
| Which have significant increase in credit risk | -   | -               | -                  | -                  | -         | -         | -                 | -                |
| Credit impaired                                | -   | -               | -                  | -                  | -         | -         | -                 | -                |
| <b>(ii) Disputed trade receivables</b>         |   |                 |                    |                    |           |           |                   |                  |
| Considered good                                | -   | -               | -                  | -                  | -         | -         | -                 | -                |
| Which have significant increase in credit risk | -   | -               | -                  | -                  | -         | -         | -                 | -                |
| Credit impaired                                | -   | -               | -                  | -                  | -         | -         | -                 | -                |
| <b>Total</b>                                   | <b>11,466.90</b>                                | <b>9,203.90</b> | <b>1,533.43</b>    | <b>114.49</b>      | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>22,318.72</b> |

### Ageing as at March 31, 2022

(₹ in Lacs)

| Particulars                                    | Outstanding for following periods from due date |                 |                    |                    |                 |           |                   | Total            |
|--|---|-----------------|--------------------|--------------------|-----------------|-----------|-------------------|------------------|
|  | Unbilled  | Not Due         | Less than 6 Months | 6 Months to 1 Year | 1-2 years       | 2-3 years | More than 3 years |                  |
| <b>(i) Undisputed trade receivables</b>        |   |                 |                    |                    |                 |           |                   |                  |
| Considered good                                | 10,352.29                                       | 8,977.33        | 967.44             | 533.42             | 5,777.12        | -         | -                 | 26,607.60        |
| Which have significant increase in credit risk | -   | -               | -                  | -                  | -               | -         | -                 | -                |
| Credit impaired                                | -   | -               | -                  | -                  | -               | -         | -                 | -                |
| <b>(ii) Disputed trade receivables</b>         |   |                 |                    |                    |                 |           |                   |                  |
| Considered good                                | -   | -               | -                  | -                  | -               | -         | -                 | -                |
| Which have significant increase in credit risk | -   | -               | -                  | -                  | -               | -         | -                 | -                |
| Credit impaired                                | -   | -               | -                  | -                  | -               | -         | -                 | -                |
| <b>Total</b>                                   | <b>10,352.29</b>                                | <b>8,977.33</b> | <b>967.44</b>      | <b>533.42</b>      | <b>5,777.12</b> | <b>-</b>  | <b>-</b>          | <b>26,607.60</b> |

## NOTES

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## NOTE 14 (a) CASH AND CASH EQUIVALENTS

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| (a) Cash on hand  | 25.58                   | 28.61                   |
| (b) Balances with banks-  |                         |                         |
| (i) In current accounts   | 1,518.16                | 886.92                  |
| (ii) In deposit accounts with original maturity of less than three months | 20.58                   | 51.76                   |
| <b>Total</b>  | <b>1,564.32</b>         | <b>967.29</b>           |

## NOTE 14 (b) OTHER BALANCES WITH BANKS

(₹ in Lacs)

| Particulars                 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-----------------------------|-------------------------|-------------------------|
| Fixed Deposits with Banks** | 1,013.74                | -                       |
| Unpaid dividend accounts    | 8.46                    | 9.53                    |
| <b>Total</b>                | <b>1,022.20</b>         | <b>9.53</b>             |

\*\* Refer Note 19 for information on Collateral charge created by the Company on Fixed Deposits.

Amount of Fixed Deposits includes Accrued Interest of ₹ 2.74 Lacs (Previous year Nil)

## NOTE 15 LOANS (CURRENT)

(₹ in Lacs)

| Particulars                                       | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Unsecured</b>                                  |                         |                         |
| Loans to Subsidiaries (Refer Note 36)*            | 927.07                  | 1,874.88                |
| Loans to Key managerial personnel (Refer Note 36) | 37.50                   | 37.50                   |
| <b>Total</b>                                      | <b>964.57</b>           | <b>1,912.38</b>         |

\*The amount outstanding of Loans to subsidiaries includes accrued interest amounting to ₹ 19.69 Lacs (Previous year ₹ 47.24 Lacs)

Details of loans and advances in the nature of loans granted to key managerial personnel and related parties (as defined under Companies Act, 2013):

(₹ in Lacs)

| Particulars   | As at March 31, 2023                       |                     | As at March 31, 2022                       |                     |
|---|--|---------------------|--|---------------------|
|   | Amount Outstanding (Current & Non Current) | % to the total loan | Amount Outstanding (Current & Non Current) | % to the total loan |
| <b>a) With specific terms and period of repayment</b> |  |                     |  |                     |
| -Key Managerial Personnel                             | 50.00                                      | 5.12%               | 90.63                                      | 4.61%               |
| <b>b) amounts repayable on demand</b>                 |  |                     |  |                     |
| -Subsidiary Companies                                 | 927.07                                     | 94.88%              | 1,874.88                                   | 95.39%              |



## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

### NOTE 16 OTHER CURRENT ASSETS

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>(unsecured considered good, unless otherwise stated)</b> |                         |                         |
| (a) Prepaid expenses  | 71.94                   | 54.63                   |
| (b) Balances with government authorities                    | 312.96                  | 206.93                  |
| (c) Advances to vendors                                     | 1,188.20                | 4,659.67                |
| (d) Other Receivables                                       | 18.11                   | 35.56                   |
| <b>Total</b>  | <b>1,591.21</b>         | <b>4,956.79</b>         |

### NOTE 17 EQUITY SHARE CAPITAL

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>(a) Authorized</b>   |                         |                         |
| 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                  |
|   | <b>3,600.00</b>         | <b>3,600.00</b>         |
| <b>(b) Issued, Subscribed and fully paid-up</b>                         |                         |                         |
| 10,11,30,443 (Previous year 10,11,30,443) Equity shares of ₹ 2/- each   | 2,022.61                | 2,022.61                |
| <b>Total</b>  | <b>2,022.61</b>         | <b>2,022.61</b>         |

#### Notes :

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

| Name of shareholder         | As at March 31, 2023 |              | As at March 31, 2022 |              |
|-----------------------------|----------------------|--------------|----------------------|--------------|
|                             | Number of shares     | % of Holding | Number of shares     | % of Holding |
| Reliance Industries Limited | 2,52,00,000          | 24.92        | 2,52,00,000          | 24.92        |
| Ektaa R. Kapoor             | 1,84,33,254          | 18.23        | 1,84,33,254          | 18.23        |
| Shobha Kapoor               | 1,10,08,850          | 10.89        | 1,10,08,850          | 10.89        |

- (ii) Details of Equity shares held by promoters:

#### As at March 31, 2023

| Name of the promoter | Number of shares   | % of total number of shares | % of Change during the year |
|----------------------|--------------------|-----------------------------|-----------------------------|
| Ektaa R. Kapoor      | 1,84,33,254        | 18.23                       | -                           |
| Shobha Kapoor        | 1,10,08,850        | 10.89                       | -                           |
| Jeetendra Kapoor     | 32,60,522          | 3.22                        | -                           |
| Tusshar Kapoor       | 20,30,250          | 2.01                        | -                           |
| <b>Total</b>         | <b>3,47,32,876</b> | <b>34.35</b>                | <b>-</b>                    |

## NOTES

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## As at March 31, 2022

| Name of the promoter | Number of shares   | % of total number of shares | % of Change during the year |
|----------------------|--------------------|-----------------------------|-----------------------------|
| Ektaa R. Kapoor      | 1,84,33,254        | 18.23                       | -                           |
| Shobha Kapoor        | 1,10,08,850        | 10.89                       | -                           |
| Jeetendra Kapoor     | 32,60,522          | 3.22                        | -                           |
| Tusshar Kapoor       | 20,30,250          | 2.01                        | -                           |
| <b>Total</b>         | <b>3,47,32,876</b> | <b>34.35</b>                | <b>-</b>                    |

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

| Particulars  | As at March 31, 2023 |           | As at March 31, 2022 |           |
|--|----------------------|-----------|----------------------|-----------|
|  | 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  |

(iv) 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.

(v) During the five years immediately preceding March 31, 2023, no shares were bought back and no shares were issued for consideration other than cash nor as bonus shares.

(vi) Shares reserved for Issue under options

Information relating to Balaji Telefilms Employee Stock Option Scheme, including details of option issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note no. 42.

## NOTE 18 OTHER EQUITY - RESERVES &amp; SURPLUS

(₹ in Lacs)

| Particulars                           | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------------|----------------------|----------------------|
| (a) General reserve                   | 5,133.10             | 5,133.10             |
| (b) Securities premium account        | 68,749.34            | 68,749.34            |
| (c) Retained earnings                 | 35,862.41            | 31,967.01            |
| (d) Capital Reserve                   | (47.08)              | (47.08)              |
| (e) Share options outstanding account | 1,103.43             | 1,147.68             |
| <b>Total</b>                          | <b>1,10,801.20</b>   | <b>1,06,950.05</b>   |



## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

### Note 18(a) Retained earnings

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| Balance at the beginning of the year   | 31,967.01               | 31,696.63               |
| Transfer to retained earnings for employee share options (vested)            | -                       | 33.33                   |
| Profit for the year  | 3,891.83                | 438.42                  |
| Items of other comprehensive income recognized directly in retained earnings | 3.57                    | 0.89                    |
| Payment of dividends   | -                       | (202.26)                |
| <b>Balance at the end of the year</b>  | <b>35,862.41</b>        | <b>31,967.01</b>        |

### Note 18(b) Share options outstanding account

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Balance at the beginning of the year                              | 1,147.68                | 711.58                  |
| Transfer to retained earnings for employee share options (vested) | -                       | (33.33)                 |
| Employee share options expense (Refer note 42)                    | (44.25)                 | 469.43                  |
| <b>Balance at the end of the year</b>                             | <b>1,103.43</b>         | <b>1,147.68</b>         |

#### 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 utilized in accordance with the provisions of the Companies Act, 2013.
- Capital Reserve : Capital Reserve, being consideration over net assets taken over, recognized 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 recognize the grant date fair value of option issued to employees under Balaji Telefilms ESOP, 2017.

### NOTE 19 CURRENT BORROWINGS

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>Loan repayable on demand</b>  |                         |                         |
| <b>Secured</b>   |                         |                         |
| <b>From Banks</b>  |                         |                         |
| Cash Credit Facilities (Refer note (i) below)<br>(Includes accrued interest)                 | 5,032.63                | 4,517.17                |
| Loan from Related Parties (Refer Note (ii) below and Note 36)<br>(Includes accrued interest) | 5,017.23                | -                       |
| <b>Total</b>   | <b>10,049.87</b>        | <b>4,517.17</b>         |

#### Note: -

- Cash Credit Facilities from Axis Bank repayable on demand at Interest rate of 6.5% Repo + 3% = Presently at 9.5% p.a. Primarily Secured against current assets of the Company both Present and Future, and Collateral

## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

charge by way of mortgage of Company's Premises at Killfire, Andheri (West), Mumbai - 400053 and Fixed Deposits of ₹ 1,011 Lacs with Axis Bank.

(ii) Loan from Related parties is secured against Theatrical distribution rights of a Film.

**Net debt reconciliation**

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2023

(₹ in Lacs)

| Particulars               | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---------------------------|-------------------------|-------------------------|
| Cash and cash equivalents | 1,564.32                | 967.29                  |
| Current Investment        | -                       | 123.56                  |
| Current Borrowings        | (10,049.87)             | (4,517.17)              |
| Lease Liabilities         | (370.72)                | (210.56)                |
| <b>Net debt</b>           | <b>(8,856.27)</b>       | <b>(3,636.88)</b>       |

(₹ in Lacs)

| Particulars   | Other Assets                 |                       | Liabilities from<br>financing activities |                      | Total             |
|---|------------------------------|-----------------------|--|----------------------|-------------------|
|   | Cash and cash<br>equivalents | Current<br>Investment | Current<br>Borrowings                    | Lease<br>Liabilities |                   |
| <b>Net debt as at March 31, 2021</b>                      | <b>7,272.48</b>              | <b>1,716.68</b>       | <b>-</b>                                 | <b>(316.43)</b>      | <b>8,672.73</b>   |
| Cash flows (net)  | (6,305.19)                   | (1,474.95)            | (4,496.38)                               | 511.40               | (11,765.12)       |
| Additions to lease liabilities                            | -                            | -                     | -  | (423.05)             | (423.05)          |
| Lease Modification/Concession<br>received during the year | -                            | -                     | -  | 17.52                | 17.52             |
| Interest expense  | -                            | -                     | (55.49)                                  | 33.71                | (21.78)           |
| Interest paid   | -                            | -                     | 34.70                                    | (33.71)              | 0.99              |
| <u>Other non cash movement</u>                            |                              |                       |  |                      |                   |
| - Fair value adjustments                                  | -                            | (118.17)              | -  | -                    | (118.17)          |
| <b>Net debt as at March 31, 2022</b>                      | <b>967.29</b>                | <b>123.56</b>         | <b>(4,517.17)</b>                        | <b>(210.56)</b>      | <b>(3,636.88)</b> |
| Cash flows (net)  | 597.03                       | (123.56)              | (5,186.16)                               | 319.39               | (4,393.30)        |
| Additions to lease liabilities                            | -                            | -                     | -  | (479.55)             | (479.55)          |
| Interest expense  | -                            | -                     | (761.23)                                 | 31.98                | (729.25)          |
| Interest paid   | -                            | -                     | 414.69                                   | (31.98)              | 382.71            |
| <b>Net debt as at March 31, 2023</b>                      | <b>1,564.32</b>              | <b>-</b>              | <b>(10,049.87)</b>                       | <b>(370.72)</b>      | <b>(8,856.27)</b> |





## NOTES

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### NOTE 20 TRADE PAYABLES

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| Total outstanding dues of micro enterprises and small enterprises                      | 218.58                  | 227.88                  |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 9,301.82                | 5,511.80                |
| <b>Total</b>   | <b>9,520.40</b>         | <b>5,739.68</b>         |

#### Ageing as on March 31, 2023

(₹ in Lacs)

| Particulars                             | Outstanding for following periods from the invoice date |          |                  |               |              |                   | Total           |
|---|---|----------|------------------|---------------|--------------|-------------------|-----------------|
|   | Unbilled  | Not Due  | Less than 1 year | 1-2 years     | 2-3 years    | More than 3 years |                 |
| <b>Undisputed trade payables</b>        |   |          |                  |               |              |                   |                 |
| Micro enterprises and small enterprises | -   | -        | 202.93           | 6.35          | 7.58         | 1.73              | 218.58          |
| Others                                  | 3,376.71  | -        | 5,711.86         | 134.17        | 10.73        | 68.35             | 9,301.82        |
| <b>Disputed trade payables</b>          |   |          |                  |               |              |                   |                 |
| Micro enterprises and small enterprises | -   | -        | -                | -             | -            | -                 | -               |
| Others                                  | -   | -        | -                | -             | -            | -                 | -               |
| <b>Total</b>                            | <b>3,376.71</b>   | <b>-</b> | <b>5,914.79</b>  | <b>140.52</b> | <b>18.31</b> | <b>70.08</b>      | <b>9,520.40</b> |

#### Ageing as on March 31, 2022

(₹ in Lacs)

| Particulars                             | Outstanding for following periods from the invoice date |          |                  |               |              |                   | Total           |
|---|---|----------|------------------|---------------|--------------|-------------------|-----------------|
|   | Unbilled  | Not Due  | Less than 1 year | 1-2 years     | 2-3 years    | More than 3 years |                 |
| <b>Undisputed trade payables</b>        |   |          |                  |               |              |                   |                 |
| Micro enterprises and small enterprises | -   | -        | 218.57           | 7.58          | 1.73         | -                 | 227.88          |
| Others                                  | 2,064.29  | -        | 3,185.48         | 143.62        | 52.79        | 65.62             | 5,511.80        |
| <b>Disputed trade payables</b>          |   |          |                  |               |              |                   |                 |
| Micro enterprises and small enterprises | -   | -        | -                | -             | -            | -                 | -               |
| Others                                  | -   | -        | -                | -             | -            | -                 | -               |
| <b>Total</b>                            | <b>2,064.29</b>   | <b>-</b> | <b>3,404.05</b>  | <b>151.20</b> | <b>54.52</b> | <b>65.62</b>      | <b>5,739.68</b> |

## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

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

| Particulars  | (₹ in Lacs)             |                         |
|--|-------------------------|-------------------------|
|  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end   | 186.16                  | 212.24                  |
| Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end   | 6.77                    | 0.75                    |
| Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year   | 370.10                  | 357.14                  |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year  | -                       | -                       |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year   | -                       | -                       |
| Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act   | 10.01                   | 5.58                    |
| Interest accrued and remaining unpaid at the end of the accounting year  | 32.42                   | 15.64                   |
| 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 MSMED 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 21 OTHER FINANCIAL LIABILITIES (CURRENT)

| Particulars                         | (₹ in Lacs)             |                         |
|-------------------------------------|-------------------------|-------------------------|
|                                     | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Unpaid dividends (Refer Note below) | 8.46                    | 9.53                    |
| <b>Total</b>                        | <b>8.46</b>             | <b>9.53</b>             |

## Note

As at March 31, 2023, 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 the Standalone Financial Statements for the year ended March 31, 2023

### NOTE 22 OTHER CURRENT LIABILITIES

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Contract liabilities/ advances from customers (Refer below table) | 2,566.89                | 3,194.30                |
| Statutory liabilities   | 533.30                  | 469.70                  |
| Liability towards corporate social responsibility (Refer note 49) | -                       | 50.31                   |
| Employee Benefit Payables   | 123.66                  | 117.08                  |
| <b>Total</b>  | <b>3,223.85</b>         | <b>3,831.39</b>         |

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Advance received towards commissioned television programs and internet programs | 11.74                   | 8.89                    |
| Advance received towards Movies related contracts                               | 2,555.15                | 3,185.41                |
| <b>Total Contract Liabilities/ advances from customers</b>                      | <b>2,566.89</b>         | <b>3,194.30</b>         |

1) Revenue recognized in relation to contract liabilities

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

(₹ in Lacs)

| Revenue recognized that was included in contract liability balance at the beginning of the year | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| Commissioned television programs and internet programs  | -                                    | 209.36                               |
| Movie related contracts   | 1,969.87                             | 18.04                                |
| <b>Total</b>  | <b>1,969.87</b>                      | <b>227.40</b>                        |

### NOTE 23 PROVISIONS

(₹ in Lacs)

| Particulars                               | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Provision for Gratuity (Refer Note 37(b)) |                         |                         |
| Current                                   | 54.22                   | 44.74                   |
| Non-Current                               | 2.37                    | -                       |
| <b>Total</b>                              | <b>56.60</b>            | <b>44.74</b>            |

### NOTE 24 REVENUE FROM OPERATIONS

(₹ in Lacs)

| Particulars                                      | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| <b>(a) Revenue from contracts with customers</b> |                                      |                                      |
| Commissioned television programs                 | 34,214.78                            | 22,569.39                            |
| Internet programs                                | 4.68                                 | 393.98                               |
| Sale and licensing of movies                     | 17,297.59                            | 333.25                               |

## NOTES

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| (₹ in Lacs)                                    |                                      |                                      |
|--|--------------------------------------|--------------------------------------|
| Particulars                                    | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
| Sale of music and concept rights               | 87.75                                | 86.61                                |
| Event management                               | -                                    | 490.00                               |
| Sponsored sales                                | 17.74                                | -                                    |
| <b>(b) Other Operating Income</b>              |                                      |                                      |
| Facilities / equipment hire Income             | 10.15                                | 12.60                                |
| Service Income for curation of digital content | 83.86                                | 326.40                               |
| <b>Total</b>                                   | <b>51,716.55</b>                     | <b>24,212.23</b>                     |

**Unsatisfied long-term licensing contracts:**

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

| (₹ in Lacs)  |                         |                         |
|--|-------------------------|-------------------------|
| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Aggregate amount of the transaction price allocated to long-term licensing contracts that are fully unsatisfied as at reporting date | 15,784.00               | 10,878.50               |

Management expects that transaction price allocated to the unsatisfied contracts as on March 31, 2023 ₹ 13,500 Lacs will be recognized as revenue during the next reporting period and balance ₹ 2,284 Lacs in subsequent periods. The amount disclosed above does not include variable consideration which is constrained. All other contracts are for periods of one year or less.

The Revenue recognized is equivalent to the contract price and there is no element of discount, rebates, incentives, etc. which are adjusted to revenue.

**Note 24.1 : Disaggregated revenue**

The Company derives revenue from transfer of goods and services over time and at a point in time as given below:

| (₹ in Lacs)                                    |                                      |                                      |
|--|--------------------------------------|--------------------------------------|
| Particulars                                    | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
| <b>Timing of recognition</b>                   |                                      |                                      |
| <b>Over time</b>                               |                                      |                                      |
| Commissioned television programs               | 34,214.78                            | 22,569.39                            |
| Internet programs                              | 4.68                                 | 393.98                               |
| <b>Total</b>                                   | <b>34,219.46</b>                     | <b>22,963.37</b>                     |
| <b>Point in time</b>                           |                                      |                                      |
| Sale and licensing of movies                   | 17,297.59                            | 333.25                               |
| Sale of music and concept rights               | 87.75                                | 86.61                                |
| Event management                               | -                                    | 490.00                               |
| Sponsored sales                                | 17.74                                | -                                    |
| Facilities / equipment hire Income             | 10.15                                | 12.60                                |
| Service income for curation of digital content | 83.86                                | 326.40                               |
| <b>Total</b>                                   | <b>17,497.09</b>                     | <b>1,248.86</b>                      |
| <b>Grand Total</b>                             | <b>51,716.55</b>                     | <b>24,212.23</b>                     |



## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

### NOTE 25 OTHER INCOME

(₹ in Lacs)

| Particulars  | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| (a) Interest income  |                                      |                                      |
| On fixed deposits with banks   | 4.05                                 | 68.13                                |
| On Income-tax refund   | 19.02                                | 64.22                                |
| On loans given to subsidiaries   | 1,123.54                             | 61.49                                |
| (b) Unwinding of discount on security deposit                                    | 39.26                                | 70.30                                |
| (c) Interest income on deferred considerations                                   | 0.44                                 | 10.44                                |
| (d) Net gains on financial assets measured at fair value through profit and loss | 0.23                                 | 36.98                                |
| (e) Insurance claim received   | 43.84                                | 3.50                                 |
| (f) Sundry credit balance written back   | 7.37                                 | 312.59                               |
| (g) Net foreign exchange differences   | -                                    | 17.78                                |
| (h) Lease Concession   | -                                    | 17.52                                |
| (i) Bad debts recovery   | -                                    | 28.27                                |
| (j) Profit on sale of Property, plant and equipment                              | 952.82                               | -                                    |
| (k) Miscellaneous Income   | 188.01                               | 3.30                                 |
| <b>Total</b>   | <b>2,378.58</b>                      | <b>694.52</b>                        |

### Note 26(a) Cost of Production / Acquisition Fees

(₹ in Lacs)

| Particulars  | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| Production expenses including purchase of costumes and dresses | 2,745.26                             | 1,897.45                             |
| Artists, Directors, technicians and Professional Fees          | 18,615.62                            | 11,870.34                            |
| Location hire charges  | 2,439.50                             | 2,328.12                             |
| Shooting and location expenses                                 | 4,849.44                             | 3,953.61                             |
| Food and refreshment charges                                   | 365.51                               | 337.87                               |
| Sets & studio maintenance charges                              | 749.71                               | 420.21                               |
| Uplinking charges  | 10.29                                | 4.54                                 |
| Insurance expense  | 86.98                                | 48.43                                |
| Line production cost   | 10,033.09                            | 6,158.51                             |
| Set properties and equipment hire charges                      | 2,270.47                             | 1,962.15                             |
| Sound expense  | 137.44                               | 104.66                               |
| Other production expenses                                      | 668.09                               | 582.60                               |
| <b>Total</b>   | <b>42,971.40</b>                     | <b>29,668.49</b>                     |

## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

### Note 26(b) Changes in Inventories :

| Particulars                         | (₹ in Lacs)                          |                                      |
|-------------------------------------|--------------------------------------|--------------------------------------|
|                                     | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
| <b>Opening balance :</b>            |                                      |                                      |
| Films                               | 14,271.94                            | 3,351.76                             |
| <b>Closing balance :</b>            |                                      |                                      |
| Films                               | 15,927.14                            | 14,271.94                            |
| <b>Total changes in inventories</b> | <b>(1,655.20)</b>                    | <b>(10,920.18)</b>                   |

### NOTE 27 MARKETING AND DISTRIBUTION EXPENSES

| Particulars           | (₹ in Lacs)                          |                                      |
|-----------------------|--------------------------------------|--------------------------------------|
|                       | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
| Marketing expenses    | 1,266.37                             | 59.69                                |
| Distribution expenses | 527.41                               | 9.19                                 |
| <b>Total</b>          | <b>1,793.79</b>                      | <b>68.88</b>                         |

### NOTE 28 EMPLOYEE BENEFITS EXPENSE

| Particulars   | (₹ in Lacs)                          |                                      |
|---|--------------------------------------|--------------------------------------|
|   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
| Salaries and wages*   | 1,436.01                             | 1,210.34                             |
| Contributions to provident and other funds (Refer Note 37(a)) | 56.12                                | 87.99                                |
| Gratuity (Refer Note 37(b))                                   | 20.81                                | 51.82                                |
| Staff welfare expenses  | 9.06                                 | 12.33                                |
| Employee share based payment expenses (Refer Note 42)         | (46.22)                              | 153.59                               |
| <b>Total</b>  | <b>1,475.78</b>                      | <b>1,516.07</b>                      |

\*net of amount cross charged to subsidiary (Refer note 36)

### NOTE 29 FINANCE COSTS

| Particulars                 | (₹ in Lacs)                          |                                      |
|-----------------------------|--------------------------------------|--------------------------------------|
|                             | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
| Interest on lease liability | 31.98                                | 33.71                                |
| Interest on borrowings      | 761.23                               | 55.49                                |
| Interest on others          | 16.78                                | 6.33                                 |
| Finance charges             | -                                    | 69.09                                |
| <b>Total</b>                | <b>809.99</b>                        | <b>164.62</b>                        |



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### NOTE 30 DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Lacs)

| Particulars  | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| Depreciation of property, plant and equipment<br>(Refer Note 4a) | 582.21                               | 778.48                               |
| Amortization on Right-of-use asset<br>(Refer Note 4b)            | 373.45                               | 576.13                               |
| <b>Total</b>   | <b>955.66</b>                        | <b>1,354.61</b>                      |

### NOTE 31 OTHER EXPENSES

(₹ in Lacs)

| Particulars  | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| Electricity expenses   | 59.09                                | 57.90                                |
| Repairs and maintenance - Others   | 169.52                               | 160.59                               |
| Insurance  | 80.27                                | 84.22                                |
| Rates and taxes  | 165.09                               | 32.28                                |
| Communication expenses   | 42.36                                | 47.03                                |
| Legal and professional charges (Refer Note 31.1)                                 | 1,397.29                             | 1,322.59                             |
| Directors Commission   | 49.05                                | -                                    |
| Security and housekeeping expenses   | 84.50                                | 77.30                                |
| Business promotion expenses  | 94.25                                | 68.64                                |
| Travelling and conveyance expenses   | 78.89                                | 65.65                                |
| Donations and contributions  | 8.54                                 | 10.21                                |
| Expenditure on corporate social responsibility (Refer Note 47)                   | 99.81                                | 95.72                                |
| Advances written off   | 6.97                                 | 247.72                               |
| Bad debts written off net (Net of provision - Nil (Previous year ₹ 255.13 Lacs)) | -                                    | 35.49                                |
| Software expenses  | 0.48                                 | 0.40                                 |
| Directors sitting fees   | 50.25                                | 46.50                                |
| Write off / Loss on sale of property, plant & equipment                          | 0.04                                 | 1.21                                 |
| Miscellaneous expenses   | 85.73                                | 60.99                                |
| <b>Total</b>   | <b>2,472.14</b>                      | <b>2,414.44</b>                      |

#### Note 31.1 Details of auditors remuneration (Included in legal and professional charges)

(₹ in Lacs)

| Particulars                                 | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| <b>As Auditors :</b>                        |                                      |                                      |
| Audit fee                                   | 38.50                                | 38.30                                |
| <b>In respect of other audit services :</b> |                                      |                                      |
| Other services (certification)              | 2.50                                 | 2.50                                 |
| <b>Total</b>                                | <b>41.00</b>                         | <b>40.80</b>                         |

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## NOTE 32 TAX EXPENSE

| Particulars                                     | (₹ in Lacs)                          |                                      |
|---|--------------------------------------|--------------------------------------|
|   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
| <b>Income tax expense</b>                       |                                      |                                      |
| <b>Current tax</b>                              |                                      |                                      |
| Current tax on profits for the year             | 1,350.00                             | 167.00                               |
| Advance tax written off                         | -                                    | 8.60                                 |
|   | 1,350.00                             | 175.60                               |
| <b>Deferred tax</b>                             |                                      |                                      |
| Decrease in deferred tax assets                 | 15.06                                | 55.56                                |
| Increase/(Decrease) in deferred tax liabilities | 14.68                                | (29.76)                              |
| Total deferred tax expense                      | 29.74                                | 25.80                                |
| <b>Total</b>                                    | <b>1,379.74</b>                      | <b>201.40</b>                        |

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

| Particulars   | (₹ in Lacs)                          |                                      |
|---|--------------------------------------|--------------------------------------|
|   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
| <b>Profit before tax</b>  | <b>5,271.57</b>                      | <b>639.82</b>                        |
| <b>Income Tax calculated at 25.17% (PY:25.17%)</b>                          | <b>1,326.85</b>                      | <b>161.04</b>                        |
| Tax effect of amounts that are not deductible in determining taxable profit | 27.27                                | 17.93                                |
| Advance tax written off   | -                                    | 8.60                                 |
| Others  | 25.62                                | 13.83                                |
| <b>Total</b>  | <b>1,379.74</b>                      | <b>201.40</b>                        |
| <b>Income Tax expense recognized in Statement of Profit and Loss</b>        | <b>1,379.74</b>                      | <b>201.40</b>                        |

## 33 CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

| Particulars  | (₹ in Lacs)             |                         |
|--|-------------------------|-------------------------|
|  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| In respect of Service Tax Matters (Also Refer note 1 below)      | 2,943.00                | 2,943.00                |
| In respect of VAT Matters  | -                       | 145.50                  |
| In respect of Income Tax Matters (Also Refer note 2 below)       |                         |                         |
| - TDS Matters  | 249.51                  | 249.51                  |
| In respect of Claim against the Company not acknowledged as debt | 200.01                  | 200.01                  |

- (1) Apart from the above, the Company had received a Show Cause Notice (SCN) for demand of ₹ 6,348 Lacs from Service Tax Department, Mumbai for the period April 2006 to March 2008 on exports made to one of the customers of the Company. On an appeal to Commissioner of Service Tax, the matter was adjudicated in the Company's favour. The department had further filed an appeal against the said order with the Customs, Excise & Service Tax Appellate Tribunal (CESTAT) which was dismissed by the Hon'ble CESTAT vide their order dated March 09, 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.





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- (2) Apart from the above, in respect of Income Tax Matters, a search was conducted on the premises of the Company on April 30, 2013. Pursuant to the aforesaid search, block assessment under section 153A of the Income-tax Act, 1961 (Act) was conducted for Assessment Years 2007- 08 to 2012-13. The Company did not appeal against the additions made in the assessment orders for the aforesaid assessment years. However, penalties were levied for the said assessment years, which were challenged by the Company before the Income-tax Appellate Tribunal-Mumbai (ITAT). The Company had accounted for the penalty amount as an exceptional item in the financial statements for the year ended March 31, 2018.

Subsequently, the ITAT had deleted the penalty levied and the Income tax department had refunded the penalties amounting to ₹ 1,044.44 Lacs along with interest of ₹ 138.33 Lacs under the Act to the Company, which was disclosed as an exceptional item in the financial statements for the year ended March 31, 2021.

Subsequently, the Income tax department has preferred an appeal before the Hon'ble High Court (HC) Bombay challenging the deletion of penalty by ITAT, the appeal is still in Pre-Admission stage.

- 34** 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 ₹ 81,436.78 Lacs (Previous year ₹ 64,359.81 Lacs).

Further, the Company has receivables on account of loans (including accrued interest) of ₹ 617.98 Lacs from BMPL (Previous year ₹ 675.16 Lacs) and ₹ 309.08 Lacs from ALT (Previous year ₹ 1,199.72 Lacs). As per the latest audited balance sheet of BMPL for the year ended March 31, 2023, the accumulated losses have fully eroded the net-worth of the Company and as per the latest audited balance sheet of ALT and MFPL the net worth is partially eroded as at March 31, 2023. However, basis the management evaluation there is no requirement of impairment provision of its investments in and loans to such subsidiaries, as the carrying amount of the investments does not exceed its recoverable amount.

Recoverable amounts for BMPL, ALT and MFPL has been determined with the assistance of external valuation expert. The Company is committed to provide financial support to BMPL, ALT and MFPL for a period of at least 12 months from the date of signature of these financial statements, in such case if assistance is needed.

For Chhayabani Balaji Entertainment Private Limited, in the financial year 2019-20, Company had taken an impairment charge of ₹240.70 Lacs. Based on the approvals of Company's Board of Directors, Chhayabani Balaji Entertainment Private Limited has filed for liquidation on October 22, 2020. Further, dissolution order dated April 11, 2022 Chhatabani Balaji Entertainment Private Limited ceased to be a Company effective this date.

During the year ended March 31, 2023, the Company considered indicators of impairment for investments in subsidiaries held either directly or indirectly, such as declines in operational performance or changes in the outlook of future profitability or weaker market conditions, among other potential indicators.

The Company estimated the recoverable amount based on the value in use of the underlying businesses. The computation uses cash flow forecasts based on the most recently approved financial budgets and strategic forecasts which covers future projections taking the analysis into perpetuity. Key assumptions for the value in use computations are those regarding the discount rates, growth rates, market demand, expected changes to selling prices and costs. Changes in revenue, costs and demand are based on historical experience and expectations of future changes in the market.

## NOTES

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### 35 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, 2023 | Maximum balance outstanding during the year |
|---|-------------------------|---|---|
| Balaji Motion Pictures Limited          | Wholly owned subsidiary | 617.98<br>(675.16)                      | 1,059.37<br>(675.16)                        |
| ALT Digital Media Entertainment Limited | Wholly owned subsidiary | 309.08<br>(1,199.72)                    | 17,075.00<br>(1,201.99)                     |

**Note:**

- Loan given to subsidiaries are 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
- Figures in Brackets denote last year's figures

### 36 RELATED PARTY TRANSACTIONS

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

| Name of the Related Party                       | Relationship   |
|---|--|
| Balaji Motion Pictures Limited                  | Wholly - owned subsidiary Company  |
| Marinating Films Private Limited                | Wholly - owned subsidiary Company  |
| Alt Digital Media Entertainment Limited         | Wholly - owned subsidiary Company  |
| Chhayabani Balaji Entertainment Private Limited | Wholly - owned subsidiary Company (Liquidated on April 11, 2022)         |
| Ding Infinity Private Limited                   | Subsidiary Company (w.e.f. May 25, 2021)                                 |
| Tusshar Infra Developers Private Limited        | Company in which key management person has significant influence         |
| Pantheon Buildcon Private Limited               | Company in which key management person has significant influence         |
| IPB Capital Advisors LLP                        | Associate  |
| Mr. Jeetendra Kapoor                            | Key managerial person (Chairman)   |
| Mrs. Shobha Kapoor                              | Key managerial person (Executive Director)                               |
| Ms. Ektaa R. Kapoor                             | Key managerial person (Executive Director)                               |
| Mr. Tusshar Kapoor                              | Relative of key management person  |
| Mr. Sanjay Dwivedi                              | Key managerial person (Chief Financial Officer)                          |
| Mr. Nachiket Pantvaitya                         | Key managerial person (Chief Executive Officer) (till May 31, 2022)      |
| Mr. Abhishek Kumar                              | Key managerial person (Chief Executive Officer) (w.e.f. July 15, 2022)   |
| Mrs. Simmi Singh Bisht                          | Key managerial person (Head Secretarial) (till June 20, 2021)            |
| Mrs. Tannu Sharma                               | Key managerial person (Head Secretarial) (w.e.f. March 15, 2022)         |
| Mr. Anshuman Thakur                             | Key managerial person (Non-Executive Director) (till September 12, 2022) |
| Mr. Arun K. Purwar                              | Key managerial person (Non-Executive Independent Director)               |
| Mr. D G Rajan                                   | Key managerial person (Non-Executive Independent Director)               |



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| Name of the Related Party | Relationship  |
|---------------------------|---|
| Mr. Devender Kumar Vasal  | Key managerial person (Non-Executive Independent Director)                          |
| Mr. V B Dalal             | Key managerial person (Non-Executive Independent Director) (till November 08, 2021) |
| Mr. Pradeep Sarada        | Key managerial person (Non-Executive Independent Director)                          |
| Ms. Jyoti Deshpande       | Key managerial person (Non-Executive Director)                                      |
| Mr. Ramesh Sippy          | Key managerial person (Non-Executive Director)                                      |
| Dr. Archana Hingorani     | Key managerial person (Non-Executive Independent Director)                          |
| Ms. Priyanka Chaudhary    | Key managerial person (Non-Executive Director) (w.e.f. May 20, 2022)                |
| Mr. Jason Kothari         | Key managerial person (Non-Executive Independent Director) (till January 31, 2023)  |
| Krishna Kala Trust        | Trust in which key managerial person is the trustee                                 |

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

| Nature of Transactions   | Subsidiary Company/<br>Company/Trust in which<br>key managerial person<br>has significant influence | Key Managerial<br>Person and relative<br>of key managerial<br>personnel |
|--|---|---|
| <b>Loans given</b>   |   |   |
| Balaji Motion Pictures Limited   | 414.20  | -   |
|  | (291.38)  | (-)   |
| Alt Digital Media Entertainment Limited                                | 15,420.96   | -   |
|  | (1,180.00)  | (-)   |
| <b>Loan taken during the year</b>                                      |   |   |
| Tusshar Infra Developers Private Limited                               | 1,800.00  | -   |
|  | (1,000.00)  | (-)   |
| Pantheon Buildcon Private Limited                                      | 2,900.00  | -   |
|  | (-)   | (-)   |
| <b>Repayment of loans given</b>  |   |   |
| Balaji Motion Pictures Limited (Including interest)                    | 536.51  | -   |
|  | (58.96)   | (-)   |
| Mr. Sanjay Dwivedi   | -   | 40.63   |
|  | (-)   | (34.37)   |
| Mr. Nachiket Pantvidya   | -   | -   |
|  | (-)   | (131.25)  |
| Alt Digital Media Entertainment Limited                                | 295.00  | -   |
|  | (-)   | (-)   |
| <b>Repayment of loans taken</b>  |   |   |
| Tusshar Infra Developers Private Limited                               | -   | -   |
|  | (1,000.00)  | (-)   |
| <b>Sale of internet programs, music rights and licensing of movies</b> |   |   |
| Alt Digital Media Entertainment Limited                                | 107.03  | -   |
|  | (463.07)  | (-)   |

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| Nature of Transactions                                    | Subsidiary Company/<br>Company/Trust in which<br>key managerial person<br>has significant influence | Key Managerial<br>Person and relative<br>of key managerial<br>personnel |
|---|---|---|
| <b>Facilities / equipment hire Income</b>                 |   |   |
| Alt Digital Media Entertainment Limited                   | 10.00   | -   |
|   | (-)   | (-)   |
| <b>Service Income for Curation of Digital Content</b>     |   |   |
| Alt Digital Media Entertainment Limited                   | 83.86   | -   |
|   | (326.40)  | (-)   |
| <b>Reimbursement of Expenses received</b>                 |   |   |
| Alt Digital Media Entertainment Limited                   | -   | -   |
|   | (133.31)  | (-)   |
| <b>Interest Expense on Loan taken</b>                     |   |   |
| Tusshar Infra Developers Private Limited                  | 152.84  | -   |
|   | (1.53)  | (-)   |
| Pantheon Buildcon Private Limited                         | 199.64  | -   |
|   | (-)   | (-)   |
| <b>Interest income on deferred consideration</b>          |   |   |
| Alt Digital Media Entertainment Limited                   | 0.44  | -   |
|   | (10.44)   | (-)   |
| <b>Interest Income on Loan Given</b>                      |   |   |
| Balaji Motion Pictures Limited                            | 65.13   | -   |
|   | (39.58)   | (-)   |
| Alt Digital Media Entertainment Limited                   | 1,058.41  | -   |
|   | (21.91)   | (-)   |
| <b>Commission (Distribution expenses) Paid</b>            |   |   |
| Balaji Motion Pictures Limited                            | 519.15  | -   |
|   | (9.19)  | (-)   |
| <b>Professional Fees</b>                                  |   |   |
| Jason Ashok Kothari                                       | -   | -   |
|   | (-)   | (30.00)   |
| <b>Reimbursement of Employee Benefit Expense received</b> |   |   |
| Alt Digital Media Entertainment Limited                   | 459.69  | -   |
|   | (499.90)  | (-)   |
| <b>Rent Income</b>  |   |   |
| Balaji Motion Pictures Limited                            | 3.00  | -   |
|   | (6.00)  | (-)   |
| <b>Directors sitting fees</b>                             |   |   |
| Mr. Jeetendra Kapoor                                      | -   | 4.50  |
|   | (-)   | (4.00)  |
| Mr. Anshuman Thakur                                       | -   | 3.00  |
|   | (-)   | (4.00)  |
| Mr. Arun K. Purwar  | -   | 5.50  |
|   | (-)   | (5.00)  |



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| Nature of Transactions                                  | Subsidiary Company/<br>Company/Trust in which<br>key managerial person<br>has significant influence | Key Managerial<br>Person and relative<br>of key managerial<br>personnel |
|---|---|---|
| Mr. D.G. Rajan  | -   | 6.50  |
|   | (-)   | (6.00)  |
| Mr. Devender Kumar Vasal                                | -   | 6.50  |
|   | (-)   | (6.00)  |
| Ms. Jyoti Deshpande                                     | -   | 4.50  |
|   | (-)   | (4.00)  |
| Mr. Pradeep Sarada                                      | -   | 2.25  |
|   | (-)   | (-)   |
| Mr. V.B. Dalal  | -   | -   |
|   | (-)   | (3.50)  |
| Mr. Ramesh Sippy  | -   | 4.50  |
|   | (-)   | (4.00)  |
| Dr. Archana Hingorani                                   | -   | 4.00  |
|   | (-)   | (5.00)  |
| Mr. Jason Kothari                                       | -   | 5.50  |
|   | (-)   | (5.00)  |
| Ms. Priyanka Chaudhary                                  | -   | 3.50  |
|   | (-)   | (-)   |
| <b>Rent paid (Location Hire Charges)</b>                |   |   |
| Mr. Jeetendra Kapoor                                    | -   | 62.42   |
|   | (-)   | (58.89)   |
| Mrs. Shobha Kapoor                                      | -   | 560.80  |
|   | (-)   | (862.44)  |
| Mr. Tusshar Kapoor                                      | -   | 15.89   |
|   | (-)   | (14.76)   |
| Ms. Ektaa R. Kapoor                                     | -   | 107.51  |
|   | (-)   | (209.06)  |
| Tusshar Infra Developers Private Limited                | -   | -   |
|   | (-)   | (125.37)  |
| Pantheon Buildcon Private Limited                       | -   | -   |
|   | (-)   | (232.82)  |
| <b>Remuneration (Refer note (iii) &amp; (iv) below)</b> |   |   |
| Mrs. Shobha Kapoor                                      | -   | 239.88  |
|   | (-)   | (239.69)  |
| Ms Ektaa R. Kapoor                                      | -   | 239.88  |
|   | (-)   | (239.69)  |
| Mr. Sanjay Dwivedi                                      | -   | 279.12  |
|   | (-)   | (230.70)  |
| Mr. Abhishek Kumar                                      | -   | 275.70  |
|   | (-)   | (-)   |
| Mr. Nachiket Pantvaidya                                 | -   | 60.41   |
|   | (-)   | (282.40)  |
| Mrs. Simmi Singh Bisht                                  | -   | -   |
|   | (-)   | (8.94)  |
| Mrs. Tannu Sharma                                       | -   | 21.51   |
|   | (-)   | (1.16)  |

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| Nature of Transactions  | Subsidiary Company/<br>Company/Trust in which<br>key managerial person<br>has significant influence | Key Managerial<br>Person and relative<br>of key managerial<br>personnel |
|---|---|---|
| <b>Capital contribution on account of Employee stock option addition/(reversal)</b> |   |   |
| Alt Digital Media Entertainment Limited   | (92.46)   | -   |
|   | (296.63)  | (-)   |
| Balaji Motion Pictures Limited  | 94.43   | -   |
|   | (19.21)   | (-)   |
| <b>Conversion of Loan to Investments</b>  |   |   |
| Alt Digital Media Entertainment Limited   | 17,075.00   | -   |
|   | (-)   | (-)   |
| <b>Sale of Property, plant &amp; equipment</b>                                      |   |   |
| Ms. Ektaa R. Kapoor   | -   | 550.00  |
|   | (-)   | (-)   |
| Mr. Tusshar Kapoor  | -   | 550.00  |
|   | (-)   | (-)   |
| <b>Investment made</b>  |   |   |
| Ding Infinity Private Limited   | -   | -   |
|   | (500.00)  | (-)   |
| Alt Digital Media Entertainment Limited   | 17,075.00   | -   |
|   | (-)   | (-)   |
| <b>Expenditure on corporate social responsibility</b>                               |   |   |
| Krishna Kala Trust  | 50.00   | -   |
|   | (-)   | (-)   |
| <b>Amount receivable as at March 31, 2023</b>                                       |   |   |
| <b>Security Deposit given (For lease property)</b>                                  |   |   |
| Mrs. Shobha Kapoor  | -   | 215.00  |
|   | (-)   | (222.50)  |
| Mr. Jeetendra Kapoor  | -   | 300.00  |
|   | (-)   | (300.00)  |
| Mr. Tusshar Kapoor  | -   | 100.00  |
|   | (-)   | (100.00)  |
| Ms. Ektaa R. Kapoor   | -   | 100.00  |
|   | (-)   | (100.00)  |
| <b>Loans (Including accrued interest)</b>   |   |   |
| Balaji Motion Pictures Limited  | 617.98  | -   |
|   | (675.16)  | (-)   |
| Alt Digital Media Entertainment Limited   | 309.08  | -   |
|   | (1,199.72)  | (-)   |
| Mr. Sanjay Dwivedi  | -   | 50.00   |
|   | (-)   | (90.63)   |
| <b>Trade Receivable</b>   |   |   |
| Alt Digital Media Entertainment Limited   | 0.24  | -   |
|   | (8,770.03)  | (-)   |



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| <b>Nature of Transactions</b>                            | <b>Subsidiary Company/<br/>Company/Trust in which<br/>key managerial person<br/>has significant influence</b> | <b>Key Managerial<br/>Person and relative<br/>of key managerial<br/>personnel</b> |
|--|---|---|
| <b>Other current financial assets (Other Receivable)</b> |   |   |
| Krishna Kala Trust                                       | -   | -   |
|  | (66.00)   | (-)   |
| <b>Other current assets</b>                              |   |   |
| Alt Digital Media Entertainment Limited                  | (0.00)  | -   |
|  | (4.09)  | (-)   |
| <b>Unbilled Receivable</b>                               |   |   |
| Alt Digital Media Entertainment Limited                  | 9,304.91  | -   |
|  | (10,105.76)   | (-)   |
| <b>Amount Payable as at March 31, 2023</b>               |   |   |
| <b>Loans (Including accrued interest)</b>                |   |   |
| Tusshar Infra Developers Private Limited                 | 1,937.55  | -   |
|  | (-)   | (-)   |
| Pantheon Buildcon Private Limited                        | 3,079.68  | -   |
|  | (-)   | (-)   |
| <b>Other Payables</b>                                    |   |   |
| Commission payable to Balaji Motion Pictures Limited     | 73.97   | -   |
|  | (38.63)   | (-)   |
| Mr. Jeetendra Kapoor                                     | -   | 45.02   |
|  | (-)   | (17.74)   |
| Mrs. Shobha Kapoor                                       | -   | 470.40  |
|  | (-)   | (264.72)  |
| Ms. Ektaa R. Kapoor                                      | -   | 108.14  |
|  | (-)   | (101.91)  |
| Mr. Tusshar Kapoor                                       | -   | 12.96   |
|  | (-)   | (5.69)  |
| Mr. Sanjay Dwivedi                                       | -   | 12.83   |
|  | (-)   | (10.98)   |
| Mr. Nachiket Pantvaidya                                  | -   | -   |
|  | (-)   | (16.42)   |
| Mr. Abhishek Kumar                                       | -   | 18.32   |
|  | (-)   | (-)   |
| Mrs. Tannu Sharma  | -   | 1.77  |
|  | (-)   | (0.83)  |
| Mr. Jason Kothari  | -   | -   |
|  | (-)   | (7.50)  |

### Notes:

- (i) There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties.
- (ii) Figures in bracket relate to the previous financial year.
- (iii) The Company provides long term benefits in the form of gratuity to its key managerial person along with all employees, cost of the same is not identifiable separately and hence not disclosed.
- (iv) Includes amount cross charged to subsidiary.

## NOTES

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### 37 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 ₹56.12 Lacs (Previous Year ₹87.99 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                          | Valuation as at                          |
|-------------------------------------|--|--|
|                                     | March 31, 2023                           | March 31, 2022                           |
| Discount rate(s)                    | 7.30%                                    | 6.41%                                    |
| Expected rate(s) of salary increase | 5.00%                                    | 5.00%                                    |
| Rate of employee turnover           | 14.50%                                   | 14.50%                                   |
| Mortality Rate during employment    | Indian Assured Lives Mortality (2012-14) | Indian Assured Lives Mortality (2012-14) |

#### Defined benefit plans – as per actuarial valuation

| Particulars   | ₹ In Lacs      |                |
|---|----------------|----------------|
|   | Funded Plan    | Funded Plan    |
|   | Gratuity       | Gratuity       |
|   | March 31, 2023 | March 31, 2022 |
| <b>Amounts recognized in comprehensive income in respect of these defined benefit plans are as follows:</b> |                |                |
| Actuarial (Gains)/Losses on Obligation for the year   | (3.87)         | (1.45)         |
| Return on Plan Assets, Excluding Interest Income  | (0.90)         | 0.26           |
| <b>Net amount recognized in Other Comprehensive Income (OCI)</b>  | <b>(4.77)</b>  | <b>(1.19)</b>  |
| <b>Expenses recognized in the Statement of Profit and Loss for the current year</b>                         |                |                |
| Current Service Cost  | 17.94          | 17.31          |
| Net interest cost   | 2.87           | 2.55           |
| Past Service Cost   | -              | 31.96          |
| <b>Expenses Recognized</b>  | <b>20.81</b>   | <b>51.82</b>   |
| <b>I. Net Asset/(Liability) recognized in the Balance Sheet</b>   |                |                |
| Present value of defined benefit obligation at the end of the year  | (192.59)       | (167.76)       |
| Fair value of plan assets at the end of the year  | 135.99         | 123.02         |
| Surplus/(Deficit)   | (56.60)        | (44.74)        |
| <b>Net (liability)/ Asset recognized in the Balance sheet</b>   | <b>(56.60)</b> | <b>(44.74)</b> |





## NOTES

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| Particulars   | (₹ In Lacs)    |                |
|---|----------------|----------------|
|   | Funded Plan    | Funded Plan    |
|   | Gratuity       | Gratuity       |
|   | March 31, 2023 | March 31, 2022 |
| <b>II. Change in the obligation during the year ended</b>                           |                |                |
| Present value of defined benefit obligation at the beginning of the year            | 167.76         | 148.95         |
| Current Service Cost  | 17.94          | 17.31          |
| Past Service Cost   | -              | 31.96          |
| Interest Cost   | 10.75          | 10.96          |
| (Benefit paid directly by the Employer)   | -              | (12.69)        |
| (Benefit paid from the Fund)  | -              | (27.28)        |
| Actuarial (Gains)/ Losses on Obligations - Due to change in demographic assumptions | -              | (0.03)         |
| Actuarial (Gains)/ Losses on Obligations - Due to change in financial assumptions   | (6.85)         | (2.50)         |
| Actuarial (Gains)/ Losses on Obligations- Due to experience                         | 2.99           | 1.08           |
| <b>Present value of defined benefit obligation at the end of the year</b>           | <b>192.59</b>  | <b>167.76</b>  |
| <b>III. Change in fair value of assets during the year ended March 31</b>           |                |                |
| Fair value of plan assets at the beginning of the year                              | 123.02         | 138.79         |
| Interest Income   | 7.89           | 8.41           |
| Contributions by the employer   | 4.18           | 3.36           |
| (Benefit paid from the Fund)  | -              | (27.28)        |
| Return on Plan Assets, excluding Interest Income                                    | 0.90           | (0.26)         |
| <b>Fair value of plan assets at the end of the year</b>                             | <b>135.99</b>  | <b>123.02</b>  |

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

| Particulars   | (₹ in Lacs)                          |                                      |
|---|--------------------------------------|--------------------------------------|
|   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
| Projected Benefit Obligation on Current Assumptions     | 192.59                               | 167.76                               |
| Delta Effect of +1% Change in Rate of Discounting       | (7.13)                               | (6.76)                               |
| Delta Effect of -1% Change in Rate of Discounting       | 7.74                                 | 7.36                                 |
| Delta Effect of +1% Change in Rate of Salary Increase   | 7.83                                 | 7.39                                 |
| Delta Effect of -1% Change in Rate of Salary Increase   | (7.34)                               | (6.91)                               |
| Delta Effect of +1% Change in Rate of Employee Turnover | 0.70                                 | 0.19                                 |
| Delta Effect of -1% Change in Rate of Employee Turnover | (0.76)                               | (0.22)                               |

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 recognized in the Balance sheet.

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forming part of the Standalone Financial Statements for the year ended March 31, 2023

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

The Company expects to contribute ₹ 54.22 Lacs to the gratuity fund during the next financial year. (Previous Year ₹ 49.51 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, 2023 | For the year ended March 31, 2022 |
| 1st Following year  | 30.68                             | 25.32                             |
| 2nd Following year  | 27.62                             | 22.72                             |
| 3rd Following year  | 26.18                             | 20.42                             |
| 4th Following year  | 34.61                             | 19.77                             |
| 5th Following year  | 19.85                             | 27.42                             |
| Sum of Years 6 to 10  | 84.99                             | 73.11                             |
| Sum of Years 11 and above   | 45.06                             | 40.73                             |

### Plan Assets

The fair value of Company's gratuity plan asset as of March 31, 2023 by category are as follows:

|                        | (₹ in Lacs)          |                      |
|------------------------|----------------------|----------------------|
| Particulars            | As at March 31, 2023 | As at March 31, 2022 |
| <b>Asset category:</b> |                      |                      |
| Insurer managed funds  | 135.99               | 123.02               |
|                        | 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.

**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.



## NOTES

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**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.

### 38 EARNING PER SHARE

Basic and Diluted earnings per share is calculated as below:

| Particulars  | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| Profit for the year attributable to equity share holders<br>(₹ in Lacs) (a)                                | 3,891.83                             | 438.42                               |
| Weighted average number of equity shares outstanding during<br>the year (Nos.) (b)                         | 10,11,30,443                         | 10,11,30,443                         |
| Effect of Potential Equity share on account of Employee stock<br>option outstanding (c)                    | 5,27,108                             | 48,415                               |
| Weighted average number of equity shares outstanding in<br>computing Diluted Earning Per share (d)=(b)+(c) | 10,16,57,551                         | 10,11,78,858                         |
| Earnings per share - Basic (₹) (a/b)   | 3.85                                 | 0.43                                 |
| Earnings per share - Diluted (₹) (a/d)   | 3.83                                 | 0.43                                 |
| Nominal value of shares (₹)  | 2                                    | 2                                    |

As at the year-end, the stock options granted under Tranche 7 and Tranche 8 as referred in Note 42 are dilutive in nature and accordingly diluted earning per share is calculated.

### 39 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.

### 40 DETAILS RELATING TO INVESTMENT IN LIMITED LIABILITY PARTNERSHIP (LLP)

(₹ in Lacs)

| Name of the LLP          | Names of partners in the<br>LLP | As at March 31, 2023 |   | As at March 31, 2022 |   |
|--------------------------|---------------------------------|----------------------|---|----------------------|---|
|                          |                                 | Total<br>capital     | Share<br>of each<br>partner in<br>the profits<br>of the LLP | Total<br>capital     | Share<br>of each<br>partner in<br>the profits<br>of the LLP |
| IPB Capital Advisors LLP | Balaji Telefilms Limited        | 0.50                 | 50.00%  | 0.50                 | 50.00%  |
|                          | IP Capital Advisors LLP         | 0.49                 | 49.00%  | 0.49                 | 49.00%  |
|                          | IPM Capital Advisors LLP        | 0.01                 | 1.00%   | 0.01                 | 1.00%   |
|                          |                                 | <b>1.00</b>          | <b>100%</b>   | <b>1.00</b>          | <b>100%</b>   |

**41** The Company has advances / receivable from one of its co-producers and a film director, amounting to ₹ 1,619 Lacs which are subject to litigation as at March 31, 2023. On the basis of the evaluation carried out by the management, in consultation with the legal counsel, the amounts are considered good and fully recoverable.

## NOTES

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### 42 SHARE BASED PAYMENTS

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

The NRC, vide a resolution passed at its meeting held on May 19, 2018, and June 20, 2018 has granted Options ("Options"), 1,663,734 Options on May 19, 2018 and 2,125,239 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.

The NRC, vide a resolution passed at its meeting held on January 08, 2021, granted additional 14,00,000 Employee Stock Options ("Options") to the eligible employees of the Company. Each option when exercised would be converted into one equity share of ₹ 2/- each, fully paid up, of the Company. The resolution passed by NRC on January 08, 2021 included a variation in terms of the Scheme. The variation was that all the options granted under the aforesaid grant would vest after completion of 12 months from date of grant. Once vested, the option remain exercisable for the period of 3 years from the last vesting date.

Furthermore, Additional Options were granted during 2021-22 and 2022-23 at the NRC's meetings held as follows:

On June 18, 2021, granted 3,00,000 Employee Stock Options ("Options") to the eligible employees of the Company. Each option when exercised would be converted into one equity share of ₹ 2/- each, fully paid up, of the Company. The 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.

On August 10, 2021, granted 18,00,000 Employee Stock Options ("Options") to the eligible employees of the Company. Each option when exercised would be converted into one equity share of ₹ 2/- each, fully paid up, of the Company. Out of 18,00,000 Options granted, 12,00,000 Options grant would vest after completion of 12 months from date of grant and balance 6,00,000 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.

On February 11, 2022, granted 2,50,000 Employee Stock Options ("Options") to the eligible employees of the subsidiary Company. Each option when exercised would be converted into one equity share of ₹ 2/- each, fully paid up, of the Company. The Options granted would vest after completion of 12 months from date of grant. Once vested, the option remain exercisable for the period of 3 years from the last vesting date.



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On July 15, 2022, granted 10,00,000 Employee Stock Options ("Options") to the eligible employees of the Company. Each option when exercised would be converted into one equity share of ₹ 2/- each, fully paid up, of the Company. The 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.

On August 30, 2022, granted 18,00,000 Employee Stock Options ("Options") to the eligible employees of the Company. Each option when exercised would be converted into one equity share of ₹ 2/- each, fully paid up, of the Company. The 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 (Tranche 1) is as follows:

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

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

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

The vesting schedule and exercise period of the Options granted on January 08, 2021 (Tranche 3) is as follows:

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

The vesting schedule and exercise period of the Options granted on June 18, 2021 (Tranche 4) is as follows:

| Year | Vesting of options | Vesting dates | Exercise Period up to |
|------|--------------------|---------------|-----------------------|
| 1    | 25%                | June 17, 2022 | June 17, 2027         |
| 2    | 35%                | June 17, 2023 | June 17, 2027         |
| 3    | 40%                | June 17, 2024 | June 17, 2027         |

The vesting schedule and exercise period of the Options granted on August 10, 2021 (Tranche 5 - Part 1) is as follows:

| Year | Vesting of options | Vesting dates   | Exercise Period up to |
|------|--------------------|-----------------|-----------------------|
| 1    | 100%               | August 09, 2022 | August 09, 2025       |

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The vesting schedule and exercise period of the Options granted on August 10, 2021 (Tranche 5 - Part 2) is as follows:

| Year | Vesting of options | Vesting dates   | Exercise Period up to |
|------|--------------------|-----------------|-----------------------|
| 1    | 25%                | August 09, 2022 | August 09, 2027       |
| 2    | 35%                | August 09, 2023 | August 09, 2027       |
| 3    | 40%                | August 09, 2024 | August 09, 2027       |

The vesting schedule and exercise period of the Options granted on February 11, 2022 (Tranche 6) is as follows:

| Year | Vesting of options | Vesting dates     | Exercise Period up to |
|------|--------------------|-------------------|-----------------------|
| 1    | 100%               | February 10, 2023 | February 10, 2026     |

The vesting schedule and exercise period of the Options granted on July 15, 2022 (Tranche 7) is as follows:

| Year | Vesting of options | Vesting dates | Exercise Period up to |
|------|--------------------|---------------|-----------------------|
| 1    | 25%                | July 14, 2023 | July 14, 2028         |
| 2    | 35%                | July 14, 2024 | July 14, 2028         |
| 3    | 40%                | July 14, 2025 | July 14, 2028         |

The vesting schedule and exercise period of the Options granted on August 30, 2022 (Tranche 8) is as follows:

| Year | Vesting of options | Vesting dates   | Exercise Period up to |
|------|--------------------|-----------------|-----------------------|
| 1    | 25%                | August 29, 2023 | August 29, 2028       |
| 2    | 35%                | August 29, 2024 | August 29, 2028       |
| 3    | 40%                | August 29, 2025 | August 29, 2028       |

During the year ended March 31, 2023 the Company recorded an employee compensation write back of (₹46.22) Lacs (previous year ₹ 153.59 Lacs expense) in the statement of profit and loss. (Refer Summary of options granted given below).

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 recognized over the vesting period; and the same is treated as a capital contribution to the subsidiary. Accordingly, ₹ 807.79 Lacs (previous year : ₹ 805.82 Lacs) was added to the cost of the investments as a capital contribution at the year end.

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

| Particulars                        | As at March 31, 2023                        |                   | As at March 31, 2022                        |                   |
|------------------------------------|---|-------------------|---|-------------------|
|                                    | Average Exercise price per share option (₹) | Number of options | Average Exercise price per share option (₹) | Number of options |
| Opening balance                    | 61.27                                       | 34,80,245         | 84.57                                       | 11,76,091         |
| Granted during the year            | 35.88                                       | 28,00,000         | 51.79                                       | 23,50,000         |
| Exercised during the year          | -   | -                 | -   | -                 |
| Forfeited/(lapsed) during the year | 48.67                                       | 24,00,000         | 90.89                                       | 45,846            |
| <b>Closing balance</b>             | <b>51.71</b>                                | <b>38,80,245</b>  | <b>61.27</b>                                | <b>34,80,245</b>  |

Number of option exercisable as at March 31, 2023 13,80,246/- (previous year: 11,30,246/-)



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**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, 2023 | Exercise price (₹) | Share options March 31, 2022 |
|--------------------------|-------------------|--------------------|------------------------------|--------------------|------------------------------|
| May 19, 2018             | May 18, 2024      | 90.00              | 538,268                      | 90.00              | 538,268                      |
| June 20, 2018            | June 19, 2024     | 93.00              | 391,977                      | 93.00              | 391,977                      |
| January 08, 2021         | January 07, 2025  | 52.01              | 200,000                      | 52.01              | 200,000                      |
| June 18, 2021            | June 17, 2027     | -                  | -                            | 50.18              | 300,000                      |
| August 10, 2021 (Part 1) | August 09, 2025   | -                  | -                            | 50.18              | 1,200,000                    |
| August 10, 2021 (Part 2) | August 09, 2027   | -                  | -                            | 50.18              | 600,000                      |
| February 11, 2022        | February 10, 2026 | 65.33              | 250,000                      | 65.33              | 250,000                      |
| July 15, 2022            | July 14, 2028     | 31.88              | 1,000,000                    | -                  | -                            |
| August 30, 2022          | August 29, 2028   | 38.10              | 1,500,000                    | -                  | -                            |
| <b>Total</b>             |                   |                    | <b>3,880,245</b>             |                    | <b>3,480,245</b>             |

### Fair value of options granted

The fair value at grant date of options was ₹ 72.01 per option for options granted on May 19, 2018 (Tranche 1), ₹ 74.33 per option for options granted on June 20, 2018 (Tranche 2), ₹ 34.05 per option for options granted on January 08, 2021 (Tranche 3), ₹ 38.62 per option for options granted on June 18, 2021 (Tranche 4), ₹ 32.82 per option for options granted on August 10, 2021 (Tranche 5 - Part 1), ₹ 38.47 per option for options granted on August 10, 2021 (Tranche 5 - Part 2), ₹ 43.63 per option for options granted on February 11, 2022 (Tranche 6), ₹ 25.14 per option for options granted on July 15, 2022 (Tranche 7) and ₹ 30 per option for options granted on August 30, 2022 (Tranche 8). The fair value at grant date is determined using the Binomial Tree Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2023, March 31, 2022, March 31, 2021 and March 31, 2019 includes:

- Options are granted for no consideration and vest upon completion of service for a period of one to three years from the date of grant. Vested options are exercisable for a period of three years after last vesting date.
- Exercise price: ₹ 90 (Tranche 1), ₹ 93 (Tranche 2), ₹ 52.01 (Tranche 3), ₹ 50.18 (Tranche 4), ₹ 50.18 (Tranche 5), ₹ 65.33 (Tranche 6), ₹ 31.88 (Tranche 7), ₹ 38.10 (Tranche 8)
- Grant date: May 19, 2018 (Tranche 1), June 20, 2018 (Tranche 2), January 08, 2021 (Tranche 3), June 18, 2021 (Tranche 4), August 10, 2021 (Tranche 5), February 11, 2022 (Tranche 6), July 15, 2022 (Tranche 7) and August 30, 2022 (Tranche 8)
- Expiry date: May 18, 2024 (Tranche 1), June 19, 2024 (Tranche 2), January 07, 2025 (Tranche 3), June 17, 2027 (Tranche 4), August 09, 2025 (Tranche 5 Part 1), August 09, 2027 (Tranche 5 Part 2), February 10, 2026 (Tranche 6), July 14, 2028 (Tranche 7) and August 29, 2028 (Tranche 8)
- Share price at grant date: ₹ 119.80 (Tranche 1), ₹ 123.45 (Tranche 2), ₹ 69.65 (Tranche 3), ₹ 66.90 (Tranche 4), ₹ 66.90 (Tranche 5), ₹ 87.10 (Tranche 6), ₹ 42.50 (Tranche 7), ₹ 50.80 (Tranche 8)
- Expected price volatility of the Company's shares: 46.05% (Tranche 1), 45.87% (Tranche 2), 42.59% (Tranche 3), 44.71% (Tranche 4), 41.73% (Tranche 5 Part 1), 43.89% (Tranche 5 Part 2), 43.16% (Tranche 6), 43.41% (Tranche 7) and 43.90% (Tranche 8)
- Expected dividend yield: 0.91% (Tranche 1 and 2), 0.67% (Tranche 3), 0.67% (Tranche 4), 0.67% (Tranche 5), 0.62% (Tranche 6), 0.62% (Tranche 7) and 0.62% (Tranche 8)

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- h) Risk-free interest rate: 7.92% (Tranche 1), 8.05% (Tranche 2), 4.92% (Tranche 3), 6.03% (Tranche 4), 5.49% (Tranche 5 Part 1), 6.15% (Tranche 5 Part 2), 5.70% (Tranche 6), 7.25% (Tranche 7), 7.04% (Tranche 8)

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

### 43 FAIR VALUE MEASUREMENTS

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

#### (a) Financial instrument by category

(₹ in Lacs)

| Particulars                               | March 31, 2023 |          |                  | March 31, 2022 |          |                  |
|---|----------------|----------|------------------|----------------|----------|------------------|
|   | FVTPL          | FVOCI    | Amortized cost   | FVTPL          | FVOCI    | Amortized cost   |
| <b>Financial Assets</b>                   |                |          |                  |                |          |                  |
| <b>Non-current financial assets</b>       |                |          |                  |                |          |                  |
| Loans                                     | -              | -        | 12.50            | -              | -        | 53.13            |
| Other financial assets                    | -              | -        | 747.06           | -              | -        | 108.37           |
| <b>Current financial assets</b>           |                |          |                  |                |          |                  |
| Investments                               | -              | -        | -                | 123.56         | -        | -                |
| Trade receivables                         | -              | -        | 22,318.72        | -              | -        | 26,607.60        |
| Cash and cash equivalents                 | -              | -        | 1,564.32         | -              | -        | 967.29           |
| Other balances with bank                  | -              | -        | 1,022.20         | -              | -        | 9.53             |
| Loans                                     | -              | -        | 964.57           | -              | -        | 1,912.38         |
| Other financial assets                    | -              | -        | -                | -              | -        | 911.05           |
| <b>Total Financial Assets</b>             | <b>-</b>       | <b>-</b> | <b>26,629.36</b> | <b>123.56</b>  | <b>-</b> | <b>30,569.35</b> |
| <b>Non- Current Financial Liabilities</b> |                |          |                  |                |          |                  |
| Lease liabilities                         | -              | -        | 200.77           | -              | -        | -                |
| <b>Current Financial Liabilities</b>      |                |          |                  |                |          |                  |
| Borrowings                                | -              | -        | 10,049.87        | -              | -        | 4,517.17         |
| Lease liabilities                         | -              | -        | 169.95           | -              | -        | 210.56           |
| Trade payables                            | -              | -        | 9,520.40         | -              | -        | 5,739.68         |
| Other financial liabilities               | -              | -        | 8.46             | -              | -        | 9.53             |
| <b>Total Financial Liabilities</b>        | <b>-</b>       | <b>-</b> | <b>19,949.45</b> | <b>-</b>       | <b>-</b> | <b>10,476.94</b> |

#### (i) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized 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.





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(₹ In Lacs)

| Financial assets and liabilities measured at fair value- recurring fair value measurement March 31, 2023          | Level 1 | Level 2 | Level 3       | Total         |
|---|---------|---------|---------------|---------------|
| <b>Financial Assets</b>   |         |         |               |               |
| Financial instrument at FVTPL   |         |         |               |               |
| Investment in Mutual Fund   | -       | -       | -             | -             |
| <b>Total Financial Assets</b>   | -       | -       | -             | -             |
| Financial assets and liabilities measured at amortized cost for which fair values are disclosed at March 31, 2023 | Level 1 | Level 2 | Level 3       | Total         |
| <b>Non-current financial assets</b>   |         |         |               |               |
| Loans   | -       | -       | 12.50         | 12.50         |
| <b>Other financial assets</b>   |         |         |               |               |
| Security Deposits   | -       | -       | 747.06        | 747.06        |
| <b>Total Non-current Financial Assets</b>   | -       | -       | <b>759.56</b> | <b>759.56</b> |

(₹ In Lacs)

| Financial assets and liabilities measured at fair value- recurring fair value measurement March 31, 2022          | Level 1       | Level 2 | Level 3       | Total         |
|---|---------------|---------|---------------|---------------|
| <b>Financial Assets</b>   |               |         |               |               |
| Financial instrument at FVTPL   |               |         |               |               |
| Investment in Mutual Fund   | 123.56        | -       | -             | 123.56        |
| <b>Total Financial Assets</b>   | <b>123.56</b> | -       | -             | <b>123.56</b> |
| Financial assets and liabilities measured at amortized cost for which fair values are disclosed at March 31, 2022 | Level 1       | Level 2 | Level 3       | Total         |
| <b>Non-current financial assets</b>   |               |         |               |               |
| Loans   | -             | -       | 53.13         | 53.13         |
| <b>Other financial assets</b>   |               |         |               |               |
| Security Deposits   | -             | -       | 108.37        | 108.37        |
| <b>Total Non-current Financial Assets</b>   | -             | -       | <b>161.50</b> | <b>161.50</b> |

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

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in valuation technique. The hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement). The categories used are as follows:

**Level-1** Hierarchy includes financial instruments measured using quoted price. Mutual funds are valued at the closing NAV.

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**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 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.

**(iii) Fair value of Non-current financial assets measured at amortized cost**

(₹ in Lacs)

| Particulars                         | March 31, 2023  |            | March 31, 2022  |            |
|-------------------------------------|-----------------|------------|-----------------|------------|
|                                     | Carrying amount | Fair value | Carrying amount | Fair value |
| <b>Non-current financial assets</b> |                 |            |                 |            |
| <b>Other financial assets</b>       |                 |            |                 |            |
| Security deposits                   | 747.06          | 747.06     | 108.37          | 108.37     |
| Loans                               | 12.50           | 12.50      | 53.13           | 53.13      |

#### 44 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.



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This note explains the sources of risk which the Company is exposed to and how it manages those risks:

| Risk                                | Exposure arising from   | Measurement  | Management   |
|-------------------------------------|---|--|--|
| Credit risk                         | Cash and cash equivalents, investment in mutual funds, contract assets, trade receivables and financial assets measured at amortized cost | Ageing analysis<br>Credit ratings                  | Diversification of bank deposits, collection of receivables from customers, credit ratings and Investment guidelines   |
| Liquidity risk                      | Borrowings and other liabilities  | Rolling Working Capital forecasts (including Cash) | Regular review of working capital resulting in effective and efficient working capital management. Availability of committed credit lines and borrowing facilities                   |
| Market risk - foreign exchange risk | Recognized financial assets and liabilities not denominated in ₹.   | Sensitivity analysis                               | The Company has limited foreign currency exposure, hence currency risk is not hedged. Further, the Company does not have any exposure to foreign currency risk as at March 31, 2023. |
| Market risk - Interest              | Borrowing at variable rate  | Sensitivity analysis                               | Fluctuations in rate of interests.   |
| Market risk - Price risk            | Investment in mutual funds  | Sensitivity analysis                               | Portfolio diversification  |

### (A) Credit Risk

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

#### (i) Credit Risk Management

##### Financial instruments and cash deposits

The Company maintains exposure in cash and cash equivalents, term deposits with banks and investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have good credit ratings and hence the risk is reduced. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good. As a practice, the Company only invests with high rated banks/institutions. The Company's maximum exposure to credit risk as at March 31, 2023 and March 31, 2022 is the carrying value of each class of financial assets as disclosed in note 43.

##### Security deposits given to lessors

The Company has given security deposit to lessors for premises leased by it as at March 31, 2023 and March 31, 2022. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

## NOTES

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### Trade receivables, unbilled revenue and contract assets

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

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

The Company measures the expected credit loss of trade receivables, unbilled revenue, 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 has credit loss allowance for trade receivables based on provision matrix. The provision matrix has 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, 2023        |                | March 31, 2022        |                |
|-------------------------------|-----------------------|----------------|-----------------------|----------------|
|                               | Gross Carrying Amount | Loss Allowance | Gross Carrying Amount | Loss Allowance |
| Trade Receivables             | 22,318.72             | -              | 26,607.60             | -              |
| Loans                         | 977.07                | -              | 1,965.51              | -              |
| Contract assets               | 549.14                | -              | 285.26                | -              |
| <b>Other financial assets</b> |                       |                |                       |                |
| Security deposits             | 747.06                | -              | 840.32                | -              |
| Other receivables             | -                     | -              | 179.10                | -              |

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

(₹ in Lacs)

| Particulars                  | Trade receivables, Contract assets and other financial assets |                | Loans          |                |
|------------------------------|---|----------------|----------------|----------------|
|                              | March 31, 2023  | March 31, 2022 | March 31, 2023 | March 31, 2022 |
| Opening balance              | -   | -              | -              | -              |
| Provided during the year     | -   | 35.49          | -              | -              |
| Written back during the year | -   | (35.49)        | -              | -              |
| Reversals of provisions      | -   | -              | -              | -              |
| <b>Closing balance</b>       | -   | -              | -              | -              |



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Of the Trade Receivables balance as at March 31, 2023 of ₹22,318.72. Lacs (as at March 31, 2022 of ₹ 26,607.60 Lacs), the top 3 customers of the Company represent the balance of ₹ 17,206.06 Lacs as at March 31, 2023 ( as at March 31, 2022 of ₹ 23,823.54 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) Financial arrangements

The Company had access to the following undrawn borrowing facilities at the end of reporting period:

(₹ in Lacs)

| Particulars   | March 31, 2023   | March 31, 2022  |
|---|------------------|-----------------|
| <b>Floating rate</b>                                |                  |                 |
| - Expiring within one year (cash credit facilities) | 5,032.63         | 4,517.17        |
| <b>Fixed rate</b>                                   |                  |                 |
| - Loan from Related Parties                         | 5,017.23         | -               |
| <b>Total</b>  | <b>10,049.87</b> | <b>4,517.17</b> |

The cash credit facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings.

#### (ii) 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 | Carrying Amount  | Undiscounted amount |                  |                  | Total            |
|---|------------------|---------------------|------------------|------------------|------------------|
|   |                  | 6 months or less    | 6 months -1 year | More than 1 year |                  |
| <b>March 31, 2023</b>                           |                  |                     |                  |                  |                  |
| Borrowings                                      | 10,049.87        | 5,032.63            | 5,017.23         | -                | 10,049.87        |
| Trade payables                                  | 9,520.40         | 9,520.40            | -                | -                | 9,520.40         |
| Lease liabilities                               | 402.60           | 97.16               | 96.66            | 208.78           | 402.60           |
| Other Financial Liabilities                     | 8.46             | 8.46                | -                | -                | 8.46             |
| <b>Total financial liabilities</b>              | <b>19,981.33</b> | <b>14,658.65</b>    | <b>5,113.89</b>  | <b>208.78</b>    | <b>19,981.33</b> |

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(₹ in Lacs)

| Contractual maturities of financial liabilities | Carrying Amount  | Undiscounted amount |                  |                  |                  |
|---|------------------|---------------------|------------------|------------------|------------------|
|   |                  | 6 months or less    | 6 months -1 year | More than 1 year | Total            |
| <b>March 31, 2022</b>                           |                  |                     |                  |                  |                  |
| Borrowings                                      | 4,517.17         | 4,517.17            | -                | -                | 4,517.17         |
| Trade payables                                  | 5,739.68         | 5,739.68            | -                | -                | 5,739.68         |
| Lease liabilities                               | 213.98           | 208.50              | 5.48             | -                | 213.98           |
| Other Financial Liabilities                     | 9.53             | 9.53                | -                | -                | 9.53             |
| <b>Total financial liabilities</b>              | <b>10,480.36</b> | <b>10,474.88</b>    | <b>5.48</b>      | <b>-</b>         | <b>10,480.36</b> |

**(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, 2023 (Previous year Nil).

**(b) Interest rate risk**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in Lacs)

| Particulars              | March 31, 2023  | March 31, 2022  |
|--------------------------|-----------------|-----------------|
| Variable rate borrowings | 5,032.63        | 4,517.17        |
| <b>Total Borrowings</b>  | <b>5,032.63</b> | <b>4,517.17</b> |

- (i) As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

(₹ in Lacs)

| Contractual maturities of financial liabilities | March 31, 2023                 |          |                 | March 31, 2022                 |          |                 |
|---|--------------------------------|----------|-----------------|--------------------------------|----------|-----------------|
|   | Weighted average interest rate | Balance  | % of total loan | Weighted average interest rate | Balance  | % of total loan |
| Working Capital Loan (Cash Credit Facilities)   | 8.00%                          | 5,032.63 | 100%            | 7.00%                          | 4,517.17 | 100%            |

The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.



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### (ii) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Lacs)

| Particulars                                   | Impact on profit after tax |                |
|---|----------------------------|----------------|
|   | March 31, 2023             | March 31, 2022 |
| Interest rates - Increase by 50 basis points* | (25.16)                    | (22.59)        |
| Interest rates - Decrease by 50 basis points* | 25.16                      | 22.59          |

\* Holding all other variables constant

### (c) Price risk

#### (i) Exposure

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

Investments are made by the finance team under the policies approved by the Board of Directors. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

#### (ii) Sensitivity

(₹ in Lacs)

| Particulars  | Impact on profit before tax |                |
|--|-----------------------------|----------------|
|  | March 31, 2023              | March 31, 2022 |
| Net asset value - Increase 5% (March 31, 2022 5%)* | -                           | 6.18           |
| Net asset value - Decrease 5% (March 31, 2022 5%)* | -                           | (6.18)         |

\* 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.

## 45 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The Company considers the following components of its balance sheet to be managed capital: Total equity as shown in the balance sheet including reserves, retained earnings and share capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares.

## 46 DIVIDENDS

(₹ in Lacs)

| Particulars  | March 31, 2023 | March 31, 2022 |
|--|----------------|----------------|
| <b>Equity Shares</b>   |                |                |
| (i) Final Dividend paid  | -              | 202.26         |
| Dividend of ₹ 0.20 per fully paid share pertaining to the immediately preceding financial year |                |                |

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## 47 DISCLOSURES IN RELATION TO CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>Amount required to be spent as per Section 135 of the Act</b> | <b>95.34</b>            | <b>108.50</b>           |
| <b>Amount spent during the year towards :</b>                    |                         |                         |
| Animal Welfare   | 23.76                   | 18.27                   |
| Children Education   | 4.43                    | 1.14                    |
| Medical Aid  | 31.37                   | 17.02                   |
| Old Age Home / Aid to Senior citizen                             | 20.47                   | 8.51                    |
| Aid for eradicating Malnutrition                                 | 19.78                   | 0.47                    |
| <b>Total</b>   | <b>99.81</b>            | <b>45.41</b>            |
| <b>Excess / (Shortfall)</b>                                      | <b>4.47</b>             | <b>(63.09)</b>          |
| Amount utilized from previous year excess spent                  | 0.69                    | 12.78                   |
| <b>Amount to be spent (Refer note below)</b>                     | <b>(5.16)</b>           | <b>50.31</b>            |
| <b>CSR expenses for the year (Refer note 31)</b>                 | <b>99.81</b>            | <b>95.72</b>            |

## Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

| Balance unspent<br>as at April 01, 2022 | Amount<br>deposited | Amount<br>required to be<br>spent during<br>the year | Amount<br>utilized from<br>previous year<br>excess spent | Amount spent<br>during<br>the year | Balance<br>unspent/ (excess<br>utilized) as at<br>March 31, 2023 |
|---|---------------------|--|--|------------------------------------|--|
| -                                       | -                   | 95.34  | 0.69   | 99.81                              | (5.16)   |

**Note:** During the current year, the company has contributed unspent amount to the 'Clean Ganga Fund', Prime Minister's National Relief Fund and Prime Minister's Citizen Assurance and Relief in Emergency situations fund amounting to ₹ 51.00 Lacs in line with provisions of the law.

## 48 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

## a) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions Prohibition Act, 1988 (45 of 1988) and Rules made thereunder.

## b) Borrowing secured against current assets

The Company has borrowed funds from banks on the basis of security of current assets and Company's premises. The quarterly returns/ statements filed by the Company with the bank is in agreement with books of accounts.

## c) Wilful defaulter

The Company has not been declared wilful defaulter by any banks or financial institution or government or any government authority.

## d) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.





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**e) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under Companies Act 2013

**f) Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**g) Utilization of borrowed funds and share premium**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

**h) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**i) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**j) Valuation of PP&E, intangible asset and investment property**

The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year. There are no intangible assets.

### Other Regulatory Information

**a) Title deeds of immovable properties not held in name of the Company**

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 4(a) to the standalone financial statements, are held in the name of the Company.

**b) Utilization of borrowings availed from banks and financial institutions**

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

**c) Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

### 49 RATIOS

| Particulars                        |  | March<br>31, 2023 | March<br>31, 2022 | % Change | Reason   |
|------------------------------------|--|-------------------|-------------------|----------|--|
| Current Ratio =                    | Current Assets   | 1.91              | 3.49              | (45.28%) | Company has taken additional loan during the year and there is increase in trade payables in current year. |
|                                    | Current Liabilities  |                   |                   |          |  |
| Debt To Equity Ratio =             | (Net Debt/<br>Total Debt)                                    | 0.09              | 0.04              | 114.89%  | The Company has taken working capital loan from related parties in the current year.                       |
|                                    | Total Equity   |                   |                   |          |  |
| Debt Service Coverage Ratio =      | Earnings available for debt service<br>( Refer note 1 below) | 0.31              | 0.39              | (20.57%) | -  |
|                                    | Debt Service (Refer note 2 below)                            |                   |                   |          |  |
| Return on Equity Ratio =           | Net Profit After Taxes                                       | 0.035             | 0.004             | 769.46%  | Income from sale and licensing of movies and other income was lower in the previous year.                  |
|                                    | Average Shareholder's Equity                                 |                   |                   |          |  |
| Inventory Turnover Ratio =         | Cost of Production+Changes in Inventories                    | 2.74              | 2.13              | 28.61%   | Mainly due to increase in scale of operations.   |
|                                    | Average Inventory  |                   |                   |          |  |
| Trade Receivables Turnover Ratio = | Revenue from operations                                      | 2.11              | 1.01              | 109.34%  | Due to increase in revenue which is mainly due to increase in scale of operations.                         |
|                                    | Average Account Receivables                                  |                   |                   |          |  |
| Trade Payables Turnover Ratio =    | Total Purchases (Refer note 5 below)                         | 6.19              | 4.18              | 48.07%   | Higher purchase which is mainly due to increase in scale of operations.                                    |
|                                    | Average Account Payables                                     |                   |                   |          |  |
| Net Capital Turnover Ratio =       | Revenue from operations                                      | 2.47              | 0.68              | 264.59%  | Revenue has doubled compared to previous year.   |
|                                    | Working Capital (Refer note 3 below)                         |                   |                   |          |  |
| Net Profit ratio =                 | Net Profit After Taxes (Refer note 6 below)                  | 0.08              | 0.02              | 315.60%  | Revenue from sale and licensing of movies and other income was lower in the previous year.                 |
|                                    | Revenue from operations                                      |                   |                   |          |  |
| Return On Capital Employed =       | EBIT (Refer note 4 below)                                    | 0.05              | 0.01              | 598.27%  | Revenue from sale and licensing of movies and other income was lower in the previous year.                 |
|                                    | Capital Employed (Net worth +Debt)                           |                   |                   |          |  |
| Return On Investment =             | EBIT (Refer note 4 below)                                    | 0.04              | 0.01              | 585.28%  | Revenue from sale and licensing of movies and other income was lower in the previous year.                 |
|                                    | Total Assets   |                   |                   |          |  |



## NOTES

forming part of the Standalone Financial Statements for the year ended March 31, 2023

### Notes:

1. Earnings for Debt service = Net profit after tax+ Depreciation and amortization + Finance cost + Other adjustments \*  
\* Other adjustments include all non cash items like fair valuation of investments, provision for doubtful debts & Obsolescence, forex exchange gain/loss less finance cost paid.
2. Debt Service = Current Borrowings
3. Working Capital = Current assets - Current Liabilities
4. EBIT = Profit before Interest and tax + Finance cost
5. Total Purchases = Cost of Production / Acquisition Fees + Marketing and distribution expenses + Other expenses

**50** The figures for the previous year have been regrouped, wherever necessary to conform to current year classification.

### 51 APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements were approved for issue by the Board of Directors on May 30, 2023

**52** The Financial Statements of the Company for the year ended March 31, 2022, were audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 20, 2022.

As per our report of even date

**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**

Firm Registration No. 117366W/W-100018

**For and on behalf of the Board of Directors**

**Pallavi Sharma**

**Partner**

Membership No: 113861

**Jeetendra Kapoor**

**(Chairman)**

DIN: 00005345

Place: Mumbai

**Shobha Kapoor**

**(Managing Director)**

DIN: 00005124

Place: Mumbai

**D.G. Rajan**

**(Audit Committee Chairman)**

DIN: 00303060

Place: Chennai

**Sanjay Dwivedi**

**(Group Chief Financial Officer)**

Place: Mumbai

Place : Mumbai

Date : May 30, 2023

**Abhishek Kumar**

**(Group Chief Executive Officer)**

Place: Mumbai

Date: May 30, 2023

**Tannu Sharma**

**(Group Head Secretarial)**

Place: Mumbai

## **INDEPENDENT AUDITOR'S REPORT**

To The Members of **Balaji Telefilms Limited**

### **Report on the Audit of the Consolidated Financial Statements**

#### **OPINION**

We have audited the accompanying consolidated financial statements of **Balaji Telefilms Limited** "the Holding Company" and its subsidiaries, (Holding Company and its subsidiaries together referred to as "the Group") which includes Group's share of profit in its associate, which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive loss), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

#### **BASIS FOR OPINION**

We conducted our audit of the consolidated financial statements 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 Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the

Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **EMPHASIS OF MATTER**

We draw your attention to Note 43, to the Consolidated Financial Statement regarding advances given by the Holding company in an earlier year aggregating Rs. 1,619 Lacs to one of its co-producer and film director in connection with production of a film, against whom arbitration proceedings are in progress.

#### **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

- The Holding Company's Board of Directors is responsible for the other information. The other information comprises of Board's report, Management Discussion & Analysis and Corporate Governance report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements subsidiaries, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information



so far as it relates to the subsidiaries, is traced from their financial statements audited by us.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated cash flows and consolidated changes in equity of the Group including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the Group and of its associate are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless

the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

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

### **AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

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.

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 financial 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 consolidated 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 the 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 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 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 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 or business activities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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.

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.

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 year 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

The consolidated financial statements include the Group's share of net profit of Rs. Nil for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of associate 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, in so far as it relates to the amounts and disclosures included in respect of this associate, 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 above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the branch auditors and other auditors and the financial statements / financial information certified by the Management.

#### **REPORTING ON COMPARATIVES IN CASE THE PREVIOUS YEAR WAS AUDITED BY THE PREDECESSOR AUDITOR**

The comparative financial statements of the Group for the year ended March 31, 2023 which includes its share of profit in its associate prepared in accordance with Ind AS included in these consolidated financial statement have been audited, by the predecessor auditor. The report of the predecessor auditor on these comparative financial statement dated May 20, 2022, expressed an unmodified opinion.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports on the separate financial statements of subsidiaries and its associate referred to in the Other Matters section above 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, returns and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive

loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a direct in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding company, subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
 

In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies the remuneration paid by the Holding Company and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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, as amended 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 of pending litigations on the consolidated financial position of the Group and its associate Refer Note 35 to the consolidated financial statements.
  - ii) The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - 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, associate companies incorporated in India.
  - iv) (a) The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and associate that, to the best of their knowledge and belief, other than as disclosed in the note 51 (g) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us, respectively that, to the best of their knowledge and belief, other than as disclosed in the note 51(g) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures performed that have been





considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- (d) The Holding Company and its subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.
- v) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Holding Company and

its subsidiaries and associate which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us of the companies include in the consolidated financial statements, we report that there are no qualifications or adverse remarks in the CARO reports of the said companies included in the consolidated financial statements.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W- 100018)

**Pallavi Sharma**

(Partner)

(Membership No. 113861)

(UDIN: 23113861BGXTS08381)

Place: Mumbai

Date: May 30, 2023

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 17(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated 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.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The respective Board of Directors of the Holding company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on "the internal control with reference to consolidated financial statements criteria established by the respective Companies 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 Companies Act, 2013.

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, which are companies incorporated in India, 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 Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with



reference to consolidated financial statements of the Holding Company, its subsidiary companies, which are companies incorporated in India.

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

A company's internal financial control with reference to consolidated 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 consolidated 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 CONSOLIDATED FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **OPINION**

In our opinion to the best of our information and according to the explanations given to us the Holding Company, its subsidiary companies, , which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on "the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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 Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W- 100018)

**(Pallavi Sharma)**

(Partner)

(Membership No. 113861)

(UDIN: 23113861BGXTS08381)

Place: Mumbai

Date: May 30, 2023

# CONSOLIDATED BALANCE SHEET

as at March 31, 2023

| Particulars   | Note No. | ₹ in Lacs               |                         |
|---|----------|-------------------------|-------------------------|
|   |          | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| <b>ASSETS</b>   |          |                         |                         |
| <b>Non-current assets</b>   |          |                         |                         |
| (a) Property, plant and equipment   | 4a(i)    | 1,338.15                | 1,507.99                |
| (b) Right of use Asset  | 4b       | 468.96                  | 305.73                  |
| (c) Goodwill on consolidation   | 5        | 370.99                  | 370.99                  |
| (d) Financial assets  |          |                         |                         |
| (i) Investments   | 6        | 775.83                  | 1,500.45                |
| (ii) Loans  | 7        | 12.50                   | 53.13                   |
| (iii) Other financial assets  | 8(i)     | 754.12                  | 116.63                  |
| (e) Deferred tax assets (net)   | 9        | 727.52                  | 758.46                  |
| (f) Non-current income tax assets (net)   | 10       | 2,320.68                | 1,224.36                |
| (g) Other non-current assets  | 11       | 12,781.95               | 12,251.70               |
| <b>Total non-current assets</b>   |          | <b>19,550.70</b>        | <b>18,089.44</b>        |
| <b>Current assets</b>   |          |                         |                         |
| (a) Inventories   | 12       | 19,568.98               | 21,896.50               |
| (b) Financial assets  |          |                         |                         |
| (i) Investments   | 13       | 265.33                  | 361.72                  |
| (ii) Trade receivables  | 14       | 15,238.26               | 11,319.93               |
| (iii) Cash and cash equivalents   | 15       | 2,221.08                | 1,233.05                |
| (iv) Bank balances other than (iii) above   | 16       | 1,022.20                | 9.53                    |
| (v) Loans   | 17       | 509.50                  | 403.09                  |
| (vi) Other financial assets   | 8(ii)    | 51.87                   | 953.75                  |
| (c) Contract assets   | 8(a)     | 634.32                  | 285.26                  |
| (d) Other current assets  | 18       | 10,358.99               | 13,305.63               |
| <b>Total current assets</b>   |          | <b>49,870.53</b>        | <b>49,768.46</b>        |
| <b>Total Assets</b>   |          | <b>69,421.23</b>        | <b>67,857.90</b>        |
| <b>EQUITY AND LIABILITIES</b>   |          |                         |                         |
| <b>Equity</b>   |          |                         |                         |
| (a) Equity share capital  | 19       | 2,022.61                | 2,022.61                |
| (b) Other equity  | 20       | 38,647.81               | 42,360.18               |
| <b>Equity attributable to owners of the Company</b>   |          | <b>40,670.42</b>        | <b>44,382.79</b>        |
| Non-controlling interests   |          | 58.63                   | 143.77                  |
| <b>Total equity</b>   |          | <b>40,729.05</b>        | <b>44,526.56</b>        |
| <b>Liabilities</b>  |          |                         |                         |
| <b>Non-current liabilities</b>  |          |                         |                         |
| (a) Financial liabilities   |          |                         |                         |
| (i) Lease liabilities   | 4b       | 213.20                  | 51.40                   |
| (b) Provisions  | 24       | 2.37                    | -                       |
| <b>Total non-current liabilities</b>  |          | <b>215.57</b>           | <b>51.40</b>            |
| <b>Current liabilities</b>  |          |                         |                         |
| (a) Financial liabilities   |          |                         |                         |
| (i) Short-term borrowings   | 21       | 10,049.86               | 4,517.17                |
| (ii) Trade payables   | 22       |                         |                         |
| (i) total outstanding dues of micro enterprises and small enterprises;                      |          | 383.76                  | 382.86                  |
| (ii) total outstanding dues of creditor other than micro enterprises and small enterprises; |          | 12,664.37               | 10,506.82               |
| (iii) Lease liabilities;  | 4b       | 197.53                  | 272.64                  |
| (iv) Other financial liabilities  | 23       | 8.47                    | 9.53                    |
| (b) Provisions  | 24       | 54.23                   | 44.74                   |
| (c) Other current liabilities   | 25       | 5,118.39                | 7,546.18                |
| <b>Total current liabilities</b>  |          | <b>28,476.61</b>        | <b>23,279.94</b>        |
| <b>Total Equity and Liabilities</b>   |          | <b>69,421.23</b>        | <b>67,857.90</b>        |

Significant Accounting Policies

1 to 3

See accompanying notes to the financial statements

4 to 54

As per our report of even date

For Deloitte Haskins &amp; Sells LLP

Chartered Accountants

Firm Registration No. 117366W/W-100018

For and on behalf of the Board of Directors

Pallavi Sharma

Partner

Membership No: 113861

Jeetendra Kapoor

(Chairman)

DIN: 00005345

Place: Mumbai

Shobha Kapoor

(Managing Director)

DIN: 00005124

Place: Mumbai

D.G. Rajan

(Audit Committee Chairman)

DIN: 00303060

Place: Chennai

Sanjay Dwivedi

(Group Chief Financial Officer)

Place: Mumbai

Place : Mumbai

Date : May 30, 2023

Abhishek Kumar

(Group Chief Executive Officer)

Place: Mumbai

Date: May 30, 2023

Tannu Sharma

(Group Head Secretarial)

Place: Mumbai



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

| Particulars   | Note No. | (₹ In Lacs)                          |                                      |
|---|----------|--------------------------------------|--------------------------------------|
|   |          | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
| <b>(I) INCOME</b>   |          |                                      |                                      |
| (a) Revenue from operations   | 26       | 59,296.45                            | 33,685.22                            |
| (b) Other Income  | 27       | 1,344.19                             | 732.04                               |
| <b>(II) Total income</b>  |          | <b>60,640.64</b>                     | <b>34,417.26</b>                     |
| <b>(III) EXPENSES</b>   |          |                                      |                                      |
| (a) Cost of Production / Acquisition and Telecast Fees  | 28(a)    | 52,785.72                            | 43,664.47                            |
| (b) Changes in inventories  | 28(b)    | (1,655.20)                           | (10,920.18)                          |
| (c) Marketing and distribution expenses   | 29       | 1,924.53                             | 3,439.86                             |
| (d) Employee benefits expense   | 30       | 2,812.80                             | 3,009.41                             |
| (e) Finance costs   | 31       | 1,037.19                             | 1,503.28                             |
| (f) Depreciation and amortization expense   | 32       | 815.90                               | 175.30                               |
| (g) Other expenses  | 33       | 5,338.72                             | 6,660.34                             |
| <b>(IV) Total expenses</b>  |          | <b>63,059.66</b>                     | <b>47,532.48</b>                     |
| <b>(V) Loss before share of net profit of associate and tax (II-IV)</b>                                 |          | <b>(2,419.02)</b>                    | <b>(13,115.22)</b>                   |
| <b>(VI) Share of profit of associate</b>  |          | -                                    | -                                    |
| <b>(VII) Loss before tax (V+VI)</b>   |          | <b>(2,419.02)</b>                    | <b>(13,115.22)</b>                   |
| <b>(VIII) Tax expense:</b>  | 34       |                                      |                                      |
| Current tax   |          | 1,350.00                             | 175.60                               |
| Deferred tax  |          | 29.74                                | 25.80                                |
| <b>Total tax expense</b>  |          | <b>1,379.74</b>                      | <b>201.40</b>                        |
| <b>(IX) Loss for the year (VII-VIII)</b>  |          | <b>(3,798.76)</b>                    | <b>(13,316.62)</b>                   |
| <b>(X) Other comprehensive income</b>   |          |                                      |                                      |
| Items that will not be reclassified to profit or loss   |          |                                      |                                      |
| Remeasurements of the post employment benefit obligations gain/(loss)                                   |          | 14.50                                | 4.97                                 |
| Gain from investments in equity instruments designated at fair value through other comprehensive income |          | 31.26                                | -                                    |
| Income tax on items that may be reclassified to profit or loss  |          | (1.20)                               | (0.30)                               |
| <b>Other comprehensive income for the year, net of tax</b>  |          | <b>44.56</b>                         | <b>4.67</b>                          |
| <b>(XI) Total comprehensive income for the year (IX+ X)</b>   |          | <b>(3,754.20)</b>                    | <b>(13,311.95)</b>                   |
| <b>(XII) Loss for the year attributable to :</b>  |          |                                      |                                      |
| - Owners of the Company   |          | (3,713.62)                           | (13,233.87)                          |
| - Non-controlling interest  |          | (85.14)                              | (82.75)                              |
| <b>(XIII) Other Comprehensive Income for the year attributable to :</b>                                 |          |                                      |                                      |
| - Owners of the Company   |          | 44.56                                | 4.67                                 |
| - Non-controlling interest  |          | -                                    | -                                    |
| <b>(XIV) Total comprehensive income for year attributable to : (XII+XIII)</b>                           |          |                                      |                                      |
| - Owners of the Company   |          | (3,669.06)                           | (13,229.20)                          |
| - Non-controlling interest  |          | (85.14)                              | (82.75)                              |
| <b>(XV) Earnings per share (in ₹)</b>   | 39       |                                      |                                      |
| - Basic Earnings per share  |          | (3.67)                               | (13.09)                              |
| - Diluted Earnings per share  |          | (3.67)                               | (13.08)                              |
| (Face value of ₹ 2 each)  |          |                                      |                                      |

Significant Accounting Policies

1 to 3

See accompanying notes to the financial statements

4 to 54

As per our report of even date

**For Deloitte Haskins & Sells LLP****Chartered Accountants**

Firm Registration No. 117366W/W-100018

**Pallavi Sharma****Partner**

Membership No: 113861

**For and on behalf of the Board of Directors****Jeetendra Kapoor****(Chairman)**

DIN: 00005345

Place: Mumbai

**D.G. Rajan****(Audit Committee Chairman)**

DIN: 00303060

Place: Chennai

**Shobha Kapoor****(Managing Director)**

DIN: 00005124

Place: Mumbai

**Sanjay Dwivedi****(Group Chief Financial Officer)**

Place: Mumbai

Place : Mumbai

Date : May 30, 2023

**Abhishek Kumar****(Group Chief Executive Officer)**

Place: Mumbai

Date: May 30, 2023

**Tannu Sharma****(Group Head Secretarial)**

Place: Mumbai

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

(₹ in Lacs)

| Particulars  | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                                |                                      |                                      |
| <b>Loss before tax</b>   | <b>(2,419.02)</b>                    | <b>(13,115.22)</b>                   |
| <i>Adjustments for:</i>  |                                      |                                      |
| Depreciation and amortization expense  | 1,037.19                             | 1,503.28                             |
| Finance Cost   | 815.90                               | 175.30                               |
| Bad debts written off  | -                                    | 35.49                                |
| Advances written off   | 11.07                                | 258.16                               |
| Write off/Loss on sale of Property, plant and equipment                      | 0.04                                 | 1.21                                 |
| Profit on Sale of Property, plant and equipment                              | (952.82)                             | -                                    |
| Net gains on financial assets measured at fair value through profit and loss | (10.02)                              | (57.20)                              |
| Profit on sale of investments  | (7.47)                               | -                                    |
| Discontinued shows written off   | -                                    | 561.56                               |
| Miscellaneous Income   | (1.16)                               | -                                    |
| Amortization of content  | 4,429.36                             | 9,641.47                             |
| Creditors / provision written back   | (11.48)                              | (312.59)                             |
| Unwinding of discount on security deposit                                    | (40.92)                              | (74.59)                              |
| Unrealized exchange gain   | 3.68                                 | -                                    |
| Employee share based payment expenses  | (44.25)                              | 469.43                               |
| Interest income  | (51.64)                              | (187.55)                             |
| Rent Concession  | (7.43)                               | (59.80)                              |
|  | 5,170.05                             | 11,954.17                            |
| <b>Operating Profit /(Loss) before working capital changes</b>               | <b>2,751.03</b>                      | <b>(1,161.05)</b>                    |
| <i>Adjustments for:</i>  |                                      |                                      |
| (Increase)/decrease in trade receivables                                     | (3,922.01)                           | 633.78                               |
| (Increase)/decrease in other current financial assets                        | (69.87)                              | 200.19                               |
| Decrease/(Increase) in other current assets                                  | 2,946.64                             | (2,230.31)                           |
| (Increase)/decrease in contract assets                                       | (349.06)                             | 315.03                               |
| Increase in non-current financial assets                                     | (762.53)                             | (1.05)                               |
| (Increase)/decrease in other non-current assets                              | (541.32)                             | 1,132.93                             |
| Increase in inventories  | (2,086.61)                           | (9,940.29)                           |
| Increase/(decrease) in trade payables  | 2,052.16                             | (4,813.52)                           |
| Decrease in other current financial liabilities                              | (1.06)                               | (0.60)                               |
| Increase/(decrease) in other current liabilities                             | (2,373.74)                           | 4,740.18                             |
|  | (5,107.40)                           | (9,963.66)                           |
| <b>Cash (used in) operations</b>   | <b>(2,356.36)</b>                    | <b>(11,124.71)</b>                   |
| Direct taxes paid  | (2,373.78)                           | (827.31)                             |
| <b>Net cash flow (used in) operating activities (A)</b>                      | <b>(4,730.15)</b>                    | <b>(11,952.02)</b>                   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                                |                                      |                                      |
| Payments for purchase of property, plant and equipment                       | (504.36)                             | (268.31)                             |
| Payment for acquisition of subsidiary, net of cash acquired                  | -                                    | (222.93)                             |
| Proceeds from sale of property, plant and equipment                          | 1,143.00                             | 40.00                                |
| Payments for purchase of current investments                                 | -                                    | (299.99)                             |
| Proceeds from sale of current investments                                    | 939.66                               | 2,794.43                             |
| Proceeds from sale of of non current investments                             | 735.87                               | -                                    |
| Interest income  | 4.05                                 | 68.13                                |
| Loans to employees and related parties (net)                                 | 40.63                                | (184.38)                             |
| Investment in Fixed Deposits with Banks                                      | (1,013.74)                           | -                                    |
| <b>Net cash generated from investing activities (B)</b>                      | <b>1,345.11</b>                      | <b>1,926.95</b>                      |



# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

(₹ in Lacs)

| Particulars   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                         |                                      |                                      |
| Loan taken from related party   | 4,684.72                             | 1,000.00                             |
| Repayment of loan taken from related party                            | -                                    | (1,000.00)                           |
| Borrowing taken under cash credit facility (net of repayment)         | 501.44                               | 4,496.38                             |
| Payment of principal portion of lease liability                       | (382.19)                             | (598.42)                             |
| Interest expenses on lease liability                                  | (37.57)                              | (44.39)                              |
| Interest and other finance charges paid                               | (393.33)                             | (103.78)                             |
| Dividend paid to Company's shareholders                               | -                                    | (202.26)                             |
| <b>Net cash generated from financing activities (C)</b>               | <b>4,373.06</b>                      | <b>3,547.53</b>                      |
| <b>Net Increase / (Decrease) in cash and cash equivalents (A+B+C)</b> | <b>988.03</b>                        | <b>(6,477.54)</b>                    |
| Cash and cash equivalents at the beginning of the year                | 1,233.05                             | 7,710.59                             |
| <b>Cash and cash equivalents at the end of the year</b>               | <b>2,221.08</b>                      | <b>1,233.05</b>                      |
| <b>D. NON-CASH FINANCING AND INVESTING ACTIVITIES</b>                 |                                      |                                      |
| Acquisition of right of use assets                                    | 604.58                               | 518.53                               |

## Components of cash and cash equivalents

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Cash and cash equivalents above comprise of</b>                        |                         |                         |
| (a) Cash on hand  | 25.61                   | 28.71                   |
| (b) Balances with banks-  |                         |                         |
| (i) In current accounts   | 2,174.89                | 1,152.58                |
| (ii) In deposit accounts with original maturity of less than three months | 20.58                   | 51.76                   |
| <b>Cash and cash equivalents at the end of the year</b>                   | <b>2,221.08</b>         | <b>1,233.05</b>         |

Significant Accounting Policies

1 to 3

See accompanying notes to the financial statements

4 to 54

As per our report of even date

**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**

Firm Registration No. 117366W/W-100018

**For and on behalf of the Board of Directors****Pallavi Sharma****Partner**

Membership No: 113861

**Jeetendra Kapoor****(Chairman)**

DIN: 00005345

Place: Mumbai

**Shobha Kapoor****(Managing Director)**

DIN: 00005124

Place: Mumbai

**D.G. Rajan****(Audit Committee Chairman)**

DIN: 00303060

Place: Chennai

**Sanjay Dwivedi****(Group Chief Financial Officer)**

Place: Mumbai

Place : Mumbai

Date : May 30, 2023

**Abhishek Kumar****(Group Chief Executive Officer)**

Place: Mumbai

Date: May 30, 2023

**Tannu Sharma****(Group Head Secretarial)**

Place: Mumbai

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

## A. Equity share capital (Refer Note 19)

| Particulars                                     | (₹ In Lacs)     |
|---|-----------------|
| <b>As at April 01, 2021</b>                     | <b>2,022.61</b> |
| Changes in equity share capital during the year | -               |
| <b>As at March 31, 2022</b>                     | <b>2,022.61</b> |
| Changes in equity share capital during the year | -               |
| <b>As at March 31, 2023</b>                     | <b>2,022.61</b> |

## B. Other Equity (Refer note 20)

| Particulars   | Attributable to owners of Balaji Telefilms Limited |                            |                    |                                   |                      | Non-controlling interest | Total              |
|---|--|----------------------------|--------------------|-----------------------------------|----------------------|--------------------------|--------------------|
|   | Reserves and surplus                               |                            |                    |                                   | Other equity (Total) |                          |                    |
|   | General Reserve                                    | Securities Premium Account | Retained earnings  | Share options outstanding account |                      |                          |                    |
| <b>Balance as at April 01, 2021</b>   | <b>5,133.10</b>                                    | <b>68,749.34</b>           | <b>(19,286.35)</b> | <b>726.12</b>                     | <b>55,322.21</b>     | -                        | <b>55,322.21</b>   |
| Loss for the year   | -  | -                          | (13,233.87)        | -                                 | (13,233.87)          | (82.75)                  | (13,316.62)        |
| Other comprehensive income for the year   | -  | -                          | 4.67               | -                                 | 4.67                 | -                        | 4.67               |
| <b>Total comprehensive income for the year</b>                                  | -  | -                          | <b>(13,229.20)</b> | -                                 | <b>(13,229.20)</b>   | <b>(82.75)</b>           | <b>(13,311.95)</b> |
| Transfer to retained earnings for forfeiture of employee share options (vested) | -  | -                          | 33.33              | (33.33)                           | -                    | -                        | -                  |
| Employee share options expense  | -  | -                          | -                  | 469.43                            | 469.43               | -                        | 469.43             |
| Pre-acquisition profit of the subsidiary  | -  | -                          | -                  | -                                 | -                    | 3.39                     | 3.39               |
| Minority's share in Reserves  | -  | -                          | -                  | -                                 | -                    | 223.13                   | 223.13             |
| Payment of dividends (Refer note 49)  | -  | -                          | (202.26)           | -                                 | (202.26)             | -                        | (202.26)           |
| <b>Balance as at March 31, 2022</b>   | <b>5,133.10</b>                                    | <b>68,749.34</b>           | <b>(32,684.48)</b> | <b>1,162.22</b>                   | <b>42,360.18</b>     | <b>143.77</b>            | <b>42,503.95</b>   |
| <b>Balance as at April 01, 2022</b>   | <b>5,133.10</b>                                    | <b>68,749.34</b>           | <b>(32,684.48)</b> | <b>1,162.22</b>                   | <b>42,360.18</b>     | <b>143.77</b>            | <b>42,503.95</b>   |
| Share issue costs   | -  | -                          | (0.88)             | -                                 | (0.88)               | -                        | (0.88)             |
| Loss for the year   | -  | -                          | (3,713.56)         | -                                 | (3,713.56)           | (85.14)                  | (3,798.70)         |
| Other comprehensive income for the year   | -  | -                          | 44.56              | -                                 | 44.56                | -                        | 44.56              |
| <b>Total comprehensive income for the year</b>                                  | -  | -                          | <b>(3,669.06)</b>  | -                                 | <b>(3,669.06)</b>    | <b>(85.14)</b>           | <b>(3,754.20)</b>  |
| Employee share options expense (Refer note 45)                                  | -  | -                          | -                  | (44.25)                           | (44.25)              | -                        | (44.25)            |
| <b>Balance as at March 31, 2023</b>   | <b>5,133.10</b>                                    | <b>68,749.34</b>           | <b>(36,352.60)</b> | <b>1,117.97</b>                   | <b>38,647.81</b>     | <b>58.63</b>             | <b>38,706.44</b>   |

Significant Accounting Policies

1 to 3

See accompanying notes to the financial statements

4 to 54

As per our report of even date

For Deloitte Haskins &amp; Sells LLP

Chartered Accountants

Firm Registration No. 117366W/W-100018

For and on behalf of the Board of Directors

Pallavi Sharma

Partner

Membership No: 113861

Jeetendra Kapoor

(Chairman)

DIN: 00005345

Place: Mumbai

Shobha Kapoor

(Managing Director)

DIN: 00005124

Place: Mumbai

D.G. Rajan

(Audit Committee Chairman)

DIN: 00303060

Place: Chennai

Sanjay Dwivedi

(Group Chief Financial Officer)

Place: Mumbai

Place: Mumbai

Date: May 30, 2023

Abhishek Kumar

(Group Chief Executive Officer)

Place: Mumbai

Date: May 30, 2023

Tannu Sharma

(Group Head Secretarial)

Place: Mumbai





## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### NOTE 1: BACKGROUND

Balaji Telefilms Limited (the 'Company') was incorporated on November 10, 1994 under the Companies Act, 2013. Balaji Telefilms Limited and its subsidiaries (the 'Group') and its associate entity has established themselves in the business of television content in India particularly for Hindi language content. The Group has also successfully ventured in the event business, production of films, B2C and B2B digital content business and operates a subscription based video on demand (SVOD) over the top (OTT) platform, distribution of films. Balaji Telefilms Limited along with its subsidiaries is hereafter referred to as Group. The registered office and principal place of business is at Andheri (West), Mumbai.

### NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

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

#### (a) Basis of preparation

- (i) 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) read along with [Companies (Indian Accounting Standards) Rules, 2015] as amended 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.

- (ii) 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

#### (iii) New amendments issued but not effective

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

- Ind AS 101 – First time adoption of Indian Accounting Standard
- Ind AS 102 – Share-based Payment
- Ind AS 103 – Business Combinations
- Ind AS 107 – Financial Instruments Disclosures
- Ind AS 109 – Financial Instruments
- Ind AS 115 – Revenue from Contracts with Customers
- Ind AS 1 - Presentation of Financial Statements
- Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 12 - Income Taxes
- Ind AS 34 – Interim Financial Reporting

These amendments are not expected to have a material impact on the Group.

## **NOTES**

forming part of consolidated financial statements for the year ended March 31, 2023

### **(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 the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

#### **(ii) Associates**

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognized at cost.

#### **(iii) Equity Method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interests in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

### **(c) Segment Reporting**

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

### **(d) Foreign Currency Translation**

#### **(i) Functional and presentation currency**

Items included in the financial statements of the Group are measured using the



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

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 Group's functional and presentation currency.

(ii) Transactions and balances

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

**(e) Revenue Recognition**

The Group derives revenue from producing television programs, Internet series, sale or licensing movie rights, delivering events to its customers, distribution of films, service fees for content development and licensing and subscription of its content to its customers. Some of the contracts include multiple deliverables, such as promises to provide a library of content at inception as well as content updates over the term. The Group identifies and evaluates each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

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

Revenue from sale and licensing of movies - The Group evaluates if a license represents a right to access the content (revenue recognized over time) or represents a right to use the content (revenue recognized at a point in time). The Group has determined that most license revenues are satisfied at a point in time considering 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 generated 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

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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.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Group generates taxable income. Management periodically evaluates

positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

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

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

**(h) Leases:**

As a lessee

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group except for short term leases and leases



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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 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 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.

As a lessor

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

### (i) Cash and Cash Equivalents

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

### (j) Inventories

The Group does 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.

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

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

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Original internet series are amortised on an accelerated basis considering the expected pattern of realization of economic benefits and the expected viewing pattern associated with the content. The amortization begins when the series/episodes is launched on the Group's OTT platform.

For acquired internet series and film rights, amortization is done on straight line basis over the period of the license.

For music, amortization starts when songs are being featured and utilized in Internet series till the end of license period.

For any additional cost incurred to acquire an item of inventory after its launch date, accelerated amortization is provided on an episodic basis from the original launch date of the particular episode in the month of the additional cost being incurred.

Dubbing and Subtitling costs are charged to the Statement of Profit and Loss as and when incurred.

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

### (k) Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at the fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate method, less loss allowance

### (l) Financial Instruments

#### (i) Financial Assets

##### **Classification:**

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

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



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- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

### **Impairment of Financial Assets**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 47 details how the Group determines whether there has been a significant increase in credit risk.

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

### **De-recognition of Financial Assets**

A financial asset is de-recognised only when

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

Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such

cases, the financial asset is derecognized. 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 amortized 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 derecognized 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

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

### (n) Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized 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 amortization and accumulated impairment, if any.

Goodwill on consolidation is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually.

#### (ii) Amortization methods and periods

The Group amortizes 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





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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 and 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 Management's 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. 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.

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

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

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

Defined contribution plans:

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

**(s) Share-Based Payment**

Share-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 JUDGEMENTS**

The preparation of financial statements requires the use of accounting estimates which, by definition, will



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seldom equal the actual results. This note provides an overview of the areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Detailed information about each of these estimates and judgements 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 judgements are:

### **Estimated useful life of Property, Plant and Equipment /Intangible Assets**

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

### **Estimation of Current Tax Expense and Income Tax Payable / Receivable**

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

### **Estimation of Defined Benefit Obligation**

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

changes in these assumptions. All assumptions are reviewed at each reporting date.

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

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

### **Estimation of Contingent Liabilities**

The Group exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement 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

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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 liabilities 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 group engages third party qualified valuer to establish the appropriate techniques and input to valuation model. Information about the valuation techniques used in determining the fair value of various assets are disclosed in Note 46.

### **Determination of Lease Term**

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

### **Fair valuation:**

Some of the Company's assets and liability are measured at fair value for financial reporting purpose. In estimating the fair value of an asset and liability Company uses market observable data to the extent available. When Level 1 inputs are not available, the company engages third party qualified valuer to establish the appropriate techniques and input to valuation model. Information about the valuation techniques used in determining the fair value of various assets are disclosed in note 43.

### **Impairment assessment of Investments carried at cost:**

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

### **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 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.

### **Estimation of pattern of amortization of original web series:**

The Group 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 is change in amortization of content in future periods on a prospective basis.

Estimates and judgements 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.



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### NOTE 4(a)(i) PROPERTY, PLANT AND EQUIPMENT & CAPITAL WORK-IN-PROGRESS

| Description of Assets                                | (₹ In Lacs)          |                   |                              |                   |                 |                        |                   |                     |                         |                    |                                 |
|--|----------------------|-------------------|------------------------------|-------------------|-----------------|------------------------|-------------------|---------------------|-------------------------|--------------------|---------------------------------|
|  | 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 (CWIP) |
| <b>I. GROSS CARRYING AMOUNT</b>                      |                      |                   |                              |                   |                 |                        |                   |                     |                         |                    |                                 |
| Balance as at April 01, 2022                         | 472.57               | 1,548.91          | 2,665.35                     | 9,034.62          | 1,167.29        | 354.72                 | 599.50            | 109.80              | 512.89                  | 16,465.65          | -                               |
| Additions  | -                    | 52.91             | -                            | -                 | -               | -                      | 5.78              | -                   | -                       | 58.69              | 570.30                          |
| Disposals  | (235.75)             | (386.19)          | (1,604.48)                   | (5,718.60)        | (73.31)         | -                      | (4.50)            | -                   | (197.98)                | (8,220.80)         | -                               |
| Transfer from CWIP                                   | -                    | -                 | -                            | 570.30            | -               | -                      | -                 | -                   | -                       | 570.30             | (570.30)                        |
| <b>Balance as at March 31, 2023</b>                  | <b>236.82</b>        | <b>1,215.64</b>   | <b>1,060.87</b>              | <b>3,886.32</b>   | <b>1,093.98</b> | <b>354.72</b>          | <b>600.78</b>     | <b>109.80</b>       | <b>314.91</b>           | <b>8,874.07</b>    |                                 |
| <b>II. ACCUMULATED DEPRECIATION</b>                  |                      |                   |                              |                   |                 |                        |                   |                     |                         |                    |                                 |
| Balance as at April 01, 2022                         | (136.34)             | (1,488.67)        | (2,361.15)                   | (8,630.56)        | (872.75)        | (333.30)               | (525.56)          | (96.44)             | (512.89)                | (14,957.66)        | -                               |
| Depreciation expense                                 | (7.74)               | (34.25)           | (63.36)                      | (386.72)          | (84.52)         | (5.12)                 | (23.39)           | (2.14)              | -                       | (607.24)           | -                               |
| Disposals  | 85.61                | 386.19            | 1,604.48                     | 5,676.98          | 73.27           | -                      | 4.50              | -                   | 197.98                  | 8,028.98           | -                               |
| <b>Balance as at March 31, 2023</b>                  | <b>(58.47)</b>       | <b>(1,136.73)</b> | <b>(820.03)</b>              | <b>(3,340.30)</b> | <b>(884.00)</b> | <b>(338.42)</b>        | <b>(544.45)</b>   | <b>(98.58)</b>      | <b>(314.91)</b>         | <b>(7,535.92)</b>  | -                               |
| <b>III. NET CARRYING AMOUNT AS AT MARCH 31, 2023</b> | <b>178.35</b>        | <b>78.93</b>      | <b>240.84</b>                | <b>546.02</b>     | <b>209.98</b>   | <b>16.30</b>           | <b>56.27</b>      | <b>11.22</b>        | <b>-</b>                | <b>1,338.15</b>    | <b>-</b>                        |
| <b>I. Gross Carrying Amount</b>                      |                      |                   |                              |                   |                 |                        |                   |                     |                         |                    |                                 |
| Balance as at April 01, 2021                         | 472.57               | 1,515.48          | 2,638.01                     | 8,861.98          | 1,385.29        | 354.72                 | 577.88            | 96.52               | 512.89                  | 16,415.34          | -                               |
| Additions  | -                    | 33.43             | 27.34                        | -                 | -               | -                      | 21.62             | 13.28               | -                       | 95.67              | 172.64                          |
| Disposals  | -                    | -                 | -                            | -                 | (218.00)        | -                      | -                 | -                   | -                       | (218.00)           | -                               |
| Transfer from CWIP                                   | -                    | -                 | -                            | 172.64            | -               | -                      | -                 | -                   | -                       | 172.64             | (172.64)                        |
| <b>Balance as at March 31, 2022</b>                  | <b>472.57</b>        | <b>1,548.91</b>   | <b>2,665.35</b>              | <b>9,034.62</b>   | <b>1,167.29</b> | <b>354.72</b>          | <b>599.50</b>     | <b>109.80</b>       | <b>512.89</b>           | <b>16,465.65</b>   | <b>-</b>                        |
| <b>II. Accumulated Depreciation</b>                  |                      |                   |                              |                   |                 |                        |                   |                     |                         |                    |                                 |
| Balance as at April 01, 2021                         | (128.44)             | (1,439.07)        | (2,273.70)                   | (8,108.12)        | (936.97)        | (327.99)               | (498.12)          | (94.15)             | (512.89)                | (14,319.45)        | -                               |
| Depreciation expense                                 | (7.90)               | (49.60)           | (87.45)                      | (522.44)          | (112.57)        | (5.31)                 | (27.44)           | (2.29)              | -                       | (815.00)           | -                               |
| Disposals  | -                    | -                 | -                            | -                 | 176.79          | -                      | -                 | -                   | -                       | 176.79             | -                               |
| <b>Balance as at March 31, 2022</b>                  | <b>(136.34)</b>      | <b>(1,488.67)</b> | <b>(2,361.15)</b>            | <b>(8,630.56)</b> | <b>(872.75)</b> | <b>(333.30)</b>        | <b>(525.56)</b>   | <b>(96.44)</b>      | <b>(512.89)</b>         | <b>(14,957.66)</b> | <b>-</b>                        |
| <b>III. NET CARRYING AMOUNT AS AT MARCH 31, 2022</b> | <b>336.23</b>        | <b>60.24</b>      | <b>304.20</b>                | <b>404.06</b>     | <b>294.54</b>   | <b>21.42</b>           | <b>73.94</b>      | <b>13.36</b>        | <b>-</b>                | <b>1,507.99</b>    | <b>-</b>                        |

#### 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.
- Refer Note 21 for information on Group's premises mortgage as security by the Group.
- Note 4(a)(ii) other Intangible assets (Computer software) Refer Next page

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

## Note 4(a)(ii) Other Intangible assets (Computer software)

| (₹ in Lacs)  |            |
|--|------------|
| Description of Assets                                | Total      |
| <b>I. Gross Carrying Amount</b>                      |            |
| <b>Balance as at April 1, 2022</b>                   | 1,182.13   |
| Additions  | -          |
| Disposals  | -          |
| <b>Balance as at March 31, 2023</b>                  | 1,182.13   |
| <b>II. Accumulated Depreciation</b>                  |            |
| <b>Balance as at April 1, 2022</b>                   | (1,182.13) |
| Amortisation expense                                 | -          |
| Disposals  | -          |
| <b>Balance as at March 31, 2023</b>                  | (1,182.13) |
| <b>III. Net Carrying Amount as at March 31, 2023</b> | -          |
| <b>I. Gross Carrying Amount</b>                      |            |
| <b>Balance as at April 1, 2021</b>                   | 1,182.13   |
| Additions  | -          |
| <b>Balance as at March 31, 2022</b>                  | 1,182.13   |
| <b>II. Accumulated Depreciation</b>                  |            |
| <b>Balance as at April 1, 2021</b>                   | (1,181.10) |
| Amortisation expense                                 | (1.03)     |
| <b>Balance as at March 31, 2022</b>                  | (1,182.13) |
| <b>III. Net Carrying Amount as at March 31, 2022</b> | -          |

## NOTE 4(b): LEASES

## (i) Amounts recognized in balance sheet

## Right-of-use Asset (ROU)

| (₹ in Lacs)               |                         |                         |
|---------------------------|-------------------------|-------------------------|
| Particulars               | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| <b>Right-of-use Asset</b> |                         |                         |
| Premises                  | 468.96                  | 305.73                  |
| <b>Total</b>              | <b>468.96</b>           | <b>305.73</b>           |

**Note :** The Group's significant long term leasing arrangements includes Office space and Studio.

The balance sheet shows the following amounts relating to right-of-use assets and movement during the year:

| (₹ in Lacs)                            |               |
|--|---------------|
| Particulars                            | Amount        |
| <b>Balance as on April 01, 2021</b>    | <b>472.97</b> |
| Add: Additions during the year         | 518.53        |
| Add: Present value of security deposit | 1.48          |
| Less: Amortization during the year     | (687.25)      |
| <b>Balance as on March 31, 2022</b>    | <b>305.73</b> |
| <b>Balance as on April 01, 2022</b>    | <b>305.73</b> |
| Add: Additions during the year         | 604.58        |
| Less: Disposals during the year        | (11.39)       |
| Less: Amortization during the year     | (429.96)      |
| <b>Balance as of March 31, 2023</b>    | <b>468.96</b> |



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### Lease liabilities

The following is the break-up of current and non-current lease liabilities as at year end.

(₹ in Lacs)

| Particulars                   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-------------------------------|-------------------------|-------------------------|
| Current Lease liabilities     | 197.53                  | 272.64                  |
| Non-current lease liabilities | 213.20                  | 51.40                   |
| <b>Total</b>                  | <b>410.73</b>           | <b>324.04</b>           |

The following is the carrying amounts of lease liabilities and the movements during the year:

(₹ in Lacs)

| Particulars                                      | Amount        |
|--|---------------|
| <b>Balance as on April 01, 2021</b>              | <b>463.73</b> |
| Add: Additions during the year                   | 518.53        |
| Add: Interest for the year                       | 44.39         |
| Less: Lease payments made during the year        | (642.81)      |
| Less: Lease concessions received during the year | (59.80)       |
| <b>Balance as on March 31, 2022</b>              | <b>324.04</b> |
| <b>Balance as on April 01, 2022</b>              | <b>324.04</b> |
| Add: Additions during the year                   | 479.55        |
| Add: Interest for the year                       | 37.56         |
| Less: Lease payments made during the year        | (418.04)      |
| Less: Lease concessions received during the year | (12.37)       |
| <b>Balance as of March 31, 2023</b>              | <b>410.73</b> |

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

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

(₹ in Lacs)

| Particulars   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| <b>Amortisation charge on right-of-use assets (Refer note 31)</b> |                                      |                                      |
| Premises  |                                      |                                      |
| - Studio  | 200.73                               | 390.28                               |
| - Office Space  | 229.22                               | 296.97                               |
| <b>Total</b>  | <b>429.95</b>                        | <b>687.25</b>                        |

(₹ in Lacs)

| Particulars  | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| <b>Interest expense (included in finance cost) (Refer note 32)</b> |                                      |                                      |
| Interest on lease liability  | 37.32                                | 44.39                                |
| <b>Total</b>   | <b>37.32</b>                         | <b>44.39</b>                         |

The total cash outflow for leases for the year ended March 31, 2023 was ₹ 418.04 lacs (for the year ended 31 March 2022 : ₹ 642.81 lacs).

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

(iii) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

| Particulars        | (₹ in Lacs)             |                         |
|--------------------|-------------------------|-------------------------|
|                    | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Less than one year | 273.64                  | 243.60                  |
| One to five years  | 221.46                  | 51.40                   |
| <b>Total</b>       | <b>495.11</b>           | <b>295.00</b>           |

## NOTE 5 GOODWILL ON CONSOLIDATION

| Description of Assets                                | (₹ in Lacs)                  |               |
|--|------------------------------|---------------|
|  | Goodwill<br>on consolidation |               |
| <b>I. Gross Carrying Amount</b>                      |                              |               |
| Balance as at April 01, 2021                         |                              | 146.91        |
| Additions  |                              | 224.08        |
| <b>Balance as at March 31, 2022</b>                  |                              | <b>370.99</b> |
| <b>II. Accumulated Depreciation</b>                  |                              |               |
| Balance as at April 01, 2021                         |                              | -             |
| Amortization expense                                 |                              | -             |
| <b>Balance as at March 31, 2022</b>                  |                              | <b>-</b>      |
| <b>III. Net Carrying Amount as at March 31, 2022</b> |                              | <b>370.99</b> |
| <b>I. Gross Carrying Amount</b>                      |                              |               |
| Balance as at April 01, 2022                         |                              | 370.99        |
| Additions  |                              | -             |
| Disposals  |                              | -             |
| <b>Balance as at March 31, 2023</b>                  |                              | <b>370.99</b> |
| <b>II. Accumulated Depreciation</b>                  |                              |               |
| Balance as at April 01, 2022                         |                              | -             |
| Amortization expense                                 |                              | -             |
| Disposals  |                              | -             |
| <b>Balance as at March 31, 2023</b>                  |                              | <b>-</b>      |
| <b>III. Net Carrying Amount as at March 31, 2023</b> |                              | <b>370.99</b> |

## NOTE 6 NON-CURRENT INVESTMENTS

| Particulars  | (₹ In Lacs)          |               |                      |                 |
|--|----------------------|---------------|----------------------|-----------------|
|  | As at March 31, 2023 |               | As at March 31, 2022 |                 |
| (1) Investment in associate (unquoted) (at cost)   |                      |               |                      |                 |
| (i) IPB Capital Advisors LLP   | 0.45                 |               | 0.45                 |                 |
| Add: Group's share of net profit for the year  | -                    | 0.45          | -                    | 0.45            |
| (2) Investment in fully paid equity shares (unquoted) in B.D Inno Ventures Private Limited (carried at fair value through OCI) |                      |               |                      |                 |
| 159 shares (Previous year 314) of ₹ 10 each  | 775.38               | 775.38        | 1,500.00             | 1,500.00        |
| <b>Aggregate carrying value of unquoted investments</b>  |                      | <b>775.83</b> |                      | <b>1,500.45</b> |
| <b>Aggregate amount of impairment in the value of investments</b>  |                      | <b>-</b>      |                      | <b>-</b>        |





## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### NOTE 7 LOANS (NON-CURRENT)

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Loan to Key Managerial Personnel (Unsecured) (Refer Note 17 and 37) | 12.50                   | 53.13                   |
| <b>Total</b>  | <b>12.50</b>            | <b>53.13</b>            |

### NOTE 8 OTHER FINANCIAL ASSETS

(₹ in Lacs)

| Particulars                             | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>(i) Non-current financial assets</b> |                         |                         |
| Unsecured, Considered good              |                         |                         |
| Security deposits *                     | 754.12                  | 116.63                  |
| <b>Total</b>                            | <b>754.12</b>           | <b>116.63</b>           |
| <b>(ii) Current financial assets</b>    |                         |                         |
| Unsecured, Considered good              |                         |                         |
| (a) Other Receivables                   | 8.00                    | 179.09                  |
| (b) Security deposits                   | 43.87                   | 774.66                  |
| <b>Total</b>                            | <b>51.87</b>            | <b>953.75</b>           |

\* Non Current Security Deposits includes deposits (undiscounted) given to three directors of the Group amounting to ₹ 615.00 Lacs (Previous year ₹ 622.50 Lacs - Current Security Deposits) for the properties taken on lease from them.

#### Note 8(a) Contract assets

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| Contract assets relating to commissioned television programs # | 634.32                  | 285.26                  |
| <b>Total</b>   | <b>634.32</b>           | <b>285.26</b>           |

# The above contract assets as at the balance sheet date are not due.

### NOTE 9 DEFERRED TAX ASSETS (NET)

(₹ in Lacs)

| Particulars                                   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Deferred tax assets</b>                    |                         |                         |
| Depreciation on property, plant and equipment | 707.89                  | 748.74                  |
| ROU & Lease Liabilities (Net)                 | -                       | 2.48                    |
| Others  | 13.29                   | 10.42                   |
| Security deposits                             | 21.73                   | -                       |
| Carried forward tax losses                    | 0.20                    | -                       |
|   | <b>743.11</b>           | <b>761.64</b>           |
| <b>Deferred tax liabilities</b>               |                         |                         |
| Fair valuation of investments                 | (0.20)                  | 3.18                    |
| ROU & Lease Liabilities (Net)                 | (15.38)                 | -                       |
|   | <b>(15.58)</b>          | <b>3.18</b>             |
| <b>Deferred tax asset (Net)</b>               | <b>727.52</b>           | <b>758.46</b>           |

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

## (i) Movement in deferred tax balances

(₹ in Lacs)

| Particulars  | As at March 31, 2023 |                                       |                            |                 |
|--|----------------------|---------------------------------------|----------------------------|-----------------|
|  | Opening Balance      | Charged/ (Credited) to profit or loss | Charged/ (Credited) to OCI | Closing Balance |
| <b>Tax effect of items constituting deferred tax liabilities</b> |                      |                                       |                            |                 |
| Fair value of investments  | 3.18                 | (3.18)                                | -                          | -               |
| ROU & Lease Liabilities (Net)                                    | (2.48)               | (17.86)                               | -                          | 15.38           |
|  | <b>0.70</b>          | <b>14.68</b>                          | <b>-</b>                   | <b>15.38</b>    |
| <b>Tax effect of items constituting deferred tax assets</b>      |                      |                                       |                            |                 |
| Depreciation on property, plant and equipment                    | 748.74               | 40.86                                 | -                          | 707.88          |
| Others   | 10.42                | (25.80)                               | 1.20                       | 35.02           |
|  | <b>759.16</b>        | <b>15.06</b>                          | <b>1.20</b>                | <b>742.90</b>   |
| <b>Net deferred tax asset (net)</b>                              | <b>758.46</b>        | <b>29.74</b>                          | <b>1.20</b>                | <b>727.52</b>   |

(₹ in Lacs)

| Particulars  | As at March 31, 2022 |                                       |                            |                 |
|--|----------------------|---------------------------------------|----------------------------|-----------------|
|  | Opening Balance      | Charged/ (Credited) to profit or loss | Charged/ (Credited) to OCI | Closing Balance |
| <b>Tax effect of items constituting deferred tax liabilities</b> |                      |                                       |                            |                 |
| Fair value of investments  | 32.94                | (29.76)                               | -                          | 3.18            |
|  | <b>32.94</b>         | <b>(29.76)</b>                        | <b>-</b>                   | <b>3.19</b>     |
| <b>Tax effect of items constituting deferred tax assets</b>      |                      |                                       |                            |                 |
| Depreciation on property, plant and equipment                    | 749.42               | 0.68                                  | -                          | 748.74          |
| Loss allowance on financial assets                               | 73.26                | 73.26                                 |                            | -               |
| ROU & Lease Liabilities (Net)                                    | (9.42)               | (11.90)                               |                            | 2.48            |
| Others   | 4.24                 | (6.48)                                | 0.30                       | 10.42           |
|  | <b>817.50</b>        | <b>55.56</b>                          | <b>0.30</b>                | <b>761.64</b>   |
| <b>Net deferred tax asset (Net)</b>                              | <b>784.56</b>        | <b>25.80</b>                          | <b>0.30</b>                | <b>758.46</b>   |

## NOTE 10 NON-CURRENT INCOME TAX ASSETS (NET)

(₹ in Lacs)

| Particulars  | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Advance Tax (Provision netted off of ₹ 4,516.11 Lacs (previous year: ₹ 3,166.11 Lacs)) | 2,320.69             | 1,224.36             |
| <b>Total</b>   | <b>2,320.69</b>      | <b>1,224.36</b>      |

## NOTE 11 OTHER NON-CURRENT ASSETS

(₹ in Lacs)

| Particulars  | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Balances with government authorities                             | 7,817.41             | 7,375.17             |
| Advance to vendors (considered good – unsecured) (Refer note 43) | 4,964.54             | 4,876.53             |
| <b>Total</b>   | <b>12,781.95</b>     | <b>12,251.70</b>     |



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### NOTE 12 INVENTORIES

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Cost or Net realisable value, whichever is lower</b> |                         |                         |
| <b>Finished</b>   |                         |                         |
| Internet series   | 1,988.18                | 6,192.80                |
| <b>Work in process</b>                                  |                         |                         |
| Films   | 15,927.14               | 14,271.94               |
| Internet Programs                                       | 1,653.66                | 1,431.76                |
| <b>Total</b>  | <b>19,568.98</b>        | <b>21,896.50</b>        |

### NOTE 13 CURRENT INVESTMENTS (UNQUOTED)

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Investment in mutual funds (Non trade) (Unquoted)</b>            | 265.33                  | 361.72                  |
| (measured at fair value through profit and loss)                    |                         |                         |
| HDFC Liquid Fund (Regular-Growth) @ ₹ 10 Face Value                 |                         |                         |
| Number of units - Nil (Previous year - 2976.184 units)              |                         |                         |
| HDFC Ultra Short Term Fund (Regular-Growth) @ ₹ 10 Face Value       |                         |                         |
| Number of units - 20,53,349.04 (Previous year - 19,39,798.44 units) |                         |                         |
| <b>Aggregate amount of unquoted investments</b>                     | <b>265.33</b>           | <b>361.72</b>           |

### NOTE 14 TRADE RECEIVABLES

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| Trade receivables - billed                                       | 13,123.15               | 10,933.40               |
| Trade receivables - Unbilled*                                    | 2,513.83                | 658.62                  |
| Receivables from Related Party                                   | (73.96)                 | -                       |
| Less: Loss allowance   | (324.76)                | (272.09)                |
| <b>Total Receivables</b>   | <b>15,238.26</b>        | <b>11,319.93</b>        |
| <b>Break-up of trade receivables</b>                             |                         |                         |
| Trade receivables considered good – Secured                      | -                       | -                       |
| Trade receivables considered good – Unsecured                    | 15,563.02               | 11,592.02               |
| Trade receivables which have significant increase in credit risk | -                       | -                       |
| Trade receivables – credit impaired                              | -                       | -                       |
| <b>Total</b>   | <b>15,563.02</b>        | <b>11,592.02</b>        |
| Less: Loss allowance   | (324.76)                | (272.09)                |
| <b>Total</b>   | <b>15,238.26</b>        | <b>11,319.93</b>        |

\* The receivable is unbilled because the Group has not yet issued an invoice, however the balance has been included under trade receivables because it is an unconditional right to consideration.

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

## Ageing as at March 31, 2023

(₹ in Lacs)

| Particulars                                    | Outstanding for following periods from due date |                 |                    |                    |               |              |                   | Total            |
|--|---|-----------------|--------------------|--------------------|---------------|--------------|-------------------|------------------|
|  | Unbilled  | Not Due         | Less than 6 months | 6 months to 1 year | 1-2 years     | 2-3 years    | More than 3 years |                  |
| <b>(i) Undisputed trade receivables</b>        |   |                 |                    |                    |               |              |                   |                  |
| Considered good                                | 2,513.83  | 9,466.33        | 1,877.65           | 751.79             | 628.67        | -            | 143.77            | 15,302.04        |
| Which have significant increase in credit risk | -   | -               | -                  | -                  | -             | -            | -                 | -                |
| Credit impaired                                | -   | -               | -                  | -                  | -             | -            | -                 | -                |
| <b>(ii) Disputed trade receivables</b>         |   |                 |                    |                    |               |              |                   |                  |
| Considered good                                | -   | -               | -                  | -                  | 52.67         | 69.39        | 58.92             | 180.98           |
| Which have significant increase in credit risk | -   | -               | -                  | -                  | -             | -            | -                 | -                |
| Credit impaired                                | -   | -               | -                  | -                  | -             | -            | -                 | -                |
| <b>Total</b>                                   | <b>2,513.83</b>                                 | <b>9,466.33</b> | <b>1,877.65</b>    | <b>751.79</b>      | <b>681.34</b> | <b>69.39</b> | <b>202.69</b>     | <b>15,563.02</b> |

## Ageing as at March 31, 2022

(₹ in Lacs)

| Particulars                                    | Outstanding for following periods from due date |                 |                    |                    |              |               |                   | Total            |
|--|---|-----------------|--------------------|--------------------|--------------|---------------|-------------------|------------------|
|  | Unbilled  | Not Due         | Less than 6 months | 6 months to 1 year | 1-2 years    | 2-3 years     | More than 3 years |                  |
| <b>(i) Undisputed trade receivables</b>        |   |                 |                    |                    |              |               |                   |                  |
| Considered good                                | 658.62  | 9,869.27        | 659.06             | 52.32              | 80.57        | 128.41        | 143.77            | 11,592.02        |
| Which have significant increase in credit risk | -   | -               | -                  | -                  | -            | -             | -                 | -                |
| Credit impaired                                | -   | -               | -                  | -                  | -            | -             | -                 | -                |
| <b>(ii) Disputed trade receivables</b>         |   |                 |                    |                    |              |               |                   |                  |
| Considered good                                | -   | -               | -                  | -                  | -            | -             | -                 | -                |
| Which have significant increase in credit risk | -   | -               | -                  | -                  | -            | -             | -                 | -                |
| Credit impaired                                | -   | -               | -                  | -                  | -            | -             | -                 | -                |
| <b>Total</b>                                   | <b>658.62</b>                                   | <b>9,869.27</b> | <b>659.06</b>      | <b>52.32</b>       | <b>80.57</b> | <b>128.41</b> | <b>143.77</b>     | <b>11,592.02</b> |



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### NOTE 15 CASH AND CASH EQUIVALENTS

(₹ in Lacs)

| Particulars   | As at           |                 |
|---|-----------------|-----------------|
|   | March 31, 2023  | March 31, 2022  |
| (a) Cash on hand  | 25.61           | 28.71           |
| (b) Balances with banks-  |                 |                 |
| (i) In current accounts   | 2,174.89        | 1,152.58        |
| (ii) In deposit accounts with original maturity of less than three months | 20.58           | 51.76           |
| <b>Total</b>  | <b>2,221.08</b> | <b>1,233.05</b> |

### NOTE 16 OTHER BALANCES WITH BANKS

(₹ in Lacs)

| Particulars                | As at           |                |
|----------------------------|-----------------|----------------|
|                            | March 31, 2023  | March 31, 2022 |
| Fixed Deposits with Banks* | 1,013.74        | -              |
| Unpaid dividend accounts   | 8.46            | 9.53           |
| <b>Total</b>               | <b>1,022.20</b> | <b>9.53</b>    |

\* Refer Note 21 for information on Collateral charge created by the Company on Fixed Deposits.

Amount of Fixed Deposits includes Accrued Interest of ₹ 2.74 Lacs (Previous year : Nil)

### NOTE 17 LOANS (CURRENT)

(₹ in Lacs)

| Particulars                                       | As at          |                |
|---|----------------|----------------|
|   | March 31, 2023 | March 31, 2022 |
| <b>Loans to related parties (Unsecured)</b>       |                |                |
| Loan given to related party (Refer Note 37)       | 472.00         | 365.59         |
| Loans to Key managerial personnel (Refer Note 37) | 37.50          | 37.50          |
| <b>Total</b>                                      | <b>509.50</b>  | <b>403.09</b>  |

Details of loans and advances in the nature of loans granted to Key Managerial Person and related parties (as defined under Companies Act, 2013):

(₹ in Lacs)

| Particulars   | As at March 31, 2023                       |                     | As at March 31, 2022                       |                     |
|---|--|---------------------|--|---------------------|
|   | Amount Outstanding (Current & Non Current) | % to the total loan | Amount Outstanding (Current & Non Current) | % to the total loan |
| <b>a) With specific terms and period of repayment</b> |  |                     |  |                     |
| -Key Managerial Personnel                             | 50.00                                      | 9.58                | 90.63                                      | 19.87               |
| <b>b) Amounts repayable on demand</b>                 |  |                     |  |                     |
| -Subsidiary Companies                                 | 472.00                                     | 90.42               | 365.59                                     | 80.13               |

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

## NOTE 18 OTHER CURRENT ASSETS

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>(unsecured considered good, unless otherwise stated)</b> |                         |                         |
| Prepaid expenses  | 71.94                   | 54.80                   |
| Balances with government authorities                        | 4,581.35                | 3,930.82                |
| Advance to vendors  | 5,466.24                | 8,885.15                |
| Gratuity Fund Asset   | 12.62                   | -                       |
| Others receivables  | 226.84                  | 434.86                  |
| <b>Total</b>  | <b>10,358.99</b>        | <b>13,305.63</b>        |

## NOTE 19 EQUITY SHARE CAPITAL

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>(a) Authorized</b>   |                         |                         |
| 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                  |
|   | <b>3,600.00</b>         | <b>3,600.00</b>         |
| <b>(b) Issued, Subscribed and fully paid-up</b>                         |                         |                         |
| 10,11,30,443 (Previous year 10,11,30,443) Equity shares of ₹ 2/- each   | 2,022.61                | 2,022.61                |
| <b>Total</b>  | <b>2,022.61</b>         | <b>2,022.61</b>         |

## Notes :

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

| Name of shareholder         | As at March 31, 2023 |              | As at March 31, 2022 |              |
|-----------------------------|----------------------|--------------|----------------------|--------------|
|                             | Number of shares     | % of Holding | Number of shares     | % of Holding |
| Reliance Industries Limited | 2,52,00,000          | 24.92        | 2,52,00,000          | 24.92        |
| Ektaa R. Kapoor             | 1,84,33,254          | 18.23        | 1,84,33,254          | 18.23        |
| Shobha Kapoor               | 1,10,08,850          | 10.89        | 1,10,08,850          | 10.89        |

(ii) Details of Equity shares held by promoters:

## As at March 31, 2023

| Name of the promoter | Number of shares   | % of total number of shares | % of Change during the year |
|----------------------|--------------------|-----------------------------|-----------------------------|
| Ektaa R. Kapoor      | 1,84,33,254        | 18.23                       | -                           |
| Shobha Kapoor        | 1,10,08,850        | 10.89                       | -                           |
| Jeetendra Kapoor     | 32,60,522          | 3.22                        | -                           |
| Tusshar Kapoor       | 20,30,250          | 2.01                        | -                           |
| <b>Total</b>         | <b>3,47,32,876</b> | <b>34.35</b>                | <b>-</b>                    |



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### As at March 31, 2022

| Name of the promoter | Number of shares   | % of total number of shares | % of Change during the year |
|----------------------|--------------------|-----------------------------|-----------------------------|
| Ektaa R. Kapoor      | 1,84,33,254        | 18.23                       | -                           |
| Shobha Kapoor        | 1,10,08,850        | 10.89                       | -                           |
| Jeetendra Kapoor     | 32,60,522          | 3.22                        | -                           |
| Tusshar Kapoor       | 20,30,250          | 2.01                        | -                           |
| <b>Total</b>         | <b>3,47,32,876</b> | <b>34.35</b>                | <b>-</b>                    |

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

| Particulars  | As at March 31, 2023 |           | As at March 31, 2022 |           |
|--|----------------------|-----------|----------------------|-----------|
|  | 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  |

(iv) 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 , the shareholders will be eligible to receive remaining assets of the , after distribution of all preferential amounts, in proportion to their shareholding.

(v) During the five years immediately preceding March 31, 2023, no shares were bought back and no shares were issued for consideration other than cash nor as bonus shares.

(vi) Shares reserved for Issue under options

Information relating to Balaji Telefilms Employee Stock Option Scheme, including details of option issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note no. 45.

### NOTE 20 OTHER EQUITY - RESERVES AND SURPLUS

(₹ in Lacs)

| Particulars                           | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------------|----------------------|----------------------|
| (a) General reserve                   | 5,133.10             | 5,133.10             |
| (b) Securities premium account        | 68,749.34            | 68,749.34            |
| (c) Retained earnings                 | (36,352.60)          | (32,684.48)          |
| (d) Share options outstanding account | 1,117.97             | 1,162.22             |
| <b>Total</b>                          | <b>38,647.81</b>     | <b>42,360.18</b>     |

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

## Note 20(a) Retained earnings

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Balance at beginning of year  | (32,684.48)             | (19,286.35)             |
| Share issue costs   | (0.88)                  | -                       |
| Transfer from Share option outstanding account for employee share option (vested) | -                       | 33.33                   |
| Loss for the year   | (3,713.62)              | (13,233.87)             |
| Items of other comprehensive income recognized directly in retained earnings      | 44.56                   | 4.67                    |
| Payment of dividends (Refer note 49)  | -                       | (202.26)                |
| <b>Balance at end of the year</b>   | <b>(36,352.60)</b>      | <b>(32,684.48)</b>      |

## Note 20(b) Share options outstanding account

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Balance at beginning of year                                      | 1,162.22                | 726.12                  |
| Transfer to retained earnings for employee share options (vested) | (44.25)                 | (33.33)                 |
| Add: Additions during the year (Refer Note no 45)                 | -                       | 469.43                  |
| <b>Balance at the end of the year</b>                             | <b>1,117.97</b>         | <b>1,162.22</b>         |

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

## NOTE 21 CURRENT BORROWINGS

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Loan repayable on demand</b>   |                         |                         |
| <b>Secured</b>  |                         |                         |
| <b>From Banks</b>   |                         |                         |
| Cash Credit Facilities (Refer Note (i) below) (includes accrued interest) | 5,032.63                | 4,517.17                |
| <b>Unsecured</b>  |                         |                         |
| Loan from Related Parties (Refer Note (ii) below and note 37)             | 5,017.23                | -                       |
| <b>Total</b>  | <b>10,049.86</b>        | <b>4,517.17</b>         |

## Note: -

- Cash Credit Facilities from Axis Bank repayable on demand at Interest rate of 6.5% Repo + 3% = Presently at 9.5% p.a.





## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

Primarily Secured against current assets of the Company both Present and Future, and Collateral charge by way of mortgage of Company's Premises at Killfire, Andheri (West), Mumbai - 400053 and Fixed Deposits of ₹ 1,011 Lacs with Axis Bank.

(ii) Loan from Related parties is secured against Theatrical distribution rights of a Film.

### Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2023

(₹ in Lacs)

| Particulars               | As at             | As at             |
|---------------------------|-------------------|-------------------|
|                           | March 31, 2023    | March 31, 2022    |
| Cash and cash equivalents | 2221.08           | 1,233.05          |
| Current Investment        | 265.33            | 361.72            |
| Current Borrowings        | (10,049.86)       | (4517.17)         |
| Lease Liabilities         | (410.73)          | (324.04)          |
| <b>Net debt</b>           | <b>(7,974.18)</b> | <b>(3,246.44)</b> |

(₹ in Lacs)

| Name of the promoter                                   | Other Assets              |                    | Liabilities from financing activities |                   | Total             |
|--|---------------------------|--------------------|---------------------------------------|-------------------|-------------------|
|  | Cash and cash equivalents | Current Investment | Current Borrowings                    | Lease Liabilities |                   |
| <b>Net debt as at March 31, 2021</b>                   | <b>7,710.59</b>           | <b>2,798.96</b>    | <b>-</b>                              | <b>(463.73)</b>   | <b>10,045.82</b>  |
| Cash flows (net)                                       | (6,477.54)                | (2,287.42)         | (4,496.38)                            | 598.42            | (12,662.92)       |
| Additions to lease liabilities                         | -                         | -                  | -                                     | (518.53)          | (518.53)          |
| Lease Modification/Concession received during the year | -                         | -                  | -                                     | 59.80             | 59.80             |
| Interest expense                                       | -                         | -                  | (55.49)                               | 44.39             | (11.10)           |
| Interest paid  | -                         | -                  | 34.70                                 | (44.39)           | (9.69)            |
| <u>Other non cash movement</u>                         |                           |                    |                                       |                   |                   |
| - Fair value adjustments                               | -                         | (149.82)           | -                                     | -                 | (149.82)          |
| <b>Net debt as at March 31, 2022</b>                   | <b>1,233.05</b>           | <b>361.72</b>      | <b>(4,517.17)</b>                     | <b>(324.04)</b>   | <b>(3,246.44)</b> |
| Cash flows (net)                                       | 988.03                    | (939.66)           | (5,186.15)                            | 380.48            | (4,757.30)        |
| Additions to lease liabilities                         | -                         | -                  | -                                     | (479.55)          | (479.55)          |
| Lease Modification/Concession received during the year | -                         | -                  | -                                     | 12.37             | 12.37             |
| Interest expense                                       | -                         | -                  | (761.23)                              | 37.56             | (723.67)          |
| Interest paid  | -                         | -                  | -                                     | (37.56)           | (37.56)           |
| <u>Other non cash movement</u>                         |                           |                    |                                       |                   |                   |
| - Fair value adjustments                               | -                         | 843.27             | 414.69                                | -                 | 1,257.96          |
| <b>Net debt as at March 31, 2023</b>                   | <b>2,221.08</b>           | <b>265.33</b>      | <b>(10,049.86)</b>                    | <b>(410.73)</b>   | <b>(7,974.18)</b> |

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

## NOTE 22 TRADE PAYABLES

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| <b>Current Liabilities</b>  |                         |                         |
| Trade payables  |                         |                         |
| Total outstanding dues of micro enterprises and small enterprises         | 383.76                  | 382.86                  |
| Total outstanding dues other than micro enterprises and small enterprises | 12,664.37               | 10,506.82               |
| <b>Total</b>  | <b>13,048.13</b>        | <b>10,889.68</b>        |

## Ageing as on March 31, 2023

(₹ in Lacs)

| Particulars                             | Outstanding for following periods from the invoice date |                 |                     |               |              |                         | Total            |
|---|---|-----------------|---------------------|---------------|--------------|-------------------------|------------------|
|   | Unbilled  | Not Due         | Less than<br>1 year | 1-2 years     | 2-3 years    | More<br>than 3<br>years |                  |
| <b>Undisputed trade payables</b>        |   |                 |                     |               |              |                         |                  |
| Micro enterprises and small enterprises | -   | 11.44           | 317.81              | 41.69         | 10.01        | 2.81                    | 383.76           |
| Others                                  | 3,376.71  | 1,975.42        | 6,552.33            | 658.76        | 20.88        | 80.27                   | 12,664.37        |
| <b>Disputed trade payables</b>          |   |                 |                     |               |              |                         |                  |
| Micro enterprises and small enterprises | -   | -               | -                   | -             | -            | -                       | -                |
| Others                                  | -   | -               | -                   | -             | -            | -                       | -                |
| <b>Total</b>                            | <b>3,376.71</b>   | <b>1,986.86</b> | <b>6,870.14</b>     | <b>700.45</b> | <b>30.89</b> | <b>83.08</b>            | <b>13,048.13</b> |

## Ageing as on March 31, 2022

(₹ in Lacs)

| Particulars                             | Outstanding for following periods from the invoice date |          |                     |               |              |                         | Total            |
|---|---|----------|---------------------|---------------|--------------|-------------------------|------------------|
|   | Unbilled  | Not Due  | Less than<br>1 year | 1-2 years     | 2-3 years    | More<br>than 3<br>years |                  |
| <b>Undisputed trade payables</b>        |   |          |                     |               |              |                         |                  |
| Micro enterprises and small enterprises | -   | -        | 319.83              | 50.47         | 7.60         | 4.96                    | 382.86           |
| Others                                  | 2,064.29  | -        | 8,078.92            | 231.15        | 64.34        | 68.12                   | 10,506.82        |
| <b>Disputed trade payables</b>          |   |          |                     |               |              |                         |                  |
| Micro enterprises and small enterprises | -   | -        | -                   | -             | -            | -                       | -                |
| Others                                  | -   | -        | -                   | -             | -            | -                       | -                |
| <b>Total</b>                            | <b>2,064.29</b>   | <b>-</b> | <b>8,398.75</b>     | <b>281.62</b> | <b>71.94</b> | <b>73.08</b>            | <b>10,889.68</b> |



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

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

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end   | 351.00                  | 290.39                  |
| Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end   | 17.23                   | 7.16                    |
| Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year   | 1,250.83                | 1,160.13                |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year  | -                       | -                       |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year   | -                       | -                       |
| Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act   | 44.92                   | 38.38                   |
| Interest accrued and remaining unpaid at the end of the accounting year  | 154.30                  | 92.47                   |
| 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 MSMED 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 23 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lacs)

| Particulars                         | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-------------------------------------|-------------------------|-------------------------|
| Unpaid dividends (Refer Note below) | 8.47                    | 9.53                    |
| <b>Total</b>                        | <b>8.47</b>             | <b>9.53</b>             |

#### Note :

As at March 31, 2023, 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, 2023

## NOTE 24 PROVISIONS

(₹ in Lacs)

| Particulars                              | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| Provision for Gratuity (Refer Note - 38) | -                       | -                       |
| Current                                  | 54.23                   | 44.74                   |
| Non-Current                              | 2.37                    | -                       |
| <b>Total</b>                             | <b>56.60</b>            | <b>44.74</b>            |

## NOTE 25 OTHER CURRENT LIABILITIES

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| Statutory liabilities  | 718.88                  | 683.55                  |
| Advances from customers / contract liabilities (Refer below table) | 3,642.48                | 6,582.50                |
| Employee benefit payables  | 260.60                  | 229.82                  |
| Liabilities towards corporate social responsibility                | -                       | 50.31                   |
| Deferred revenue / Contract Liabilities                            | 496.43                  | -                       |
|  | <b>5,118.39</b>         | <b>7,546.18</b>         |

(₹ in Lacs)

| Particulars   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---|-------------------------|-------------------------|
| Advance received towards commissioned television programs and internet programs | 1,087.33                | 3,397.09                |
| Advance received towards Movies related contracts                               | 2,555.15                | 3,185.41                |
| <b>Advances from customers / contract liabilities</b>                           | <b>3,642.48</b>         | <b>6,582.50</b>         |

## 1) Revenue recognized in relation to contract liabilities

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

(₹ in Lacs)

| Particulars  | For the year<br>ended<br>March 31, 2023 | For the year<br>ended<br>March 31, 2022 |
|--|---|---|
| <b>Revenue recognized that was included in contract liability balance at the beginning of the year</b> |   |   |
| Commissioned television programs and internet programs   | -                                       | 209.36                                  |
| Movie related contracts  | 1,969.87                                | 18.04                                   |
| <b>Total Contract Liabilities/ advances from customers</b>   | <b>1,969.87</b>                         | <b>227.40</b>                           |



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### NOTE 26 REVENUE FROM OPERATIONS

(₹ in Lacs)

| Particulars                                      | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| <b>(a) Revenue from contracts with customers</b> |                                      |                                      |
| Commissioned television programs                 | 34,214.78                            | 22,569.39                            |
| Subscription income                              | 1,897.70                             | 5,239.10                             |
| Licensing of digital content rights              | 3,129.48                             | 4,436.54                             |
| Service income                                   | 62.10                                | 576.00                               |
| Internet programs                                | 2,429.54                             | 8.99                                 |
| Sale and licensing of movies                     | 17,264.59                            | 333.25                               |
| Sale of music and concept rights                 | 13.72                                | 8.53                                 |
| Event management                                 | -                                    | 490.00                               |
| Marketing income                                 | -                                    | 10.82                                |
| Sponsored sales                                  | 17.74                                | -                                    |
| <b>(b) Other operating income</b>                |                                      |                                      |
| Facilities / equipment hire Income               | 0.15                                 | 12.60                                |
| Other Income from Operations                     | 266.65                               | -                                    |
| <b>Total</b>                                     | <b>59,296.45</b>                     | <b>33,685.22</b>                     |

#### Unsatisfied long-term licensing contracts:

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

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| Aggregate amount of the transaction price allocated to long-term licensing contracts that are fully unsatisfied as at reporting date | 15,784.00               | 10,878.50               |

Management expects that transaction price allocated to the unsatisfied contracts as on March 31, 2023 ₹ 13,500 Lacs will be recognized as revenue during the next reporting period and balance ₹ 2,284 Lacs in subsequent periods. The amount disclosed above does not include variable consideration which is constrained. All other contracts are for periods of one year or less.

The Revenue recognized is equivalent to the contract price and there is no element of discount, rebates, incentives, etc. which are adjusted to revenue.

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

**Note 26.1 : Disaggregated revenue**

The Company derives revenue from transfer of goods and services over time and at a point in time as given below:

| Particulars                           | (₹ in Lacs)                             |   |
|---------------------------------------|---|---|
|                                       | For the year<br>ended<br>March 31, 2023 | For the year<br>ended<br>March 31, 2022 |
| <b>Timing of recognition</b>          |   |   |
| <b>Over time</b>                      |   |   |
| - Commissioned television programs    | 34,214.78                               | 22,569.39                               |
| - Internet programs                   | 2,429.54                                | 8.99                                    |
| - Subscription income                 | 1,897.70                                | 5,239.10                                |
| <b>Total</b>                          | <b>38,542.02</b>                        | <b>27,817.48</b>                        |
| <b>Point in time</b>                  |   |   |
| - Licensing of digital content rights | 3,129.48                                | 4,436.54                                |
| - Service income                      | 62.10                                   | 576.00                                  |
| - Sale and licensing of movies        | 17,264.59                               | 333.25                                  |
| - Sale of music and concept rights    | 13.72                                   | 8.53                                    |
| - Event management                    | -                                       | 490.00                                  |
| - Marketing income                    | -                                       | 10.82                                   |
| - Sponsored sales                     | 17.74                                   | -                                       |
| - Facilities / equipment hire Income  | 0.15                                    | 12.60                                   |
| - Other Income from Operations        | 266.65                                  | -                                       |
| <b>Total</b>                          | <b>20,754.43</b>                        | <b>5,867.74</b>                         |
| <b>Grand Total</b>                    | <b>59,296.45</b>                        | <b>33,685.22</b>                        |

**NOTE 27 OTHER INCOME**

| Particulars  | (₹ in Lacs)                             |   |
|--|---|---|
|  | For the year<br>ended<br>March 31, 2023 | For the year<br>ended<br>March 31, 2022 |
| Interest income  |   |   |
| On fixed deposits with banks   | 4.05                                    | 68.13                                   |
| On Income-tax refund   | 53.55                                   | 102.10                                  |
| On loan given*   | -                                       | 17.32                                   |
| Unwinding of discount on security deposit                                    | 40.92                                   | 74.59                                   |
| Net gains on financial assets measured at fair value through profit and loss | 10.02                                   | 57.20                                   |
| Insurance claim received   | 43.84                                   | 3.50                                    |
| Creditors/Provisions written back  | 11.48                                   | 312.59                                  |
| Net foreign exchange differences   | -                                       | 5.24                                    |
| Profit on sale of investment   | 7.47                                    |   |
| Lease Concession   | 7.43                                    | 59.80                                   |
| Profit on sale of Property, plant and equipment                              | 952.82                                  | -                                       |
| Bad debts recovery   | -                                       | 28.27                                   |
| Miscellaneous Income   | 200.40                                  | 3.30                                    |
| Advances from customer written back  | 12.20                                   | -                                       |
| <b>Total</b>   | <b>1,344.19</b>                         | <b>732.04</b>                           |

\*Other Related Party



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### Note 28(a) Cost of production / Acquisition and Telecast fees

(₹ in Lacs)

| Particulars  | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| Amortization of content- Digital business                      | 4,429.36                             | 9,641.47                             |
| Production expenses including purchase of costumes and dresses | 3,242.32                             | 1,893.07                             |
| Artists, Directors, Technicians and Professional Fees          | 19,834.75                            | 11,762.17                            |
| Location hire charges  | 2,601.02                             | 2,287.72                             |
| Shooting and location expenses                                 | 4,849.44                             | 3,881.45                             |
| Food and refreshments charges                                  | 365.51                               | 317.89                               |
| Sets & studio maintenance charges                              | 749.71                               | 403.91                               |
| Uplinking charges  | 10.29                                | 4.54                                 |
| Insurance expense  | 86.98                                | 47.23                                |
| Cost of Production- Digital business                           | 3,231.03                             | 4,122.41                             |
| Dubbing & Subtitling   | 20.34                                | 13.23                                |
| Line production cost   | 10,033.09                            | 6,158.51                             |
| Set properties and equipment hire charges                      | 2,443.79                             | 1,914.73                             |
| Discontinued Shows written off                                 | -                                    | 561.56                               |
| Sound expense  | 137.44                               | 104.66                               |
| Other production expenses                                      | 750.65                               | 549.92                               |
| <b>Total</b>   | <b>52,785.72</b>                     | <b>43,664.47</b>                     |

### Note 28(b) Changes in Inventories

(₹ in Lacs)

| Particulars                                    | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| Opening balance :                              |                                      |                                      |
| Films and internet series                      | 21,896.50                            | 21,933.64                            |
| Closing balance :                              |                                      |                                      |
| Films and internet series                      | 19,568.98                            | 21,896.50                            |
|  | <b>2,327.52</b>                      | <b>37.14</b>                         |
| Changes in inventories subject to amortization | (3,982.72)                           | (10,957.32)                          |
| <b>Net changes in inventories</b>              | <b>(1,655.20)</b>                    | <b>(10,920.18)</b>                   |

### NOTE 29 MARKETING AND DISTRIBUTION EXPENSES

(₹ in Lacs)

| Particulars           | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|-----------------------|--------------------------------------|--------------------------------------|
| Marketing expenses    | 1,916.27                             | 3,439.86                             |
| Distribution expenses | 8.26                                 | -                                    |
| <b>Total</b>          | <b>1,924.53</b>                      | <b>3,439.86</b>                      |

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### NOTE 30 EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

| Particulars   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| Salaries and wages  | 2,739.11                             | 2,345.33                             |
| Contributions to provident and other funds (Refer Note 38(a)) | 80.39                                | 120.22                               |
| Gratuity (Refer Note 38(b))                                   | 26.05                                | 59.76                                |
| Staff welfare expenses  | 11.50                                | 14.67                                |
| Employee share based payment expenses (Refer Note 45)         | (44.25)                              | 469.43                               |
| <b>Total</b>  | <b>2,812.80</b>                      | <b>3,009.41</b>                      |

### NOTE 31 DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Lacs)

| Particulars   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| Depreciation of property, plant and equipment (Refer Note 4a) | 607.24                               | 815.00                               |
| Amortization of Intangible assets (Refer Note 5)              | -                                    | 1.03                                 |
| Amortization on Right to use asset (Refer Note 4b)            | 429.95                               | 687.25                               |
| <b>Total</b>  | <b>1,037.19</b>                      | <b>1,503.28</b>                      |

### NOTE 32 FINANCE COSTS

(₹ in Lacs)

| Particulars                  | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|------------------------------|--------------------------------------|--------------------------------------|
| Interest on deferred payment | 0.44                                 | -                                    |
| Interest on lease liability  | 37.57                                | 44.39                                |
| Interest on Borrowings       | 761.23                               | 55.49                                |
| Interest on others           | 16.66                                | 6.33                                 |
| Finance charges              | -                                    | 69.09                                |
| <b>Total</b>                 | <b>815.90</b>                        | <b>175.30</b>                        |





## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### NOTE 33 OTHER EXPENSES

(₹ in Lacs)

| Particulars  | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| Electricity expenses   | 68.41                                | 75.99                                |
| Rent including lease rentals                                   | 24.00                                | 9.81                                 |
| Repairs and maintenance - Others                               | 180.13                               | 165.65                               |
| Insurance  | 80.83                                | 84.80                                |
| Rates and taxes  | 312.27                               | 521.09                               |
| Communication expenses   | 54.10                                | 63.43                                |
| Legal and professional charges (Refer Note 33.1)               | 2,464.73                             | 2,795.71                             |
| Directors Commission   | 49.05                                | -                                    |
| Security and housekeeping expenses                             | 84.50                                | 77.30                                |
| Business promotion expenses                                    | 94.25                                | 68.64                                |
| Travelling and conveyance expenses                             | 96.97                                | 75.06                                |
| Digital space charges  | 469.65                               | 1,048.18                             |
| Donations and contributions                                    | 8.54                                 | 10.21                                |
| Expenditure on corporate social responsibility (Refer Note 50) | 99.81                                | 95.72                                |
| Advances written off   | 11.07                                | 258.16                               |
| Provision for doubtful debts and advances                      | 52.67                                | -                                    |
| Bad debts written off (net)                                    | -                                    | 35.49                                |
| Software expenses  | 147.06                               | 249.04                               |
| Directors sitting fees   | 71.00                                | 68.25                                |
| License and hosting fees                                       | 645.73                               | 501.56                               |
| Sales Commission   | 163.51                               | 284.02                               |
| Write off/Loss on sale of Property, plant & equipment          | 0.04                                 | 1.21                                 |
| Foreign Exchange Loss (net)                                    | 3.68                                 | -                                    |
| Miscellaneous expenses   | 155.00                               | 171.02                               |
| Printing & Stationery  | 1.72                                 | -                                    |
| <b>Total</b>   | <b>5,338.72</b>                      | <b>6,660.34</b>                      |

#### Note 33.1 Details of auditors remuneration (included in legal and professional charges)

(₹ in Lacs)

| Particulars                                 | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| <b>As Auditors :</b>                        |                                      |                                      |
| Audit fee                                   | 74.00                                | 74.00                                |
| <b>In respect of other audit services :</b> |                                      |                                      |
| Other services (certification)              | 2.50                                 | 2.50                                 |
| <b>Total</b>                                | <b>76.50</b>                         | <b>76.50</b>                         |

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

## NOTE 34 TAX EXPENSE

(₹ in Lacs)

| Particulars                                     | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| <b>Income tax expense</b>                       |                                      |                                      |
| <b>Current tax</b>                              |                                      |                                      |
| Current tax on profits for the year             | 1,350.00                             | 167.00                               |
| Advance tax written off                         | -                                    | 8.60                                 |
|   | <b>1,350.00</b>                      | <b>175.60</b>                        |
| <b>Deferred tax</b>                             |                                      |                                      |
| Decrease in deferred tax assets                 | 15.06                                | 55.56                                |
| Increase/(Decrease) in deferred tax liabilities | 14.68                                | (29.76)                              |
| Total deferred tax expense                      | 29.74                                | 25.80                                |
| <b>Total</b>                                    | <b>1,379.74</b>                      | <b>201.40</b>                        |

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

(₹ in Lacs)

| Particulars   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| <b>Loss before tax</b>  | <b>(2,419.02)</b>                    | <b>(13,115.22)</b>                   |
| Income Tax calculated at 25.17% (PY:25.17%)                                 | (608.87)                             | (3,301.10)                           |
| Tax effect of amounts that are not deductible in determining taxable profit | 27.27                                | 17.93                                |
| Tax impact on losses of Subsidiaries for which no deferred tax recognized   | 1,935.72                             | 3,462.14                             |
| Advance Tax written off   | -                                    | 8.60                                 |
| Others  | 25.62                                | 13.83                                |
| <b>Total</b>  | <b>1,379.74</b>                      | <b>201.40</b>                        |
| <b>Income Tax expense recognized in Profit &amp; Loss</b>                   | <b>1,379.74</b>                      | <b>201.40</b>                        |

## 35 CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| In respect of Service Tax Matters (Also Refer note 1 below)      | 2,943.00                | 2,943.00                |
| In respect of VAT Matters  | -                       | 145.50                  |
| In respect of Income Tax Matters(Also Refer note 2 below)        |                         |                         |
| - TDS Matters  | 249.51                  | 249.51                  |
| In respect of Claim against the Company not acknowledged as debt | 544.51                  | 200.01                  |

- 1) Apart from the above, the Company had received a Show Cause Notice (SCN) for demand of ₹ 6,348 Lacs from Service Tax Department, Mumbai for the period April 2006 to March 2008 on exports made to one of the customers of the Company. On an appeal to Commissioner of Service Tax, the matter was adjudicated in the Company's favour. The department had further filed an appeal against the said order with the Customs, Excise & Service Tax Appellate Tribunal (CESTAT) which was dismissed by the Hon'ble CESTAT vide their order dated March 09, 2016. Department has further filed an appeal against the said order with the High Court on October 19, 2016 and same is pending for adjudication.



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

- 2) Apart from the above, in respect of Income Tax Matters, a search was conducted on the premises of the Company on April 30, 2013. Pursuant to the aforesaid search, block assessment under section 153A of the Income-tax Act, 1961 (Act) was conducted for Assessment Years 2007- 08 to 2012-13. The Company did not appeal against the additions made in the assessment orders for the aforesaid assessment years. However, penalties were levied for the said assessment years, which were challenged by the Company before the Income-tax Appellate Tribunal-Mumbai (ITAT). The Company had accounted for the penalty amount in as an exceptional item in the financial statements for the year ended March 31, 2018.

Subsequently, the ITAT had deleted the penalty levied and the Income tax department had refunded the penalties amounting to ₹ 1,044.44 Lacs along with interest of ₹ 138.33 Lacs under the Act to the Company, which was disclosed as an exceptional item in the financial statements for the year ended March 31, 2021.

Subsequently the Income tax department has preferred an appeal before the Hon'ble High Court (HC) Bombay challenging the deletion of penalty by ITAT, the appeal is still in Pre-Admission stage.

### 36 INTEREST IN OTHER ENTITIES

#### (a) Subsidiaries

The Group's subsidiaries as at March 31, 2023 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/<br>Country of incorporation | Ownership interest held by the Group |                | Ownership interest held by the non-controlling interest |                | Principle activity  |
|--|--|--------------------------------------|----------------|---|----------------|---|
|  |  | March 31, 2023                       | March 31, 2022 | March 31, 2023  | March 31, 2022 |   |
| Balaji Motion Pictures Limited                     | India  | 100%                                 | 100%           | -   | -              | Distribution of films                                     |
| ALT Digital Entertainment Limited                  | India  | 100%                                 | 100%           | -   | -              | Subscription based income & licencing of digital content  |
| Marinating Films Private Limited                   | India  | 100%                                 | 100%           | -   | -              | Event management relating to film and television industry |
| Ding Infinity Private Limited (w.e.f May 25, 2021) | India  | 55%                                  | 55%            | 45%   | -              | Production of digital content                             |

#### (b) Interest in associate

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

| Name of the entity       | Place of business | % of ownership interest | Relationship | Accounting method | Carrying value |                |
|--------------------------|-------------------|-------------------------|--------------|-------------------|----------------|----------------|
|                          |                   |                         |              |                   | March 31, 2023 | March 31, 2022 |
| IPB Capital Advisors LLP | India             | 50.00%                  | Associate    | Equity method     | 0.45           | 0.45           |

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

## 37 RELATED PARTY TRANSACTIONS

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

| Name of the Related Party                | Relationship  |
|--|---|
| Ding Entertainment Private Limited       | Company in which Key Managerial Person has significant influence                              |
| Tusshar Infra Developers Private Limited | Company in which Key Managerial Person has significant influence                              |
| Pantheon Buildcon Private Limited        | Company in which Key Managerial Person has significant influence                              |
| IPB Capital Advisors LLP                 | Associate   |
| Krishna Kala Trust                       | Trust in which Key Managerial Person is the trustee   |
| Mr. Jeetendra Kapoor                     | Key Managerial Person (Chairman)  |
| Mrs. Shobha Kapoor                       | Key Managerial Person (Executive Director)  |
| Ms. Ektaa R Kapoor                       | Key Managerial Person (Executive Director)  |
| Mr. Tusshar Kapoor                       | Relative of Key Managerial Person   |
| Mr. Tanveer Najmudin Bookwala            | Key Managerial Person/Director  |
| Mrs. Razia Bookwala Najmudin             | Key Managerial Person/Director  |
| Mrs. Dipika Bajpai                       | Relative of Key Managerial Person   |
| Mr. Sanjay Dwivedi                       | Key Managerial Person (Group Chief Financial Officer )  |
| Mr. Nachiket Pantvaidya                  | Key Managerial Person (Chief Executive Officer) (till May 31, 2022)                           |
| Mr. Abhishek Kumar                       | Key Managerial Person (Chief Executive Officer) (w.e.f. July 15, 2022)                        |
| Mr. Arun K. Purwar                       | Key Managerial Person (Non-Executive Independent Director)                                    |
| Mr. D G Rajan                            | Key Managerial Person (Non-Executive Independent Director)                                    |
| Mr. Devender Kumar Vasal                 | Key Managerial Person (Non-Executive Independent Director)                                    |
| Mr. V B Dalal                            | Key Managerial Person (Non-Executive Independent Director)<br>(till November 08, 2021)        |
| Mr. Pradeep Sardha                       | Key Managerial Person (Non-Executive Independent Director)                                    |
| Mr. Anshuman Thakur                      | Key Managerial Person (Non-Executive Director)  |
| Ms. Jyoti Deshpande                      | Key Managerial Person (Non-Executive Director)  |
| Mr. Ramesh Sippy                         | Key Managerial Person (Non-Executive Director)  |
| Dr. Archana Hingorani                    | Key Managerial Person (Non-Executive Director)  |
| Mr. Jason Kothari                        | Key Managerial Person (Non-Executive Director)<br>(from February 11, 2021)                    |
| Ms. Priyanka Chaudhary                   | Key Managerial Person (Non-Executive Director)<br>(w.e.f. May 20, 2022)                       |
| Mrs. Simmi Singh Bisht                   | Key Managerial Person (Group Head Secretarial) (till June 20, 2021)                           |
| Mrs. Tannu Sharma                        | Key Managerial Person (Group Head Secretarial)<br>(w.e.f. March 15, 2022)                     |
| Ms. Manisha Pathak                       | Key Managerial Person (Company Secretary)<br>(w.e.f. December 27, 2022)                       |
| Ms. Ruchika Gudhka                       | Key Managerial Person (Company Secretary)<br>(w.e.f. November 09, 2021 till October 12, 2022) |



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### (b) Details of transactions during the year

| Nature of Transactions                   | Key Managerial Person and relative of Key Managerial Person | Company/Trust in which Key Managerial Person has significant influence |
|--|---|--|
| <b>Directors sitting fees</b>            |   |  |
| Mr. Jeetendra Kapoor                     | 6.25  | -  |
|  | (6.00)  | (-)  |
| Dr. Archana Hingorani                    | 4.00  | -  |
|  | (5.00)  | (-)  |
| Mr. Anshuman Thakur                      | 3.00  | -  |
|  | (4.00)  | (-)  |
| Mr. Arun K. Purwar                       | 5.50  | -  |
|  | (5.00)  | (-)  |
| Ms. Priyanka Chaudhary                   | 3.50  | -  |
|  | (-)   | (-)  |
| Mr. D.G. Rajan                           | 12.50   | -  |
|  | (14.00)   | (-)  |
| Mr. Devender Kumar Vasal                 | 11.50   | -  |
|  | (13.00)   | (-)  |
| Ms. Jyoti Deshpande                      | 4.50  | -  |
|  | (4.00)  | (-)  |
| Mr. Pradeep Sarada                       | 2.25  | -  |
|  | (-)   | (-)  |
| Mr. V.B. Dalal                           | -   | -  |
|  | (7.00)  | (-)  |
| Mr. Ramesh Sippy                         | 7.50  | -  |
|  | (5.25)  | (-)  |
| Mr. Jason Kothari                        | 5.50  | -  |
|  | (5.00)  | (-)  |
| <b>Rent paid (Location hire charges)</b> |   |  |
| Mr. Jeetendra Kapoor                     | 62.42   | -  |
|  | (58.89)   | (-)  |
| Mrs. Shobha Kapoor                       | 560.80  | -  |
|  | (862.44)  | (-)  |
| Mr. Tusshar Kapoor                       | 15.89   | -  |
|  | (14.76)   | (-)  |
| Ms. Ektaa R. Kapoor                      | 107.51  | -  |
|  | (209.06)  | (-)  |
| Tusshar Infra Developers Private Limited | -   | -  |
|  | (-)   | (125.37)   |
| Pantheon Buildcon Private Limited        | -   | -  |
|  | (-)   | (232.82)   |
| <b>Loans Given</b>                       |   |  |
| Ding Entertainment Private Limited       | -   | 81.36  |
|  | (-)   | (450.00)   |

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| Nature of Transactions                       | Key Managerial Person and relative of Key Managerial Person | Company/Trust in which Key Managerial Person has significant influence |
|--|---|--|
| <b>Loan taken during the year</b>            |   |  |
| Tusshar Infra Developers Private Limited     | -   | 1,800.00   |
|  | (-)   | (1,000.00)   |
| Pantheon Buildcon Private Limited            | -   | 2,900.00   |
|  | (-)   | (-)  |
| <b>Repayment of loans given</b>              |   |  |
| Mr. Sanjay Dwivedi                           | 40.63   | -  |
|  | (34.37)   | -  |
| Mr. Nachiket Pantvidya                       | -   | -  |
|  | (131.25)  | -  |
| Ding Entertainment Private Limited           | -   | -  |
|  | (-)   | (100.00)   |
| <b>Repayment of loans taken</b>              |   |  |
| Tusshar Infra Developers Private Limited     | -   | -  |
|  | (-)   | (1,000.00)   |
| <b>Remuneration (Refer note (iii) below)</b> |   |  |
| Mrs. Shobha Kapoor                           | 239.88  | -  |
|  | (239.69)  | (-)  |
| Ms. Ektaa R. Kapoor                          | 239.88  | -  |
|  | (239.69)  | (-)  |
| Mr. Abhishek Kumar                           | 275.70  | -  |
|  | (-)   | (-)  |
| Mr. Sanjay Dwiwedi                           | 279.12  | -  |
|  | (230.70)  | (-)  |
| Mr. Nachiket Pantvaidya                      | 60.41   | -  |
|  | (282.40)  | (-)  |
| Mrs. Simmi Singh Bisht                       | -   | -  |
|  | (8.94)  | (-)  |
| Mrs. Tannu Sharma                            | 21.51   | -  |
|  | (1.16)  | (-)  |
| Ruchita Gudhka                               | 3.19  | -  |
|  | (1.92)  | (-)  |
| Manisha Pathak                               | 2.05  | -  |
|  | (-)   | (-)  |
| Mr. Tanveer Najmudin Bookwala                | 60.00   | -  |
|  | (50.00)   | (-)  |
| <b>Professional fees</b>                     |   |  |
| Mr. Jason Kothari                            | -   | -  |
|  | (30.00)   | -  |
| Mrs. Dipika Bajpai                           | 30.00   | -  |
|  | (22.50)   | (-)  |
| <b>Writer / Screenplay / Story Charges</b>   |   |  |
| Mr. Tanveer Najmudin Bookwala                | 24.89   | -  |
|  | (14.00)   | (-)  |



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| Nature of Transactions                                | Key Managerial Person and relative of Key Managerial Person | Company/Trust in which Key Managerial Person has significant influence |
|---|---|--|
| <b>Interest Income on Loan Given</b>                  |   |  |
| Ding Entertainment Private Limited                    | -   | 27.82  |
|   | (-)   | (17.32)  |
| <b>Interest Expense on Loan taken</b>                 |   |  |
| Tusshar Infra Developers Private Limited              | -   | 152.84   |
|   | (-)   | (1.53)   |
| Pantheon Buildcon Private Limited                     | -   | 199.64   |
|   | (-)   | (-)  |
| <b>Sale of Property, plant &amp; equipment</b>        |   |  |
| Ms. Ektaa R. Kapoor                                   | 550.00  | -  |
|   | (-)   | (-)  |
| Mr. Tusshar Kapoor                                    | 550.00  | -  |
|   | (-)   | (-)  |
| <b>Expenditure on corporate social responsibility</b> |   |  |
| Krishna Kala Trust                                    | -   | 50.00  |
|   | (-)   | (-)  |

(c) **Closing balances as at year end**

| Nature of Transactions                                   | Key Managerial Person and relative of Key Managerial Person | Company/Trust in which Key Managerial Person has significant influence |
|--|---|--|
| <b>Amount receivable as at March 31, 2023</b>            |   |  |
| <b>Security Deposit amount receivable</b>                |   |  |
| Mrs. Shobha Kapoor                                       | 215.00  | -  |
|  | (222.50)  | (-)  |
| Mr. Jeetendra Kapoor                                     | 300.00  | -  |
|  | (300.00)  | (-)  |
| Mr. Tusshar Kapoor                                       | 100.00  | -  |
|  | (100.00)  | (-)  |
| Ms. Ektaa R. Kapoor                                      | 100.00  | -  |
|  | (100.00)  | (-)  |
| <b>Loans (Including accrued interest)</b>                |   |  |
| Ding Entertainment Private Limited                       | -   | 471.99   |
|  | (-)   | (365.59)   |
| Mr. Sanjay Dwivedi                                       | 50.00   | -  |
|  | (90.63)   | (-)  |
| <b>Other current financial assets (Other Receivable)</b> |   |  |
| Krishna Kala Trust                                       | -   | -  |
|  | (-)   | (66.00)  |

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

| Nature of Transactions                       | Key Managerial Person and relative of Key Managerial Person | Company/Trust in which Key Managerial Person has significant influence |
|--|---|--|
| <b>Amount payable</b>                        |   |  |
| Mr. Jeetendra Kapoor                         | 45.02   | -  |
|  | (17.74)   | (-)  |
| Mrs. Shobha Kapoor                           | 470.40  | -  |
|  | (264.72)  | (-)  |
| Mr. Tusshar Kapoor                           | 12.96   | -  |
|  | (5.69)  | (-)  |
| Ms. Ektaa R. Kapoor                          | 108.14  | -  |
|  | (101.91)  | (-)  |
| Mr. Sanjay Dwivedi                           | 12.83   | -  |
|  | (10.98)   | (-)  |
| Mr. Nachiket Pantvaidya                      | -   | -  |
|  | (16.42)   | (-)  |
| Mr. Abhishek Kumar                           | 18.32   | -  |
|  | (-)   | (-)  |
| Mrs. Tannu Sharma                            | 1.77  | -  |
|  | (0.83)  | (-)  |
| Mr. Jason Kothari                            | -   | -  |
|  | (7.50)  | (-)  |
| <b>Loans (Including accrued interest)</b>    |   |  |
| Tusshar Infra Developers Private Limited     | -   | 1,937.55   |
|  | (-)   | (-)  |
| Pantheon Buildcon Private Limited            | -   | 3,079.68   |
|  | (-)   | (-)  |
| <b>Remuneration Payable</b>                  |   |  |
| Mr. Tanveer Najmudin Bookwala - Remuneration | 13.07   | -  |
|  | (3.71)  | (-)  |
| <b>Trade Payable</b>                         |   |  |
| Mr. Tanveer Najmudin Bookwala                | 1.35  | -  |
|  | -   | (-)  |
| Ding Entertainment Private Limited           | -   | -  |
|  | (-)   | (51.67)  |
| <b>Professional fees Payable</b>             |   |  |
| Mrs. Dipika Bajpai                           | 4.50  | -  |
|  | (2.25)  | (-)  |

**Notes:**

- (i) There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties.
- (ii) Figures in bracket relate to the previous year.
- (iii) The Group provides long term benefits in the form of gratuity to its Key Managerial Person along with all employees, cost of the same is not identifiable separately and hence not disclosed.





## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### 38 EMPLOYEE BENEFITS

#### a) Defined Contribution Plans

Both the employees and the group make pre-determined contributions to the provident fund. Amount recognized as expense amounts to ₹ 80.39 Lacs (previous year ₹ 120.22 Lacs).

#### b) Defined Benefit Plans

##### Gratuity

The Group operates a gratuity plan covering qualifying employees. The benefit payable is as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Group makes annual contribution to the Group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

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

| Particulars                         | Valuation as at                                | Valuation as at                                |
|-------------------------------------|--|--|
|                                     | March 31, 2023                                 | March 31, 2022                                 |
| Discount rate(s)                    | 7.29% - 7.48%                                  | 5.66% - 7.29%                                  |
| Expected rate(s) of salary increase | 5% - 10%                                       | 5%   |
| Rate of Employee Turnover           | 2% - 25%                                       | 2% - 25%                                       |
| Mortality Rate during employment    | Indian Assured Lives Mortality 2012-14 (Urban) | Indian Assured Lives Mortality 2012-14 (Urban) |

#### Defined benefit plans – as per actuarial valuation on March 31, 2023

| Particulars   | ₹ In Lacs      |                |
|---|----------------|----------------|
|   | Funded Plan    | Funded Plan    |
|   | Gratuity       | Gratuity       |
|   | March 31, 2023 | March 31, 2022 |
| <b>Amounts recognized in comprehensive income in respect of these defined benefit plans are as follows:</b> |                |                |
| Actuarial (Gains)/Losses on Obligation for the year   | (13.59)        | (5.72)         |
| Return on Plan Assets, Excluding Interest Income  | (0.91)         | 0.75           |
| <b>Total</b>  | <b>(14.50)</b> | <b>(4.97)</b>  |
| <b>Net amount recognized in Other Comprehensive Income (OCI)</b>  | <b>(14.50)</b> | <b>(4.97)</b>  |
| <b>Expenses recognized in the Statement of Profit or Loss for Current year</b>                              |                |                |
| Current Service Cost  | 23.45          | 25.65          |
| Net interest cost   | 2.60           | 2.15           |
| Past service cost   | -              | 31.96          |
| <b>Total</b>  | <b>26.05</b>   | <b>59.76</b>   |
| <b>Expense recognized</b>   | <b>26.05</b>   | <b>59.76</b>   |

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

| Particulars   | (₹ In Lacs)    |                |
|---|----------------|----------------|
|   | Funded Plan    | Funded Plan    |
|   | Gratuity       | Gratuity       |
|   | March 31, 2023 | March 31, 2022 |
| <b>I. Net Asset/(Liability) recognized in the Balance Sheet</b>                     |                |                |
| Present value of defined benefit obligation at the end of the year                  | 234.81         | 192.15         |
| Fair value of plan assets at the end of the year                                    | (190.83)       | (147.41)       |
| (Surplus)* / Deficit  | 43.98          | 44.74          |
| <b>Net liability recognized in the Balance sheet</b>                                |                |                |
| Current provision & Non-Current provision (Refer note 18 & 24)                      | 43.98          | 44.74          |
| <b>II. Change in the obligation during the year ended</b>                           |                |                |
| Present value of defined benefit obligation at the beginning of the year            | 192.15         | 185.73         |
| Current Service Cost  | 26.75          | 25.65          |
| Past service cost   | 21.59          | 31.96          |
| Interest Cost   | 13.71          | 12.87          |
| (Benefit paid directly by the Employer)   | -              | (12.69)        |
| (Benefit paid from the Fund)  | (5.79)         | (45.65)        |
| Actuarial (Gains)/ Losses on Obligations - Due to change in Demographic Assumptions | -              | (0.03)         |
| Actuarial (Gains)/ Losses on Obligations - Due to change in Financial Assumptions   | (5.72)         | (2.89)         |
| Actuarial (Gains)/ Losses on Obligations- Due to experience                         | (7.87)         | (2.80)         |
| <b>Present value of defined benefit obligation at the end of the year</b>           | <b>234.81</b>  | <b>192.15</b>  |
| <b>III. Change in fair value of assets during the year ended March 31</b>           |                |                |
| Fair value of plan assets at the beginning of the year                              | 147.41         | 175.57         |
| Fair value of plan asset for earlier years  | 27.44          | -              |
| Interest Income   | 11.19          | 10.72          |
| Contributions by the employer   | 9.68           | 4.47           |
| Benefit paid from the Fund  | (5.79)         | (45.65)        |
| Return on Plan Assets, excluding Interest Income                                    | 0.91           | (0.75)         |
| Amount not recognized as assets   | -              | 3.05           |
| <b>Fair value of plan assets at the end of the year</b>                             | <b>190.83</b>  | <b>147.41</b>  |



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

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

(₹ in Lacs)

| Particulars   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| Projected Benefit Obligation on Current Assumptions     | 234.81                               | 192.15                               |
| Delta Effect of +1% Change in Rate of Discounting       | (10.39)                              | (7.54)                               |
| Delta Effect of -1% Change in Rate of Discounting       | 11.50                                | 8.20                                 |
| Delta Effect of +1% Change in Rate of Salary Increase   | 11.62                                | 8.22                                 |
| Delta Effect of -1% Change in Rate of Salary Increase   | (10.68)                              | (7.70)                               |
| Delta Effect of +1% Change in Rate of Employee Turnover | 1.21                                 | (0.02)                               |
| Delta Effect of -1% Change in Rate of Employee Turnover | (1.35)                               | (0.01)                               |

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 recognized 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 ₹ 54.22 Lacs to the gratuity trusts during the next financial year. (Previous Year ₹ 50.24 Lacs)

**Maturity profile of defined benefit obligation (undiscounted):**

(₹ in Lacs)

| Projected Benefits Payable in future years from Date of Reporting | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| 1st Following year  | 34.71                                | 29.00                                |
| 2nd Following year  | 31.19                                | 28.19                                |
| 3rd Following year  | 30.28                                | 25.51                                |
| 4th Following year  | 37.76                                | 24.57                                |
| 5th Following year  | 22.83                                | 31.14                                |
| Sum of Years 6 to 10  | 99.11                                | 84.95                                |
| Sum of Years 11 and above   | 103.90                               | 97.46                                |

### Plan Assets

The fair value of Group's gratuity plan asset as of March 31, 2023 and 2022 by category are as follows:

(₹ in Lacs)

| Particulars                       | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-----------------------------------|-------------------------|-------------------------|
| <b>Asset category:</b>            |                         |                         |
| Deposits with Insurance companies | 190.83                  | 147.41                  |
|                                   | 100%                    | 100%                    |

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

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.

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

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

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

**39 EARNING PER SHARE**

Basic and diluted earnings per share calculation is as below:

| Particulars   | For the year ended<br>March 31, 2023 | For the year ended<br>March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| (a) Loss for the year attributable to equity share holders (₹ in Lacs)                                      | (3,713.62)                           | (13,233.87)                          |
| (b) Weighted average number of equity shares outstanding during the year (Nos.)                             | 101,130,443                          | 101,130,443                          |
| (c) Effect of Potential Equity share on account of Employee stock option outstanding                        | 527,108                              | 48,415                               |
| Weighted average number of equity shares outstanding in computing Diluted Earning Per Share (d) = (b) + (c) | 101,657,551                          | 101,178,858                          |
| Earnings per share - Basic (₹) (a/b)  | (3.67)                               | (13.09)                              |
| Earnings per share - Diluted (₹) (a/d)  | (3.67)                               | (13.08)                              |
| Nominal value of shares (₹)   | 2                                    | 2                                    |

As at the year-end, the stock options granted under Tranche 7 and Tranche 8 as referred in Note 45 are dilutive in nature and accordingly considered for calculation of dilutive potential shares. The same is anti-dilutive in nature.



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**40** In accordance with the Indian Accounting Standard 12 (Ind AS 12) on "Income Taxes", deferred tax assets and liabilities should be recognized for all timing differences. However, considering the present financial position and accumulated tax losses carried forward in the subsidiaries and the requirement of the Ind AS 12 regarding reasonable certainty, deferred tax asset has not been recognized to the extent of ₹ 17,632.36 Lacs (Previous year ₹ 16,199.47 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.

### 41 SEGMENT INFORMATION

The Chief Operating Decision Maker (CODM) of the Group examines the Group's performance from a product offering perspective and the Management has identified the following reportable segments :

- (a) **Commissioned Programmes:** Income from sale of television serials to channels
- (b) **Films:** Income from business of production and / or distribution of motion pictures and films
- (c) **Digital :** Income from subscription based sale of digital content

(₹ in Lacs)

| Particulars                                    | Commissioned Programmes |                  | Films            |               | Digital         |                  | Total             |                    |
|--|-------------------------|------------------|------------------|---------------|-----------------|------------------|-------------------|--------------------|
|  | 2022-23                 | 2021-22          | 2022-23          | 2021-22       | 2022-23         | 2021-22          | 2022-23           | 2021-22            |
| Revenue  | 36,713.71               | 24,996.70        | 17,816.74        | 342.44        | 5,492.54        | 10,262.46        | 60,022.99         | 35,601.60          |
| Less: Inter Segment sale                       | 200.89                  | 1,907.19         | 519.15           | 9.19          | 6.50            | -                | 726.54            | 1,916.38           |
| <b>Total Revenue</b>                           | <b>36,512.82</b>        | <b>23,089.51</b> | <b>17,297.59</b> | <b>333.25</b> | <b>5,486.04</b> | <b>10,262.46</b> | <b>59,296.45</b>  | <b>33,685.22</b>   |
| Segment results                                | 7,238.95                | 2,594.17         | (574.50)         | 130.05        | (5,833.17)      | (1,209.72)       | 831.28            | (9,305.50)         |
| Unallocable expenses                           |                         |                  |                  |               |                 |                  | (4,321.72)        | (4,230.01)         |
| Unallocable income                             |                         |                  |                  |               |                 |                  | 1,071.42          | 420.29             |
| <b>Loss before tax</b>                         |                         |                  |                  |               |                 |                  | <b>(2,419.02)</b> | <b>(13,115.22)</b> |
| Tax expense                                    |                         |                  |                  |               |                 |                  | (1,379.74)        | (201.40)           |
| <b>Loss for the year</b>                       |                         |                  |                  |               |                 |                  | <b>(3,798.76)</b> | <b>(13,316.62)</b> |
| Segment assets                                 | 16,264.17               | 11,975.84        | 22,239.05        | 23,214.51     | 23,743.14       | 28,227.71        | 62,246.36         | 63,418.06          |
| Unallocable assets                             |                         |                  |                  |               |                 |                  | 7,188.75          | 4,439.84           |
| <b>Total assets</b>                            |                         |                  |                  |               |                 |                  | <b>69,435.11</b>  | <b>67,857.90</b>   |
| Segment liabilities                            | 11,970.75               | 5,498.69         | 11,133.30        | 4,148.21      | 4,854.45        | 8,475.92         | 27,958.49         | 18,122.82          |
| Unallocated liabilities                        |                         |                  |                  |               |                 |                  | 747.58            | 5,208.52           |
| <b>Total Liabilities</b>                       |                         |                  |                  |               |                 |                  | <b>28,706.07</b>  | <b>23,331.34</b>   |
| <b>Other Information</b>                       |                         |                  |                  |               |                 |                  |                   |                    |
| Additions to Non-current assets (allocable)*   | 570.30                  | 199.98           | -                | -             | 6.54            | 32.03            | 576.84            | 232.01             |
| Additions to Non-current assets (unallocable)* |                         |                  |                  |               |                 |                  | 52.16             | 36.30              |
| Depreciation / Amortization (allocable)        | 789.33                  | 1,132.34         | 65.61            | 70.90         | 50.12           | 131.60           | 905.06            | 1,334.84           |
| Depreciation / Amortization (unallocable)      |                         |                  |                  |               |                 |                  | 132.13            | 168.54             |

\* 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.

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### Geographic Information

| Particulars                            | Within India   |                | Outside India  |                | Total          |                |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
|  | March 31, 2023 | March 31, 2022 | March 31, 2023 | March 31, 2022 | March 31, 2023 | March 31, 2022 |
| Revenue from operations                | 56,256.77      | 28,584.87      | 3,039.68       | 5,100.35       | 59,296.45      | 33,685.22      |
| Carrying amount of Non-current assets* | 17,280.74      | 15,660.77      | -              | -              | 17,280.74      | 15,660.77      |

\* Other than financials assets and deferred tax assets.

### Information about major customers

During the year 2022-2023, revenue from three customer amounted to more than 10% of the total revenue aggregating to ₹ 33,335.00 Lacs.

During the year 2021-2022, revenue from four customer amounted to more than 10% of the total revenue aggregating to ₹ 23,671.19 Lacs.

### Relationship between disclosure of disaggregated revenue (Refer note 26) and revenue information disclosed for each reportable segment

Sales between segments are carried out at arm's length and are eliminated on consolidation. The segment revenue is measured in the same way as in the statement of profit and loss.

The group derives revenue from transfer of various types of services in the following major product lines

(₹ in Lacs)

| Type of services                    | Commissioned Programmes |                  | Films            |               | Digital         |                  | Total            |                  |
|-------------------------------------|-------------------------|------------------|------------------|---------------|-----------------|------------------|------------------|------------------|
|                                     | Current Year            | Previous Year    | Current Year     | Previous Year | Current Year    | Previous Year    | Current Year     | Previous Year    |
| Commissioned television programs    | 34,214.78               | 22,569.39        | -                | -             | -               | -                | 34,214.78        | 22,569.39        |
| Subscription income                 | -                       | -                | -                | -             | 1,897.70        | 5,239.10         | 1,897.70         | 5,239.10         |
| Licensing of digital content rights | -                       | -                | -                | -             | 3,129.48        | 4,436.54         | 3,129.48         | 4,436.54         |
| Service income                      | -                       | -                | -                | -             | 62.10           | 576.00           | 62.10            | 576.00           |
| Internet programs                   | 2,299.44                | 8.99             | -                | -             | 130.11          | -                | 2,429.54         | 8.99             |
| Sale and licensing of movies        | -                       | -                | 17,264.59        | 333.25        | -               | -                | 17,264.59        | 333.25           |
| Sale of music and concept rights    | 13.72                   | 8.53             | -                | -             | -               | -                | 13.72            | 8.53             |
| Event management                    | -                       | 490.00           | -                | -             | -               | -                | -                | 490.00           |
| Marketing income                    | -                       | -                | -                | -             | -               | 10.82            | -                | 10.82            |
| Facilities / equipment hire Income  | 0.15                    | 12.60            | -                | -             | -               | -                | 0.15             | 12.60            |
| Other Income from Operations        | -                       | -                | -                | -             | 266.65          | -                | 266.65           | -                |
| Sponsored sales                     | 17.74                   | -                | -                | -             | -               | -                | 17.74            | -                |
| <b>Total</b>                        | <b>36,545.82</b>        | <b>23,089.51</b> | <b>17,264.59</b> | <b>333.25</b> | <b>5,486.04</b> | <b>10,262.46</b> | <b>59,296.45</b> | <b>33,685.22</b> |



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### 42 DETAILS RELATING TO INVESTMENT IN LIMITED LIABILITY PARTNERSHIP (LLP)

(₹ in Lacs)

| Name of the LLP          | Names of partners in the LLP | As at March 31, 2023 |   | As at March 31, 2022 |   |
|--------------------------|------------------------------|----------------------|---|----------------------|---|
|                          |                              | Total capital        | Share of each partner in the profits of the LLP | Total capital        | Share of each partner in the profits of the LLP |
| IPB Capital Advisors LLP | Balaji Telefilms Limited     | 0.50                 | 50.00%  | 0.50                 | 50.00%  |
|                          | IP Capital Advisors LLP      | 0.49                 | 49.00%  | 0.49                 | 49.00%  |
|                          | IPM Capital Advisors LLP     | 0.01                 | 1.00%   | 0.01                 | 1.00%   |
|                          |                              | <b>1.00</b>          | <b>100.00%</b>                                  | <b>1.00</b>          | <b>100%</b>                                     |

43 The Group has advances / receivable from one of its co-producers and a film director, amounting to ₹ 1,619 Lacs which are subject to litigation as at March 31, 2023. On the basis of the evaluation carried out by the Management, in consultation with the legal counsel, the amounts are considered good and fully recoverable.

44 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

| Name of entity in the group                    | Net assets (total assets minus total liabilities) |                  | Share of profit or (loss)           |                  | Share in other comprehensive income             |                  | Share in total comprehensive income             |                  |
|--|---|------------------|-------------------------------------|------------------|---|------------------|---|------------------|
|  | As % of consolidated net assets                   | Amount ₹ in Lacs | As % of consolidated profit or loss | Amount ₹ in Lacs | As % of consolidated other comprehensive income | Amount ₹ in Lacs | As % of consolidated total comprehensive income | Amount ₹ in Lacs |
| <b>Parent</b>                                  |   |                  |                                     |                  |   |                  |   |                  |
| <b>Balaji Telefilms Limited</b>                |   |                  |                                     |                  |   |                  |   |                  |
| March 31, 2023                                 | 277.01%   | 1,12,823.81      | (102.45%)                           | 3,891.83         | 8.00%   | 3.57             | (103.76%)                                       | 3,895.40         |
| March 31, 2022                                 | 244.74%   | 1,08,972.66      | (3.29%)                             | 438.42           | 19.06%  | 0.89             | (3.30%)   | 439.31           |
| <b>Subsidiaries (group's share)</b>            |   |                  |                                     |                  |   |                  |   |                  |
| <b>Balaji Motion Pictures Limited</b>          |   |                  |                                     |                  |   |                  |   |                  |
| March 31, 2023                                 | (1.52%)   | (623.43)         | 2.20%                               | (83.52)          | -   | 0.22             | 2.22%   | (83.30)          |
| March 31, 2022                                 | (1.42%)   | (634.56)         | 2.07%                               | (276.01)         | -   | -                | 2.07%   | (276.01)         |
| <b>ALT Digital Media Entertainment Limited</b> |   |                  |                                     |                  |   |                  |   |                  |
| March 31, 2023                                 | 23.76%  | 9,677.97         | 202.06%                             | (7,675.79)       | 91.48%  | 40.77            | 203.37%   | (7,635.03)       |
| March 31, 2022                                 | 0.75%   | 333.11           | 102.54%                             | (13,654.61)      | 80.94%  | 3.78             | 102.55%   | (13,650.83)      |
| <b>Marinating Films Private Limited</b>        |   |                  |                                     |                  |   |                  |   |                  |
| March 31, 2023                                 | 0.33%   | 132.87           | (0.48%)                             | 18.25            | -   | -                | (0.49%)   | 18.25            |
| March 31, 2022                                 | 0.26%   | 114.62           | 0.08%                               | (11.13)          | -   | -                | 0.08%   | (11.13)          |

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forming part of consolidated financial statements for the year ended March 31, 2023

| 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 |
| <b>Ding Infinity Private Limited (w.e.f. May 25, 2021)</b> |   |                  |                                     |                  |   |                  |   |                  |
| March 31, 2023   | 0.18%   | 71.66            | (4.98%)                             | (189.19)         | -   | -                | (5.04%)   | (189.19)         |
| March 31, 2022   | 0.72%   | 319.49           | 0.76%                               | (101.15)         | -   | -                | 0.76%   | (101.15)         |
| <b>Non-controlling interests in all subsidiaries</b>       |   |                  |                                     |                  |   |                  |   |                  |
| March 31, 2023   | 0.14%   | 58.63            | 2.24%                               | (85.14)          | -   | -                | 2.27%   | (85.14)          |
| March 31, 2022   | 0.32%   | 143.77           | 0.62%                               | (82.75)          | -   | -                | 0.62%   | (82.75)          |
| <b>Associates</b>  |   |                  |                                     |                  |   |                  |   |                  |
| <b>IPB Capital Advisors LLP</b>                            |   |                  |                                     |                  |   |                  |   |                  |
| March 31, 2023   | *   | 0.45             | *                                   | -                | -   | -                | *   | -                |
| March 31, 2022   | *   | 0.45             | *                                   | -                | -   | -                | *   | -                |
| <b>Total</b>   |   |                  |                                     |                  |   |                  |   |                  |
| March 31, 2023   | 299.89%   | 1,22,141.96      | 108.55%                             | (4,123.56)       | 99.98%  | 44.55            | 108.66%   | (4,079.02)       |
| March 31, 2022   | 245.36%   | 1,09,249.54      | 102.78%                             | (13,687.23)      | 100.00%   | 4.67             | 102.79%   | (13,682.56)      |
| <b>Adjustment on consolidation</b>                         |   |                  |                                     |                  |   |                  |   |                  |
| March 31, 2023   | (199.89%)   | (81,412.91)      | (8.55%)                             | 324.80           | -   | -                | (8.65%)   | 324.82           |
| March 31, 2022   | (145.36%)   | (64,722.98)      | (2.78%)                             | 370.61           | -   | -                | (2.79%)   | 370.61           |
| <b>Net Total</b>   |   |                  |                                     |                  |   |                  |   |                  |
| March 31, 2023   | 100%  | 40,729.05        | 100%                                | (3,798.76)       | 100%  | 44.56            | 100%  | (3,754.20)       |
| March 31, 2022   | 100%  | 44,526.56        | 100%                                | (13,316.62)      | 100%  | 4.67             | 100%  | (13,311.95)      |

\* Percentage disclosure is below the rounding off norms of the Group





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### 45 SHARE BASED PAYMENTS

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

The NRC, vide a resolution passed at its meeting held on May 19, 2018, and June 20, 2018 has granted Options ("Options"), 1,663,734 Options on May 19, 2018 and 2,125,239 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

During 2020-21, The NRC, vide a resolution passed at its meeting held on January 08, 2021, granted additional 14,00,000 Employee Stock Options ("Options") to the eligible employees of the Company. Each option when exercised would be converted into one equity share of ₹ 2/- each, fully paid up, of the Company. The resolution passed by NRC on January 08, 2021 included a variation in terms of the Scheme. The variation was that all the options granted under the aforesaid grant would vest after completion of 12 months from date of grant. Once vested, the option remain exercisable for the period of 3 years from the last vesting date.

Furthermore, Additional Options were granted during 2021-22 and 2022-23 at the NRC's meetings held as follows :

On June 18, 2021, granted 3,00,000 Employee Stock Options ("Options") to the eligible employee of the Company. Each option when exercised would be converted into one equity share of ₹ 2/- each, fully paid up, of the Company. 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.

On August 10, 2021, granted 18,00,000 Employee Stock Options ("Options") to the eligible employees of the Company. Each option when exercised would be converted into one equity share of ₹ 2/- each, fully paid up, of the Company. Out of 18,00,000 Options granted, 12,00,000 Options grant would vest after completion of 12 months from date of grant and balance 6,00,000 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.

On February 11, 2022, granted 2,50,000 Employee Stock Options ("Options") to the eligible employees of the subsidiary Company. Each option when exercised would be converted into one equity share of ₹ 2/- each, fully paid up, of the Company. The Options granted would vest after completion of 12 months from date of grant. Once vested, the option remain exercisable for the period of 3 years from the last vesting date.

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On July 15, 2022, granted 10,00,000 Employee Stock Options (“Options”) to the eligible employee of the Company. Each option when exercised would be converted into one equity share of ₹ 2/- each, fully paid up, of the Company. 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.

On August 30, 2022, granted 18,00,000 Employee Stock Options (“Options”) to the eligible employees of the Company. Each option when exercised would be converted into one equity share of ₹ 2/- each, fully paid up, of the Company. The 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 (Tranche 1) is as follows:

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

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

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

The vesting schedule and exercise period of the Options granted on January 08, 2021 (Tranche 3) is as follows:

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

The vesting schedule and exercise period of the Options granted on June 18, 2021 (Tranche 4) is as follows:

| Year | Vesting of options | Vesting dates | Exercise Period up to |
|------|--------------------|---------------|-----------------------|
| 1    | 25%                | June 17, 2022 | June 17, 2027         |
| 2    | 35%                | June 17, 2023 | June 17, 2027         |
| 3    | 40%                | June 17, 2024 | June 17, 2027         |

The vesting schedule and exercise period of the Options granted on August 10, 2021 (Tranche 5 - Part 1) is as follows:

| Year | Vesting of options | Vesting dates   | Exercise Period up to |
|------|--------------------|-----------------|-----------------------|
| 1    | 100%               | August 09, 2022 | August 09, 2025       |



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The vesting schedule and exercise period of the Options granted on August 10, 2021 (Tranche 5 - Part 2) is as follows:

| Year | Vesting of options | Vesting dates   | Exercise Period up to |
|------|--------------------|-----------------|-----------------------|
| 1    | 25%                | August 09, 2022 | August 09, 2027       |
| 2    | 35%                | August 09, 2023 | August 09, 2027       |
| 3    | 40%                | August 09, 2024 | August 09, 2027       |

The vesting schedule and exercise period of the Options granted on February 11, 2022 (Tranche 6) is as follows:

| Year | Vesting of options | Vesting dates     | Exercise Period up to |
|------|--------------------|-------------------|-----------------------|
| 1    | 100%               | February 10, 2023 | February 10, 2026     |

The vesting schedule and exercise period of the Options granted on July 15, 2022 (Tranche 7) is as follows:

| Year | Vesting of options | Vesting dates | Exercise Period up to |
|------|--------------------|---------------|-----------------------|
| 1    | 25%                | July 14, 2023 | July 14, 2028         |
| 2    | 35%                | July 14, 2024 | July 14, 2028         |
| 3    | 40%                | July 14, 2025 | July 14, 2028         |

The vesting schedule and exercise period of the Options granted on August 30, 2022 (Tranche 8) is as follows:

| Year | Vesting of options | Vesting dates   | Exercise Period up to |
|------|--------------------|-----------------|-----------------------|
| 1    | 25%                | August 29, 2023 | August 29, 2028       |
| 2    | 35%                | August 29, 2024 | August 29, 2028       |
| 3    | 40%                | August 29, 2025 | August 29, 2028       |

During the year ended March 31, 2023 the Group recorded an employee compensation write back of ₹44.25 Lacs (previous year ₹ 469.43 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 recognized over the vesting period; and the same is treated as a capital contribution to the subsidiary. Accordingly, ₹ 807.79 Lacs (previous year : ₹ 805.82 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:**

(₹ in Lacs)

| Particulars                        | As at March 31, 2023                        |                   | As at March 31, 2022                        |                   |
|------------------------------------|---|-------------------|---|-------------------|
|                                    | Average Exercise price per share option (₹) | Number of options | Average Exercise price per share option (₹) | Number of options |
| Opening balance                    | 61.27                                       | 34,80,245         | 84.57                                       | 11,76,091         |
| Granted during the year            | 35.88                                       | 28,00,000         | 51.79                                       | 23,50,000         |
| Exercised during the year          | -   | -                 | -   | -                 |
| Forfeited/(lapsed) during the year | 48.67                                       | 24,00,000         | 90.89                                       | 45,846            |
| <b>Closing balance</b>             | <b>51.71</b>                                | <b>38,80,245</b>  | <b>61.27</b>                                | <b>34,80,245</b>  |

Number of option exercisable as at March 31, 2023 13,80,246/- (previous year: 11,30,246/-)

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forming part of consolidated financial statements for the year ended March 31, 2023

**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, 2023 | Exercise price (₹) | Share options March 31, 2022 |
|--------------------------|-------------------|--------------------|------------------------------|--------------------|------------------------------|
| May 19, 2018             | May 18, 2024      | 90.00              | 5,38,268                     | 90.00              | 5,38,268                     |
| June 20, 2018            | June 19, 2024     | 93.00              | 3,91,977                     | 93.00              | 3,91,977                     |
| January 08, 2021         | January 07, 2025  | 52.01              | 2,00,000                     | 52.01              | 2,00,000                     |
| June 18, 2021            | June 17, 2027     | -                  | -                            | 50.18              | 3,00,000                     |
| August 10, 2021 (Part 1) | August 09, 2025   | -                  | -                            | 50.18              | 12,00,000                    |
| August 10, 2021 (Part 2) | August 09, 2027   | -                  | -                            | 50.18              | 6,00,000                     |
| February 11, 2022        | February 10, 2026 | 65.33              | 2,50,000                     | 65.33              | 2,50,000                     |
| July 15, 2022            | July 14, 2028     | 31.88              | 10,00,000                    | -                  | -                            |
| August 30, 2022          | August 29, 2028   | 38.10              | 15,00,000                    | -                  | -                            |
| <b>Total</b>             |                   |                    | <b>38,80,245</b>             |                    | <b>34,80,245</b>             |

### Fair value of options granted

The fair value at grant date of options was ₹ 72.01 per option for options granted on May 19, 2018 (Tranche 1), ₹ 74.33 per option for options granted on June 20, 2018 (Tranche 2), ₹ 34.05 per option for options granted on January 08, 2021 (Tranche 3), ₹ 38.62 per option for options granted on June 18, 2021 (Tranche 4), ₹ 32.82 per option for options granted on August 10, 2021 (Tranche 5 - Part 1), ₹ 38.47 per option for options granted on August 10, 2021 (Tranche 5 - Part 2), ₹ 43.63 per option for options granted on February 11, 2022 (Tranche 6), ₹ 25.14 per option for options granted on July 15, 2022 (Tranche 7) and ₹ 30 per option for options granted on August 30, 2022 (Tranche 8). 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 fair value at grant date of options granted during the year ended March 31, 2023 was ₹ 25.14 per option for Tranche 7- Part 1 and ₹ 30 per option for Tranche 7 - Part 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 variation was that all the options granted under the aforesaid grant would vest after completion of 12 months from date of grant.

The model inputs for options granted during the year ended March 31, 2023, March 31, 2022, March 31, 2021 and March 31, 2019 includes:

- Options are granted for no consideration and vest upon completion of service for a period of one to three years from the date of grant. Vested options are exercisable for a period of three years after last vesting date.
- Exercise price: ₹ 90 (Tranche 1), ₹ 93 (Tranche 2), ₹ 52.01 (Tranche 3), ₹ 50.18 (Tranche 4), ₹ 50.18 (Tranche 5), ₹ 65.33 (Tranche 6), ₹ 31.88 (Tranche 7), ₹ 38.10 (Tranche 8)
- Grant date: May 19, 2018 (Tranche 1), June 20, 2018 (Tranche 2), January 08, 2021 (Tranche 3), June 18, 2021 (Tranche 4), August 10, 2021 (Tranche 5), February 11, 2022 (Tranche 6), July 15, 2022 (Tranche 7) and August 30, 2022 (Tranche 8)
- Expiry date: May 18, 2024 (Tranche 1), June 19, 2024 (Tranche 2), January 07, 2025 (Tranche 3), June 17, 2027 (Tranche 4), August 09, 2025 (Tranche 5 Part 1), August 9, 2027 (Tranche 5 Part 2), February 10, 2026 (Tranche 6), July 14, 2028 (Tranche 7) and August 29, 2028 ((Tranche 8)



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- e) Share price at grant date: ₹ 119.80 (Tranche 1), ₹ 123.45 (Tranche 2) and ₹ 69.65 (Tranche 3), ₹ 66.90 (Tranche 4), ₹ 66.90 (Tranche 5), ₹ 87.10 (Tranche 6), ₹ 42.50 (Tranche 7), ₹ 50.80 (Tranche 8)
- f) Expected price volatility of the Company's shares: 46.05% (Tranche 1), 45.87% (Tranche 2), 42.59% (Tranche 3), 44.71% (Tranche 4), 41.73% (Tranche 5 Part 1), 43.89% (Tranche 5 Part 2), 43.16% (Tranche 6), 43.41% (Tranche 7) and 43.90% (Tranche 8)
- g) Expected dividend yield: 0.91% (Tranche 1 and 2), 0.67% (Tranche 3), 0.67% (Tranche 4), 0.67% (Tranche 5), 0.62% (Tranche 6), 0.62% (Tranche 7) and 0.62% (Tranche 8)
- h) Risk-free interest rate: 7.92% (Tranche 1), 8.05% (Tranche 2), 4.92% (Tranche 3), 6.03% (Tranche 4), 5.49% (Tranche 5 Part 1), 6.15% (Tranche 5 Part 2), 5.70% (Tranche 6), 7.25% (Tranche 7), 7.04% and (Tranche 8)

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

### 46 FAIR VALUE MEASUREMENTS

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

#### (a) Financial instrument by category

(₹ in Lacs)

| Particulars                              | Notes to Accounts | March 31, 2023 |               |                  | March 31, 2022 |                 |                  |
|--|-------------------|----------------|---------------|------------------|----------------|-----------------|------------------|
|  |                   | FVTPL          | FVOCI         | Amortized cost   | FVTPL          | FVOCI           | Amortized cost   |
| <b>Financial assets</b>                  |                   |                |               |                  |                |                 |                  |
| <b>Non-current financial assets</b>      |                   |                |               |                  |                |                 |                  |
| Investments                              | 6                 | -              | 775.83        | -                | -              | 1,500.00        | -                |
| Loans                                    | 7                 | -              | -             | 12.50            | -              | -               | 53.13            |
| Other financial assets                   | 8(i)              | -              | -             | 754.11           | -              | -               | 116.63           |
| <b>Current financial assets</b>          |                   |                |               |                  |                |                 |                  |
| Investments                              | 13                | 265.33         | -             | -                | 361.72         | -               | -                |
| Trade receivables                        | 14                | -              | -             | 15,238.26        | -              | -               | 11,319.93        |
| Cash and cash equivalents                | 15                | -              | -             | 2,221.08         | -              | -               | 1,233.05         |
| Other balances with bank                 | 16                | -              | -             | 1,022.20         | -              | -               | 9.53             |
| Loans                                    | 17                | -              | -             | 509.50           | -              | -               | 403.09           |
| Other financial assets                   | 8(ii)             | -              | -             | 51.87            | -              | -               | 953.75           |
| <b>Total Financial Assets</b>            |                   | <b>265.33</b>  | <b>775.83</b> | <b>19,809.52</b> | <b>361.72</b>  | <b>1,500.00</b> | <b>14,089.11</b> |
| <b>Financial Liabilities</b>             |                   |                |               |                  |                |                 |                  |
| <b>Non-current financial liabilities</b> |                   |                |               |                  |                |                 |                  |
| Lease Liabilities                        | 4(b)              | -              | -             | 213.20           | -              | -               | 51.40            |
| <b>Current financial liabilities</b>     |                   |                |               |                  |                |                 |                  |
| Borrowings                               | 21                | -              | -             | 10,049.86        | -              | -               | 4,517.17         |
| Trade payables                           | 22                | -              | -             | 13,048.13        | -              | -               | 10,889.68        |
| Other financial liabilities              | 23                | -              | -             | 8.47             | -              | -               | 9.53             |
| Lease Liabilities                        | 4(b)              | -              | -             | 197.53           | -              | -               | 272.64           |
| <b>Total Financial Liabilities</b>       |                   | <b>-</b>       | <b>-</b>      | <b>23,517.19</b> | <b>-</b>       | <b>-</b>        | <b>15,740.42</b> |

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forming part of consolidated financial statements for the year ended March 31, 2023

## (i) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized 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 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<br>March 31, 2023 | Level 1       | Level 2  | Level 3       | Total           |
|---|---------------|----------|---------------|-----------------|
| <b>Financial Assets</b>   |               |          |               |                 |
| Mutual Funds  | 265.33        | -        | -             | 265.33          |
| Investments in B.D Inno Ventures Private Limited  | -             | -        | 775.83        | 775.83          |
| <b>Total Financial Assets</b>   | <b>265.33</b> | <b>-</b> | <b>775.83</b> | <b>1,041.16</b> |

| Financial assets and liabilities measured at amortized cost for which fair values are disclosed at March 31, 2023 | Level 1  | Level 2  | Level 3       | Total         |
|---|----------|----------|---------------|---------------|
| <b>Non-current financial assets</b>   |          |          |               |               |
| Loans   | -        | -        | 12.50         | 12.50         |
| Other financial assets - Security Deposit   | -        | -        | 754.12        | 754.12        |
| <b>Total Non-current Financial Assets</b>   | <b>-</b> | <b>-</b> | <b>766.62</b> | <b>766.62</b> |

(₹ In Lacs)

| Financial assets and liabilities measured at fair value- recurring fair value measurement<br>March 31, 2022 | Level 1       | Level 2  | Level 3         | Total           |
|---|---------------|----------|-----------------|-----------------|
| <b>Financial Assets</b>   |               |          |                 |                 |
| Mutual Fund   | 361.72        | -        | -               | 361.72          |
| Investments in B.D Inno Ventures Private Limited  |               |          | 1,500.45        | 1,500.45        |
| <b>Total Financial Assets</b>   | <b>361.72</b> | <b>-</b> | <b>1,500.00</b> | <b>1,862.17</b> |

| Financial assets and liabilities measured at amortized cost for which fair values are disclosed at March 31, 2022 | Level 1  | Level 2  | Level 3       | Total         |
|---|----------|----------|---------------|---------------|
| <b>Non-current financial assets</b>   |          |          |               |               |
| Loans   | -        | -        | 53.13         | 53.13         |
| Trade receivable  | -        | -        | -             | -             |
| Other financial assets - Security Deposit   | -        | -        | 116.63        | 116.63        |
| <b>Total Non Current Financial Assets</b>   | <b>-</b> | <b>-</b> | <b>169.76</b> | <b>169.76</b> |

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



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

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 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 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 of financial assets measured at amortized cost

(₹ in Lacs)

| Particulars                               | March 31, 2023  |            | March 31, 2022  |            |
|---|-----------------|------------|-----------------|------------|
|   | Carrying amount | Fair value | Carrying amount | Fair value |
| <b>Non Current Financial assets</b>       |                 |            |                 |            |
| Loans                                     | 12.50           | 12.50      | 53.13           | 53.13      |
| Other financial assets - Security Deposit | 754.12          | 754.12     | 116.63          | 116.63     |

## 47 FINANCIAL RISK MANAGEMENT

### Risk management framework

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the group's activities. The Board of Directors and the Management is responsible for overseeing the Group's risk assessment and management policies and processes.

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

This note explains the sources of risk which the Company is exposed to and how it manages those risks:

| Risk                                | Exposure arising from   | Measurement  | Management   |
|-------------------------------------|---|--|--|
| Credit risk                         | Cash and cash equivalents, investment in mutual funds, contract assets, trade receivables and financial assets measured at amortized cost | Ageing analysis<br>Credit ratings                  | Diversification of bank deposits, collection of receivables from customers, credit ratings and Investment guidelines   |
| Liquidity risk                      | Borrowings and other liabilities  | Rolling Working Capital forecasts (including Cash) | Regular review of working capital resulting in effective and efficient working capital management. Availability of committed credit lines and borrowing facilities                 |
| Market risk - foreign exchange risk | Recognized financial assets and liabilities not denominated in ₹  | Sensitivity analysis                               | The Group has limited foreign currency exposure, hence currency risk is not hedged. Further, the Company does not have any exposure to foreign currency risk as at March 31, 2023. |
| Market risk - Interest              | Borrowing at variable rate  | Sensitivity analysis                               | Fluctuations in rate of interests.   |
| Market risk - Price risk            | Investment in mutual funds  | Sensitivity analysis                               | Portfolio diversification  |

### (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, 2023 and March 31, 2022 is the carrying value of each class of financial assets as disclosed in note 46.

##### Security deposits given to lessors

The Group has given security deposit to lessors for premises leased by it as at March 31, 2023 and March 31, 2022. 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 consolidated financial statements for the year ended March 31, 2023

### Trade receivables, unbilled revenue and contract assets

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

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

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

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

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

(₹ in Lacs)

| Particulars                   | March 31, 2023        |                | March 31, 2022        |                |
|-------------------------------|-----------------------|----------------|-----------------------|----------------|
|                               | Gross Carrying Amount | Loss Allowance | Gross Carrying Amount | Loss Allowance |
| Trade Receivables             | 15,563.02             | (324.76)       | 11,592.02             | (272.09)       |
| Loans                         | 522.00                | -              | 456.22                | -              |
| Contract assets               | 634.32                | -              | 285.26                | -              |
| <b>Other financial assets</b> |                       |                |                       |                |
| Security deposits             | 797.98                | -              | 891.29                | -              |
| Other receivables             | 8.00                  | -              | 179.09                | -              |

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

(₹ in Lacs)

| Particulars                 | Trade receivables, Contract assets and other financial assets |                | Loans          |                |
|-----------------------------|---|----------------|----------------|----------------|
|                             | March 31, 2023  | March 31, 2022 | March 31, 2023 | March 31, 2022 |
| Opening balance             | 272.09  | 272.09         | -              | -              |
| Provided during the year    | -   | 35.49          | -              | -              |
| Written off during the year | -   | (35.49)        | -              | -              |
| <b>Closing balance</b>      | <b>272.09</b>   | <b>272.09</b>  | <b>-</b>       | <b>-</b>       |

Of the Trade Receivables balance as at March 31, 2023 of ₹15,238 Lacs (as at March 31, 2022 of ₹ 11,319.93 Lacs), the top 3 customers of the group represent the balance of ₹ 9,390.78 Lacs as at March 31, 2023 ( as at March 31, 2022 of ₹ 7,375 Lacs).

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

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 | Carrying Amount  | Carrying Amount  | 6 months - 1 year | More than 1 year | Total            |
|---|------------------|------------------|-------------------|------------------|------------------|
| <b>March 31, 2023</b>                           |                  |                  |                   |                  |                  |
| Borrowings                                      | 10,049.86        | 10,049.86        | -                 | -                | 10,049.86        |
| Trade payables                                  | 13,048.15        | 13,048.15        | -                 | -                | 13,048.13        |
| Lease liabilities                               | 495.11           | 111.77           | 161.87            | 221.46           | 495.11           |
| Other Financial Liabilities                     | 8.47             | 8.47             | -                 | -                | 8.47             |
| <b>Total financial liabilities</b>              | <b>23,601.57</b> | <b>23,218.25</b> | <b>161.87</b>     | <b>221.46</b>    | <b>23,601.57</b> |

(₹ in Lacs)

| Contractual maturities of financial liabilities | Carrying Amount  | 6 months or less | 6 months - 1 year | More than 1 year | Total            |
|---|------------------|------------------|-------------------|------------------|------------------|
| <b>March 31, 2022</b>                           |                  |                  |                   |                  |                  |
| Borrowings                                      | 4,517.17         | 4,517.17         | -                 | -                | 4,517.17         |
| Trade payables                                  | 10,889.68        | 10,889.68        | -                 | -                | 10,889.68        |
| Lease liabilities                               | 336.55           | 258.42           | 23.38             | 54.75            | 336.55           |
| Other Financial Liabilities                     | 9.53             | 9.53             | -                 | -                | 9.53             |
| <b>Total financial liabilities</b>              | <b>15,752.93</b> | <b>15,674.80</b> | <b>23.38</b>      | <b>54.75</b>     | <b>15,752.93</b> |

### (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's exposure to foreign currency risk at the end of reporting period expressed in ₹ Lacs, are as follows:

(₹ in Lacs)

| Particulars       | March 31, 2023 | March 31, 2022 |
|-------------------|----------------|----------------|
| Trade Receivables | 14.77          | 29.39          |

As at March 31, 2023, the unhedged exposure to the Group on holding financial assets (trade receivables) other than in their functional currency amounted to ₹ 14.77 Lacs (March 31, 2022 ₹ 29.39 Lacs).



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### (b) Interest rate risk

The exposure of the Group borrowing to interest rate changes at the end of the reporting period are as follows :

(₹ in Lacs)

| Particulars              | March 31, 2023  | March 31, 2022  |
|--------------------------|-----------------|-----------------|
| Variable rate borrowings | 5,032.63        | 4,517.17        |
| <b>Total Borrowings</b>  | <b>5,032.63</b> | <b>4,517.17</b> |

(i) As at the end of the reporting period, the Group had the following variable rate borrowings outstanding:

(₹ in Lacs)

| Contractual maturities of financial liabilities | March 31, 2023                 |          |                 | March 31, 2022                 |          |                 |
|---|--------------------------------|----------|-----------------|--------------------------------|----------|-----------------|
|   | Weighted average interest rate | Balance  | % of total loan | Weighted average interest rate | Balance  | % of total loan |
| Working Capital Loan (Cash Credit Facilities)   | 8.00%                          | 5,032.63 | 100%            | 7.00%                          | 4,517.17 | 100%            |

The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

### (ii) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Lacs)

| Particulars                                   | Impact on profit after tax |                |
|---|----------------------------|----------------|
|   | March 31, 2023             | March 31, 2022 |
| Interest rates - Increase by 50 basis points* | (25.16)                    | (22.59)        |
| Interest rates - Decrease by 50 basis points* | 25.16                      | 22.59          |

\* Holding all other variables constant

### (c) Price risk

#### (i) Exposure

The Group's exposure to price risk 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.

#### (ii) Sensitivity

(₹ in Lacs)

| Particulars  | Impact on profit before tax |                |
|--|-----------------------------|----------------|
|  | March 31, 2023              | March 31, 2022 |
| Net asset value - Increase 5% (March 31, 2022 5%)* | 13.27                       | 18.09          |
| Net asset value - Decrease 5% (March 31, 2022 5%)* | (13.27)                     | (18.09)        |

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

## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### 48 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The group considers the following components of its balance sheet to be managed capital:

Total equity as shown in the balance sheet including reserves, retained earnings and share capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares.

### 49 DIVIDENDS

(₹ in Lacs)

| Particulars  | March 31, 2023 | March 31, 2022 |
|--|----------------|----------------|
| <b>Equity Shares</b>   |                |                |
| (i) Final Dividend paid  | -              | 202.26         |
| Dividend of ₹ 0.20 per fully paid share pertaining to the immediately preceding financial year |                |                |

### 50 DISCLOSURES IN RELATION TO CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

(₹ in Lacs)

| Particulars  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|-------------------------|-------------------------|
| <b>Amount required to be spent as per Section 135 of the Act</b> | <b>95.34</b>            | <b>108.50</b>           |
| <b>Amount spent during the year towards :</b>                    |                         |                         |
| Animal Welfare   | 23.76                   | 18.27                   |
| Children Education   | 4.43                    | 1.14                    |
| Medical Aid  | 31.37                   | 17.02                   |
| Old Age Home / Aid to Senior citizen                             | 20.47                   | 8.51                    |
| Aid for eradicating Malnutrition                                 | 19.78                   | 0.47                    |
| <b>Total</b>   | <b>99.81</b>            | <b>45.41</b>            |
| <b>Excess / (Shortfall)</b>                                      | <b>4.47</b>             | <b>(63.09)</b>          |
| Amount utilized from previous year excess spent                  | 0.69                    | 12.78                   |
| <b>Amount to be spent (Refer note below)</b>                     | <b>(5.16)</b>           | <b>50.31</b>            |
| <b>CSR expenses for the year (Refer note 33)</b>                 | <b>99.81</b>            | <b>95.72</b>            |

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

| Balance unspent as at April 01, 2022 | Amount deposited | Amount required to be spent during the year | Amount utilized from previous year excess spent | Amount spent during the year | Balance unspent/ (excess utilized) as at March 31, 2023 |
|--------------------------------------|------------------|---|---|------------------------------|---|
| -                                    | -                | 95.34                                       | 0.69  | 99.81                        | (5.16)  |

**Note :** During the current year, the Group has contributed unspent amount to the 'Clean Ganga Fund', 'Prime Ministers' National Relief Fund and Prime Minister's Citizen Assurance and Relief in Emergency Situations Fund amounting to ₹ 51.00 Lacs in line with provisions of the law in relation to previous year.



## NOTES

forming part of consolidated financial statements for the year ended March 31, 2023

### 51 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

**a) Details of benami property held**

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

**b) Borrowing secured against current assets**

The Group has borrowed funds from banks on the basis of security of current assets and Group's premises. The quarterly returns/ statements filed by the Group with the bank is in agreement with books of accounts.

**c) Wilful defaulter**

The Group has not been declared wilful defaulter by any banks or financial institution or government or any government authority.

**d) Relationship with struck off companies**

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**e) Compliance with number of layers of companies**

The Group has complied with the number of layers prescribed under Companies Act 2013

**f) Compliance with approved scheme(s) of arrangements**

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**g) Utilization of borrowed funds and share premium**

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

**h) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**i) Details of crypto currency or virtual currency**

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

**j) Valuation of PP&E, intangible asset and investment property**

The Group has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year.

## **NOTES**

forming part of consolidated financial statements for the year ended March 31, 2023

### **Other Regulatory Information**

#### **a) Utilization of borrowings availed from banks and financial institutions**

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

**52** The financial statements of the Group for the year ended March 31, 2022, were audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 20, 2022.

**53** The figures for the previous year have been regrouped, wherever necessary to conform to current year classification.

#### **54 APPROVAL OF FINANCIAL STATEMENTS**

The Financial Statements were approved for issue by the Board of Directors on May 30, 2023

As per our report of even date

**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**

Firm Registration No. 117366W/W-100018

**For and on behalf of the Board of Directors**

**Pallavi Sharma**

**Partner**

Membership No: 113861

**Jeetendra Kapoor**

**(Chairman)**

DIN: 00005345

Place: Mumbai

**Shobha Kapoor**

**(Managing Director)**

DIN: 00005124

Place: Mumbai

**D.G. Rajan**

**(Audit Committee Chairman)**

DIN: 00303060

Place: Chennai

**Sanjay Dwivedi**

**(Group Chief Financial Officer)**

Place: Mumbai

Place : Mumbai

Date : May 30, 2023

**Abhishek Kumar**

**(Group Chief Executive Officer)**

Place: Mumbai

**Tannu Sharma**

**(Group Head Secretarial)**

Place: Mumbai

Date: May 30, 2023



## NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting ("AGM") of the Members of Balaji Telefilms Limited ("the Company") will be held on **Thursday, August 17, 2023 at 03:00 P.M IST** (Indian Standard Time) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following business(es). The Registered Office of the Company situated at C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri West, Mumbai 400 053, Maharashtra shall be the deemed venue for the meeting.

### ORDINARY BUSINESS:

1. To consider and adopt:
  - (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, 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, 2023, and the report of Auditors thereon; and in this regard, to consider and if thought fit, to pass the following resolution as **Ordinary Resolutions:**
    - (a) **"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the report of the Board of Directors and the Auditors' Report thereon as circulated to the Members, be and are hereby considered and adopted."
    - (b) **"RESOLVED THAT** the Audited Consolidated Financial Statements for the financial year ended March 31, 2023, and the Auditors' Report thereon as circulated to the Members, be and are hereby considered and adopted."

2. To appoint a Director in place of Mrs. Shobha Kapoor (DIN: 00005124), who retires by rotation and being eligible, seeks re-appointment, and in this regard, to consider and, if thought fit, pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 and rules made thereunder, and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force), Mrs. Shobha Kapoor (DIN: 00005124), who retires by rotation at this Meeting and being eligible, seeks re-appointment, be and is hereby re-appointed."

### SPECIAL BUSINESS:

3. Re-appointment of Mrs. Shobha Kapoor (DIN:00005124) as Managing Director of the Company and in this regard, to consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other rules, laws, regulations, guidelines or notifications as may be applicable, basis the recommendations of Nomination and Remuneration Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mrs. Shobha Kapoor (DIN: 00005124), who has attained the age of 74 years, as Managing Director of the Company, for a period of 5 (five) years and for

the remuneration payable to her for a period of 3 (three) years w.e.f. November 10, 2023, as per the following terms and conditions:

1. **Basic Salary:** an amount not exceeding ₹ 20,00,000/- per month (i.e. ₹ 2,40,00,000/- per annum) as basic salary and

2. **Perquisites, Allowances & Benefits:**

### PART "A"

a) **Housing:**

Managing Director shall be entitled to House Rent Allowance subject to the ceiling of 50% of the basic salary.

b) **Leave Travel Concession / Allowance:**

Earned Leave and Leave Travel Concession / Allowance for self and family not exceeding 10% of the basic salary.

c) **Personal Medical and Accident Insurance:**

Personal Medical and Accident Insurance and any other coverage in accordance with the Rules & Regulations of the Company.

d) **Club Fees:**

Fees of maximum 2 (two) Clubs (inclusive of Admission and Life Membership fees) to be paid to the Managing Director.

e) **Medical & Other Allowances:**

Medical and other allowances not exceeding 30% of the basic salary.

### PART "B"

a) **Company's contribution to Provident and other Funds:**

Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent that these either singly or put together are not taxable under the Income Tax Act, 1961.

b) **Leave Encashment:**

Encashment of leave at the end of tenure will be permitted in accordance with the rules of the Company.

The above perquisites shall not be included in the computation of the ceiling on remuneration.

### PART "C"

a) **Car:**

The Company shall provide such chauffeur driven Car to the Managing Director as may be desired by her for business of the Company.

b) **Telephone:**

Personal mobile phone and telephone facilities at the residence of the Managing Director for use of Company's business.

c) **Entertainment Expenses:**

The reimbursement of actual and properly incurred entertainment expenses by the Managing Director for legitimate business of the Company.

Any other perquisites, benefits, facilities, allowances and expenses as may be decided by the Board from time to time as per the Rules/ Schemes of the Company.

However, the aggregate of basic remuneration and value of perquisites shall not exceed the maximum remuneration allowable under Section 197 read with Schedule V of the Companies Act, 2013.

Perquisites shall be valued as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, perquisites shall be valued at actual cost.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the term of the Managing Director, Mrs. Shobha Kapoor will be paid the remuneration by way of Salary & Perquisites, Allowances





& Benefits as specified above as 'Minimum Remuneration'.

**RESOLVED FURTHER THAT** the Directors be and are hereby authorized to alter, vary, revise, modify the scope of remuneration of Mrs. Shobha Kapoor, Managing Director and the monetary value of perquisites, to the extent recommended by the Nomination and Remuneration Committee from time-to-time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution."

4. Re-appointment of Ms. Ektaa R. Kapoor (DIN: 00005093) as Joint Managing Director of the Company and in this regard, to consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other rules, laws, regulations, guidelines or notifications as may be applicable, basis the recommendations of Nomination and Remuneration Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Ms. Ektaa R. Kapoor (DIN: 00005093) as Joint Managing Director of the Company for a period of 5 (five) years and for the remuneration payable to her for a period of 3 (three) years w.e.f. November 10, 2023, as per the following terms and conditions:

1. **Basic Salary:** an amount not exceeding ₹ 20,00,000/- per month (i.e. ₹ 2,40,00,000/- per annum) as basic salary and

## 2. Perquisites, Allowances & Benefits:

### PART "A"

#### a) Housing:

Joint Managing Director shall be entitled to House Rent Allowance subject to the ceiling of 50% of the basic salary.

#### b) Leave Travel Concession / Allowance:

Earned Leave and Leave Travel Concession / Allowance for self and family not exceeding 10% of the basic salary.

#### c) Personal Medical and Accident Insurance:

Personal Medical and Accident Insurance and any other coverage in accordance with the Rules & Regulations of the Company.

#### d) Club Fees:

Fees of maximum 2 (two) Clubs (inclusive of Admission and Life Membership fees) to be paid to the Joint Managing Director.

#### e) Medical & Other Allowances:

Medical and other allowances not exceeding 30% of the basic salary.

### PART "B"

#### a) Company's contribution to Provident and other Funds:

Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent that these either singly or put together are not taxable under the Income Tax Act, 1961.

#### b) Leave Encashment:

Encashment of leave at the end of tenure will be permitted in accordance with the rules of the Company

The above perquisites shall not be included in the computation of the ceiling on remuneration.

### PART "C"

#### a) Car:

The Company shall provide such chauffeur driven Car to the Joint Managing Director as may be desired by her for business of the Company.

#### b) Telephone:

Personal mobile phone and telephone facilities at the residence of the Joint Managing Director for use of Company's business.

#### c) Entertainment Expenses:

The reimbursement of actual and properly incurred entertainment expenses by the Joint Managing Director for legitimate business of the Company.

Any other perquisites, benefits, facilities, allowances and expenses as may be decided by the Board from time to time as per the Rules/ Schemes of the Company.

However, the aggregate of basic remuneration and value of perquisites shall not exceed the maximum remuneration allowable under Section 197 read with Schedule V of the Companies Act, 2013.

Perquisites shall be valued as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, perquisites shall be valued at actual cost.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the term of the Joint Managing Director, Ms. Ektaa R. Kapoor will be paid the remuneration by way of Salary &

Perquisites, Allowances & Benefits as specified above as 'Minimum Remuneration'.

**RESOLVED FURTHER THAT** the Directors be and are hereby authorized to alter, vary, revise, modify the scope of remuneration of Ms. Ektaa R. Kapoor, Joint Managing Director and the monetary value of perquisites, to the extent recommended by the Nomination and Remuneration Committee from time-to-time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution."

5. Payment of Commission to Non-Executive Directors and in this regard, to consider and, if thought fit, pass with or without modifications, the following resolution as **Special Resolution**:  
**"RESOLVED THAT** pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to the recommendations of Nomination and Remuneration Committee, the approval of the Members of the Company be and is hereby accorded for the payment of remuneration by way of commission for each financial year to the Non-Executive Director(s) of the Company,



in accordance with and upto the limits laid down under the provisions of Section 197 of the Act, for a period of 5 (five) years commencing from the financial year 2022-23 in the manner as specified hereunder:

|  |  |
|--|--|
| Mr. Jeetendra Kapoor (Chairman and Non-Executive Director) | 0.80% of the Net Profits of the Company computed in the manner laid under Section 198 of the Act.  |
| Other Non-Executive Director(s)                            | 0.20% of the Net Profits of the Company computed in the manner laid under Section 198 of the Act, subject to upper limit of ₹ 5,00,000/- (five lacs) per Director. |

**RESOLVED FURTHER THAT** pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Members of the Company be and is hereby accorded for payment of remuneration by way of commission to Mr. Jeetendra Kapoor, Non-Executive Director of the Company, exceeding fifty percent of the total remuneration payable to all Non-Executive Directors of the Company for the financial year 2022-23.

**RESOLVED FURTHER THAT** the Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as are necessary to give effect to the above Resolution."

**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](mailto:investor@balajitelefilms.com)

**Website:** [www.balajitelefilms.com](http://www.balajitelefilms.com)

**Place:** Mumbai

**Date:** May 30, 2023

By order of the Board of Directors

For **Balaji Telefilms Limited**

Sd/-

**Tannu Sharma**

**Company Secretary**

(Membership No:ACS30622)

### NOTES:

1. Pursuant to the Ministry of Corporate Affairs ("MCA") General Circulars dated December 28, 2022, May 05, 2022, May 05, 2020, April 13, 2020 and April 08, 2020 (hereinafter referred to as "**MCA Circulars**") and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by Securities and Exchange Board of India (hereinafter referred to as "**SEBI Circulars**") and in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), the 29<sup>th</sup> Annual General Meeting ("AGM") of the Company is being conducted through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") and hence physical attendance of the Members to the AGM venue is not required. The deemed venue for the AGM shall be the Registered Office of the Company i.e. C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400053, Maharashtra.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 36(3) of the Listing Regulations for businesses to be transacted at the AGM is annexed hereto.
3. Details as required in Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meeting issued by Institute of Company Secretaries of India ("ICSI") in respect of the Directors seeking appointment/re-appointment at the AGM are provided in the **Annexure I** to the Notice.  
Further, the relevant details as required to be furnished as per Secretarial Standard-2 on General Meeting issued by ICSI with respect to Item No. 5 are appearing as part of the Explanatory Statement.
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. Further, pursuant to 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 29<sup>th</sup> 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 email on [vijay.yadav@avsassociates.co.in](mailto:vijay.yadav@avsassociates.co.in)
6. The Notice of AGM and Annual Report are being sent only in electronic mode to Members whose email address is registered with the Company, Registrar and Share Transfer Agent or the Depository Participant(s).
7. The Notice of AGM along with Annual Report for the financial year 2022-23, is available on the website of the Company at [www.balajitelefilms.com](http://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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also available on the website of the Registrar and Share Transfer Agent i.e. KFin Technologies Limited i.e. <https://evoting.kfintech.com/public/Downloads.aspx>.
8. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, August 11, 2023 to Thursday, August 17, 2023** (both days inclusive).
9. Members seeking to inspect relevant documents referred to in the accompanying Notice and the Explanatory Statement, Certificate from the Secretarial Auditors of the Company certifying that the ESOP Scheme of the Company is being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other Statutory Registers are required to email to [investor@balajitelefilms.com](mailto:investor@balajitelefilms.com).
10. Members holding shares in physical mode may register/update their email address or changes, if any, in their Bank details, in



prescribed Form ISR-1 with the Company's RTA viz., M/s. KFin Technologies Limited (Kfintech), Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Rangareddy, Telangana. The Company has sent letters to such shareholders for furnishing relevant details, in compliance with SEBI Circular dated November 03, 2021 and March 16, 2023. Form ISR-1 along with other relevant details are also available at the Company's website at <http://www.balajitelefilms.com/pdf/Important%20Information%20for%20Physical%20Shareholders-for%20website.pdf>

Members holding shares in electronic form may update such details with their respective Depository Participant(s).

11. SEBI has made it mandatory that from April 01, 2019, transfer of securities (except in case of transmission or transposition of securities) can only be done in dematerialized form. 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 May 30, 2023 has appointed Mr. Vijay Yadav, Practicing Company Secretary (Membership No. FCS 11990) as scrutinizer for conducting the e-Voting process in a fair and transparent manner.
13. The Results declared shall be communicated to BSE Limited and National Stock Exchange of India Limited within 2 (two) days of conclusion of the AGM of the Company. The Results along with the Scrutinizer's Report shall be placed on the Company's website at [www.balajitelefilms.com](http://www.balajitelefilms.com) and on Registrar and Transfer Agent's website at <https://evoting.kfintech.com/public/Downloads.aspx>.
14. The resolution(s) shall be deemed to be passed on the date of the General Meeting, subject to receipt of requisite majority.
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 **Thursday, August 10, 2023** 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 on **Sunday, August 13, 2023 (09.00 a.m. IST)** and will end on **Wednesday, August 16, 2023 (5.00 p.m. IST)**. The remote e-Voting module shall be disabled for voting thereafter. Such remote e-Voting facility is in addition to voting system that will be made available during the AGM. Members who have voted through remote e-Voting shall be eligible to attend the AGM. However, they shall not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-Voting facility provided by the Company through Kfintech.
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, **Thursday, August 10, 2023**. Any person who is in receipt of this notice but is not a Member as on the cut-off date should treat this notice for information purpose only.
17. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
18. Any person who acquires shares of the Company and becomes a shareholder of the Company after dispatch of Notice of this Annual General Meeting and holds shares as on the cut-off date, **Thursday, August 10, 2023**, may obtain the login ID and password for attending the AGM via VC by sending a request at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) with a copy to [investor@balajitelefilms.com](mailto:investor@balajitelefilms.com).
19. The Company has transferred the unpaid or unclaimed dividend declared up to financial

year 2014-15 and interim dividend declared during the financial year 2015-16, 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 dividend lying with the Company as on August 18, 2022 (date of the previous Annual General Meeting) on the website of the Company and the same can be accessed through the link: <https://ris.kfintech.com/services/IEPF/IEPFInfo.aspx?q=OQ8HMfJOuy4%3d>.

The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).

20. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2022-23, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. November 05, 2022. Details of shares transferred to the IEPF Authority are available on the website of the Company at [www.balajitelefilms.com](http://www.balajitelefilms.com). The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).
21. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all Equity Shares of the Company on which dividend has not been paid or claimed for seven consecutive years or more on May 06, 2023 shall be transferred by the Company to Investor Education and Protection Fund ("IEPF"). The Company has also sent intimation to the concerned Shareholders intimating them their particulars of the Equity Shares due for transfer. These details are also available on the Company's website at [www.balajitelefilms.com](http://www.balajitelefilms.com). No claim shall lie against the Company in respect of these Equity Shares post their transfer to IEPF. Members may note that shares

as well as unclaimed dividend 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.

22. Securities and Exchange Board of India (SEBI) has, vide its circular number SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 mandate to all the physical security holders for furnishing their PAN, KYC and Nomination details with Company or RTA on or before September 30, 2023.

In case a holder of physical securities fails to furnish PAN, nomination, contact details, bank account details and specimen signature by October 01, 2023, KFinTech will be obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the Registrar/the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or the Prevention of Money Laundering Act, 2002. In compliance with SEBI guidelines, the Company had sent communication intimating about the submission of above details to all the Members holding shares in physical form.

### 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 (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](http://www.balajitelefilms.com).
3. The Company has engaged Registrar and Transfer Agents of the Company viz., M/s. KFin Technologies Limited (KFinTech), for providing facility to the Members to cast votes using remote e-Voting system, as well as for voting during the AGM.
4. AGM is being convened through VC/OAVM in compliance with the applicable provisions of the Companies Act, 2013 read with the MCA Circulars.

#### PROCEDURE FOR REMOTE E-VOTING

- i. The remote e-Voting period commences on **Sunday, August 13, 2023 (09.00 a.m. IST)** and will end on **Wednesday, August 16, 2023 (5.00 p.m. IST)**.
- ii. The voting rights of Members shall be in proportion to their shares in the paid-up Equity Share Capital of the Company as on the cut-off date i.e. **Thursday, August 10, 2023**.
- iii. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 in relation to e-Voting facility provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by Registrar and Transfer Agents of the Company viz., M/s. KFin Technologies Limited (KFinTech), on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- iv. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the **individual demat account holders**, by way of single login credential, through their demat accounts/websites of Depositories/DPs, in order to increase the efficiency of the voting process.
- v. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and email ID with their DPs to access e-Voting facility.
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com). However, if he/she is already registered with KFinTech for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.
- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode".
- viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:
  - Step 1:** Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.
  - Step 2:** Access to KFinTech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.
  - Step 3:** Access to join virtual meetings (e-AGM) of the Company on KFin system to participate and vote at the e-AGM.

Details on Step 1 are mentioned below:

**I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.**

| Type of shareholders   | Login Method   |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | <p><b>1. User already registered for IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>I. Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Click on the “Beneficial Owner” icon under “Login” under “IDeAS” section.</li> <li>III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”.</li> <li>IV. Click on Company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ol> <p><b>2. User not registered for IDeAS e-Services</b></p> <ol style="list-style-type: none"> <li>I. To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Select “Register Online for IDeAS” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>III. Proceed with completing the required fields.</li> <li>IV. Follow steps given in point 1.</li> </ol> <p><b>3. Alternatively by directly accessing the e-Voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>I. Open URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> <li>II. Click on the icon “Login” which is available under “Shareholder/Member” section.</li> <li>III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>IV. Post successful authentication, you will be requested to select the name of the Company and the e-Voting Service Provider name, i.e.KFintech.</li> <li>V. On successful selection, you will be re-directed to KFintech e-Voting page for casting your vote during the remote e-Voting period.</li> </ol> |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Provider’s, so that the user can visit the e-Voting service provider’s website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> </ol>  |





| Type of shareholders   | Login Method  |
|--|---|
|  | 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Provider's.  |
| Individual Shareholder login through their demat accounts / Website of Depository Participant(s) | <p>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</p> <p>II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be re-directed to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>III. Click on options available against Company name or e-Voting service provider – <b>Kfintech</b> and you will be re-directed to e-Voting website of <b>KFintech</b> for casting your vote during the remote e-Voting period without any further authentication.</p> |

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type                | Helpdesk details  |
|---------------------------|---|
| Securities held with NSDL | Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 1020 990</b> and <b>1800 22 44 30</b>   |
| Securities held with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. <b>1800 22 55 33</b> |

**Details on Step 2 are mentioned below:**

**II) Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

(A) Members whose email IDs are registered with the Company/ Depository Participant (s), will receive an email from Kfintech which will include details of E-Voting Event Number (EVEN), User ID and password. They will have to follow the following process:

- i) Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>
- ii) Enter the login credentials (i.e. User ID and password). In case of physical

folio, User ID will be EVEN (E-Voting Event Number) i.e. **7406**, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Kfintech for e-Voting, you can use your existing User ID and password for casting the vote.

- iii) After entering these details appropriately, click on "LOGIN".
- iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The

system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v) You need to login again with the new credentials.
  - vi) On successful login, the system will prompt you to select the "EVEN" i.e., "7406-AGM" and click on "Submit".
  - vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option "ABSTAIN". If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
  - ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x) You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL"
- to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF / JPG Format) of the Board Resolution/ Authority Letter etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to cast its vote through remote e-Voting, together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email id [vijay.yadav@avsassociates.co.in](mailto:vijay.yadav@avsassociates.co.in) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above-mentioned documents should be in the naming format "Corporate Name\_Even No."
- (B) Members whose email IDs are not registered with the Company/Depository Participant(s), and consequently the Annual Report, Notice of AGM and e-Voting instructions cannot be serviced, will have to follow the following process:
- i) **In case of Physical holding:** Shareholders holding shares in physical mode may register/ update their email address in prescribed Form ISR-1 with the Company's RTA. The Company has sent letter to such shareholders for furnishing relevant details, in compliance with SEBI circular dated March 16, 2023 and November 03, 2021. Form ISR-1 along with other relevant details are available at Company's website; <https://www.balajitelefilms.com/pdf/Important%20Information%20for%20Physical%20Shareholders%20website.pdf>

**ii) In case of Demat holding:**

Shareholders holding shares in demat mode, who have not registered or updated their email address, are requested to get the same registered/ updated with their respective Depository Participant(s).

- iii) After receiving the e-Voting instructions, please follow all steps given in the Notice to cast your vote by electronic means.

**INSTRUCTIONS FOR ALL THE SHAREHOLDERS, INCLUDING INDIVIDUAL, OTHER THAN INDIVIDUAL AND PHYSICAL, FOR ATTENDING THE AGM OF THE COMPANY THROUGH VC/OAVM AND E-VOTING DURING THE MEETING.**

Details pertaining to Step 3 i.e. virtual meetings (e-AGM) of the Company on KFin system to participate vote at the e-AGM are as below:

- i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFinTech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-Voting login credentials provided in the email received from the Company/KFinTech. After logging in, click on the Video Conference tab and select the EVEN of the Company (i.e. 7406). Click on the video symbol and accept the meeting etiquettes to join the meeting. 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 above.
- ii. Facility for joining AGM through VC/ OAVM shall open 30 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members 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.

- v. The Members who have not cast their vote through remote e-Voting shall be eligible to cast their vote through e-Voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vi. A Member can opt for only single mode of voting i.e., through Remote e-Voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-Voting shall prevail and vote at the AGM shall be treated as invalid.
- vii. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

**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. 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.
3. 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.

**OTHER INSTRUCTIONS**

- i. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views/send their queries in connection with the matters to be taken up at the AGM, in advance, mentioning their name, demat account number / folio number, email id, mobile number at [investor@balajitelefilms.com](mailto:investor@balajitelefilms.com) between July 27, 2023 till August 12, 2023. The Questions / queries received by the Company till August 12, 2023 shall only be considered and responded by the Company.

## BALAJI TELEFILMS LIMITED

- II. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and e-Voting user manual available at the download section of <https://evoting.kfintech.com> (KFintech Website) or write to [evoting@kfintech.com](mailto:evoting@kfintech.com) or call KFintech's toll free No. **1-800-3094-001** for any further clarifications.
- III. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, August 10, 2023, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- IV. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for e-Voting, he/she may obtain the User ID and Password in the manner as mentioned below:
- i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> Number + Folio No. or DP ID Client ID to 9212993399
1. Example for NSDL: MYEPWD <SPACE> IN12345612345678
  2. Example for CDSL: MYEPWD <SPACE> 1402345612345678
  3. Example for Physical: MYEPWD <SPACE> XXXX1234567890
- ii. If email address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://emeetings.kfintech.com/forgotpassword.aspx>, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number **1-800-309-4001** or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).

### 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](mailto:investor@balajitelefilms.com)

**Website:** [www.balajitelefilms.com](http://www.balajitelefilms.com)

**Place:** Mumbai

**Date:** May 30, 2023

By order of the Board of Directors  
For **Balaji Telefilms Limited**

Sd/-

**Tannu Sharma**

**Company Secretary**

(Membership No: ACS30622)



### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required under 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, 4 and 5 of the accompanying Notice:

#### ITEM NO. 3:

The present tenure of Mrs. Shobha Kapoor, aged 74 years, will expire on November 09, 2023. She has been on the Board of the Company since its inception. She has been in-charge of Company's operational management and efficiency and in controlling 'on-set' activity. Keeping in view that Mrs. Kapoor has rich and varied experience in Media and Entertainment Industry and considerable progress made by the Company under her able guidance and supervision with her sharp business acumen and effective cost management skills, and on the basis of recommendation of Nomination and Remuneration Committee, it is proposed to re-appoint Mrs. Shobha Kapoor as the Managing Director for a period of 5(five) years. Further, approval of shareholders is being sought for payment of remuneration, as per the details provided in the resolution set out at Item No. 3 of the AGM Notice, for a period of 3 (three) years w.e.f. November 10, 2023.

Further, the relevant details as required to be furnished under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Item No. 3 have been given in **Annexure I** to this Notice.

Mrs. Shobha Kapoor is interested in the Resolution set out at Item No. 3 of the Notice with regard to her re-appointment. The relatives of Mrs. Shobha Kapoor may be deemed to be interested in the Resolution to the extent of their shareholding interest in the Company. Save and except the above, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the Resolution set out at Item No. 3 of the Notice.

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 by way of Special Resolution.

#### ITEM NO. 4:

The present tenure of Ms. Ektaa R. Kapoor will expire on November 09, 2023. She has been on the Board of the Company since its inception. She undertakes the day-to-day creative direction of TV shows and movies produced by the Balaji Group.

Considering the progress made by the Company under the able guidance and supervision of Ms. Ektaa R. Kapoor and her expertise in the industry and on the basis of recommendation of Nomination and Remuneration Committee, it is proposed to re-appoint Ms. Ektaa R. Kapoor as the Joint Managing Director for a period of 5(five) years. Further, approval of shareholders is being sought for payment of remuneration, as per the details provided in the resolution set out at Item No. 4 of the AGM Notice, for a period of 3 (three) years w.e.f. November 10, 2023.

Further, the relevant details as required to be furnished under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Item No. 4 have been given in **Annexure I** to this Notice.

Ms. Ektaa R. Kapoor is interested in the Resolution set out at Item No. 4 of the Notice with regard to her re-appointment. The relatives of Ms. Ektaa R. Kapoor may be deemed to be interested in the Resolution to the extent of their shareholding interest in the Company. Save and except the above, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the Resolution set out at Item No. 4 of the Notice.

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 by way of Special Resolution.

#### ITEM NO. 5:

The Members of the Company at the Annual General Meeting held on August 31, 2017 had approved the payment of commission to Non-Executive Directors of the Company for a period of 5 (five) years. The Non-Executive Directors on the Board of the Company comprises of professionals with diverse knowledge and experience in the field of Media & Entertainment, Digital Media, Finance, Governance and Business

## BALAJI TELEFILMS LIMITED

Management. All Non-Executive Directors including the Chairman, Mr. Jeetendra Kapoor, have been making outstanding advisory contribution to the business of the Company. The Management of the Company constantly draws upon their experience/knowledge and the Company immensely benefits by their mature advice. Accordingly, keeping in view the augmented contribution made by the Non-Executive Directors of the Company and based on the recommendation of Nomination and Remuneration Committee, it is proposed that such contribution be suitably rewarded by way of payment of commission on Net Profits of the Company for a period of 5 (five) years commencing from the Financial Year 2022-23. Such payment shall be in addition to sitting fees being

paid for attending the Board/Committee meeting(s). Further, pursuant to the provisions of Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members of the Company is being sought as the remuneration in the form of commission proposed to be paid to Mr. Jeetendra Kapoor, who is the Chairman and Promoter of the Company, exceeds fifty percent of the total remuneration payable to all other Non-Executive Directors.

The disclosure required to be submitted pursuant to Secretarial Standard-2 on General Meeting issued by ICSI pertaining to the Non-Executive Directors associated with the Company as on date of this Notice is given hereinbelow:



| Particulars   | Mr. Jeetendra Kapoor   | Mr. Duraiswamy Gunaseela Rajan | Mr. Devender Kumar Vasal              | Mr. Pradeep Kumar Sarda | Mr. Arun Kumar Purwar | Dr. Archana Niranjan Hingorani                       | Ms. Jyoti Deshpande          | Ms. Priyanka Chaudhary  |
|---|--|--------------------------------|---------------------------------------|-------------------------|-----------------------|--|------------------------------|---|
| DIN   | 00005345   | 00303060                       | 06858991                              | 00021405                | 00026383              | 00028037   | 02303283                     | 06520285  |
| Age   | 81 years   | 82 years                       | 67 years                              | 68 years                | 77 years              | 58 years   | 53 years                     | 40 years  |
| Qualification   | Graduate   | Chartered Accountant           | Bachelor's Degree in Commerce and Law | Commerce Graduate       | Post Graduate         | B.A. (Economics), M.B.A., Ph.D. in Corporate Finance | M.B.A – University of Mumbai | Graduate degree in International Finance and Accounting from National American University, Institute of Chartered Accountants of India and ACCA, UK |
| Experience  | 50+ years  | 55+ years                      | 36+ years                             | 45+ years               | 38+ years             | 38+ years  | 30+ years                    | 18+ years   |
| Terms and conditions of appointment or re-appointment | Please refer our website <a href="http://www.balajitelefilms.com">www.balajitelefilms.com</a> for detailed profile |                                |                                       |                         |                       |  |                              |   |
| Details of remuneration sought to be paid             | Not Applicable   |                                |                                       |                         |                       |  |                              |   |
| Remuneration last drawn                               | Not Applicable – only sitting fee for attending Board/ Committee meetings has been paid.                           |                                |                                       |                         |                       |  |                              |   |
| Date of first appointment on the Board                | February 01, 2000  | July 19, 2010                  | May 15, 2014                          | May 17, 2004            | May 20, 2015          | August 28, 2020                                      | March 23, 2018               | May 20, 2022  |
| Shareholding in the Company                           | 32,60,522  | 300                            | NIL                                   | NIL                     | 20,900                | NIL  | NIL                          | NIL   |

| <b>Particulars</b>   | <b>Mr. Jeetendra Kapoor</b>   | <b>Mr. Duraiswamy Gunaseela Rajan</b>  | <b>Mr. Devender Kumar Vasal</b>   | <b>Mr. Pradeep Kumar Sarda</b>   | <b>Mr. Arun Kumar Purwar</b>   | <b>Dr. Archana Niranjani Hingorani</b>  | <b>Ms. Jyoti Deshpande</b>  | <b>Ms. Priyanka Chaudhary</b>   |
|--|---|--|---|--|--|---|---|---|
| Relationship with other Directors, Manager and other Key Managerial Personnel of the company | Husband of Mrs. Shobha Kapoor & Father of Ms. Ektaa R. Kapoor   | None   | None  | None   | None   | None  | None  | None  |
| Number of Meetings of the Board attended during the financial year 2022-23                   | 5   | 5  | 5   | 2  | 5  | 4   | 5   | 4   |
| Other Directorships  | <ul style="list-style-type: none"> <li>Balaji Motion Pictures Limited</li> <li>Balaji Teleproducts Limited</li> <li>Shri Navidhi Developers Private Limited</li> <li>Ekta K. Securities &amp; Investment Private Limited</li> </ul> | <ul style="list-style-type: none"> <li>IFGL Refractories Limited</li> <li>Digjam Limited</li> <li>Rubfila International Limited</li> <li>Havmor Ice Cream Private Limited</li> <li>Lottee India Corporation Limited</li> </ul> | <ul style="list-style-type: none"> <li>ALT Digital Media Entertainment Limited</li> <li>Marinating Films Private Limited</li> </ul> | <ul style="list-style-type: none"> <li>Madhu Construction Private Limited</li> <li>Sumadhu Traders Private Limited</li> <li>Sinner Engineering File Works Private Limited</li> <li>Sumadhu Estates Developers Private Limited</li> </ul> | <ul style="list-style-type: none"> <li>Alkem Laboratories Limited</li> <li>IIFL Finance Limited</li> <li>Jindal Panther Cement Private Limited</li> <li>Energy Infriatech Private Limited</li> </ul> | <ul style="list-style-type: none"> <li>Alembic Pharmaceuticals Limited</li> <li>Grindwell Norton Limited</li> <li>5Paisa Capital Limited</li> <li>Den Networks Limited</li> <li>SBI Mutual Fund Trustee Company Private Limited</li> <li>SIDBI Venture Capital Limited</li> <li>Neewee Analytics Private Limited</li> </ul> | <ul style="list-style-type: none"> <li>Network 18 Media &amp; Investments Limited</li> <li>TV18 Broadcast Limited</li> <li>Saavn Media Limited</li> <li>Indiacast Media Distribution Private Limited</li> </ul> | <ul style="list-style-type: none"> <li>Viacom 18 Media Private Limited</li> </ul> |





| Particulars | Mr. Jeetendra Kapoor   | Mr. Duraiswamy Gunaseela Rajan  | Mr. Devender Kumar Vasal | Mr. Pradeep Kumar Sarda   | Mr. Arun Kumar Purwar   | Dr. Archana Niranjan Hingorani | Ms. Jyoti Deshpande | Ms. Priyanka Chaudhary |
|-------------|--|---|--------------------------|---|---|--------------------------------|---------------------|------------------------|
|             | <ul style="list-style-type: none"> <li>Pantheon Buildcon Private Limited</li> <li>Tusshar Infra Developers Private Limited</li> <li>Balaji Films &amp; Telly Investments Limited</li> <li>Ding Infinity Private Limited</li> </ul> | <ul style="list-style-type: none"> <li>Balaji Motion Pictures Limited</li> <li>Alt Digital Media Entertainment Limited</li> </ul> |                          | <ul style="list-style-type: none"> <li>Suvimal Properties Private Ltd</li> <li>Mercury Trade Links Limited</li> <li>Grenville Resort Private Limited</li> <li>India Food Company Private Limited</li> <li>Priyanka Sales Agencies Private Limited</li> <li>International Knowledge Park Private Limited</li> <li>Soham Knitting Apartment Members Private limited</li> <li>Bandra Diagnostic Centre Private Limited</li> <li>Aditya Televentures Private Limited</li> </ul> | <ul style="list-style-type: none"> <li>IIFL Home Finance Limited</li> <li>Mizuho Securities India Private Limited</li> <li>Eroute Technologies Private Limited</li> </ul> | Dr. Archana Niranjan Hingorani | Ms. Jyoti Deshpande | Ms. Priyanka Chaudhary |

| Particulars  | Mr. Jeetendra Kapoor | Mr. Duraiswamy Gunasela Rajan  | Mr. Devender Kumar Vasal  | Mr. Pradeep Kumar Sarda | Mr. Arun Kumar Purwar   | Dr. Archana Niranjan Hingorani  | Ms. Jyoti Deshpande | Ms. Priyanka Chaudhary |
|--|----------------------|--|---|-------------------------|---|---|---------------------|------------------------|
| Membership (M)/ Chairpersonship (C) of Committees of other Companies | NIL                  | <ul style="list-style-type: none"> <li><b>Lotte India Corporation Limited</b> - Audit Committee (C), Nomination and Remuneration Committee (C), CSR Committee (C), Stakeholders Relationship Committee (M)</li> <li><b>IFGL Refractories Limited</b> - Audit Committee (C) and Nomination and Remuneration Committee (C)</li> <li><b>Rubfla International Limited</b> - Audit Committee (C)</li> </ul> | <p>ALT Digital Media Entertainment Limited – Audit Committee (M), Nomination and Remuneration Committee (M) and CSR Committee (M)</p> | NIL                     | <ul style="list-style-type: none"> <li><b>Alkem Laboratories Limited</b> – Audit Committee (C), CSR Committee (C) and Nomination and Remuneration Committee (M)</li> <li><b>Eroute Technologies Private Limited</b> – Audit Committee (C)</li> <li><b>IFL Finance Limited</b> – Audit Committee (M), Stakeholders Relationship Committee (C) and Nomination and Remuneration Committee (M)</li> </ul> | <ul style="list-style-type: none"> <li><b>Grindwell Norton Limited</b> - Audit Committee (M), Stakeholders Relationship Committee (C) and Risk Management Committee (C)</li> <li><b>5 Paisa Capital Limited</b> – Audit Committee (M), Nomination and Remuneration Committee (M), Risk Management Committee (C) and Stakeholder Relationship Committee (M)</li> <li><b>SIDBI Venture Capital Limited</b> - Audit Committee (C) and Nomination and Remuneration Committee (C)</li> </ul> | NIL                 | NIL                    |



| Particulars | Mr. Jeetendra Kapoor | Mr. Duraiswamy Gunaseela Rajan   | Mr. Devender Kumar Vasal | Mr. Pradeep Kumar Sarda | Mr. Arun Kumar Purwar | Dr. Archana Niranjan Hingorani  | Ms. Jyoti Deshpande | Ms. Priyanka Chaudhary |
|-------------|----------------------|--|--------------------------|-------------------------|-----------------------|---|---------------------|------------------------|
|             |                      | <ul style="list-style-type: none"> <li>• <b>Digjam Limited</b>- Audit Committee (M), Nomination and Remuneration Committee (C)</li> <li>• <b>ALT Digital Media Entertainment Limited</b> - Audit Committee (C), Nomination and Remuneration Committee (M) and CSR Committee (C)</li> </ul> |                          |                         |                       | <ul style="list-style-type: none"> <li>• <b>DEN Networks Limited</b> – Audit Committee (M), Nomination and Remuneration Committee (M), Risk Management Committee (M), CSR Committee (M), and Stakeholder Relationship Committee (M)</li> <li>• <b>Alembic Pharmaceuticals Limited</b> – Audit Committee (M), Nomination and Remuneration Committee (M)</li> <li>• <b>SBI Mutual Fund Trustee Co. Pvt Ltd</b> – Risk Management Committee (M)</li> </ul> |                     |                        |

Non-Executive Directors along with their relatives are deemed to be concerned or interested, financially or otherwise, in the Resolution at Item No.5 of the Notice to the extent of the share of commission that may be received by them. The Key Managerial Personnel of the Company and their relatives are not interested in this resolution.

The Board recommends the Resolution as set out in the Item No. 5 of the accompanying Notice for the approval by the Members of the Company by way of Special Resolution.

**ANNEXURE I TO THE NOTICE**
**Details of Directors Retiring by Rotation/Directors proposed to be re-appointed at the 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]

| <b>Mrs. Shobha Kapoor</b>   |   |
|---|---|
| DIN   | 00005124  |
| Age   | 74 Years  |
| Qualification   | Under-graduate  |
| Brief Resume  | As provided in the Annual Report, and also at the website of the Company at the following link:<br><b><a href="http://www.balajitelefilms.com/board-of-directors.php">http://www.balajitelefilms.com/board-of-directors.php</a></b>   |
| Expertise in specific functional area   | Mrs. Shobha Kapoor has been extremely instrumental in transforming the Company from its small beginnings in 1994 to India's largest TV content Company. Since inception, Mrs. Kapoor has been hands on in the Company's operational management and efficiency and in controlling 'on-set' activity.   |
| Experience  | 29+ years of experience in Media and Entertainment industry.  |
| Relationship with other Directors/ Key Managerial Personnel   | Wife of Mr. Jeetendra Kapoor and Mother of Ms. Ektaa R. Kapoor; not related to any other Directors/Key Managerial Personnel.  |
| Terms & Conditions of Re-appointment and details of remuneration sought to be paid  | As per the resolution at Item No. 3 of the Notice convening this meeting read with Explanatory Statement thereto.   |
| Remuneration last drawn for the financial year 2022-23  | ₹ 2,39,88,000/-   |
| Date of first appointment on the Board  | November 10, 1994   |
| Shareholding in the Company as on March 31, 2023  | 1,10,08,850 Equity shares of Face value of ₹ 2 /- each  |
| No. of Meetings of the Board attended during the financial year 2022-23   | 4 (four)  |
| Listed entities wherein directorship held as on date of this Notice   | <ul style="list-style-type: none"> <li>• Balaji Telefilms Limited</li> </ul>  |
| Directorships held in other Companies as on March 31, 2023 with details of listed entities from which the person has resigned in the past three years | <ul style="list-style-type: none"> <li>• Balaji Motion Pictures Limited</li> <li>• Marinating Films Private Limited</li> <li>• Ding Infinity Private Limited</li> <li>• Balaji Teleproducts Limited</li> <li>• Pantheon Buildcon Private Limited</li> <li>• Balaji Films &amp; Telly Investment Limited</li> <li>• Shri Navnidhi Developers Private Limited</li> </ul> <p>Further, Mrs. Shobha Kapoor has not resigned in any listed entities since past three years.</p> |
| Membership/ Chairpersonship of Committees of Companies as on March 31, 2023   | <p>Balaji Telefilms Limited:</p> <ul style="list-style-type: none"> <li>- Stakeholders' Relationship Committee (Member)</li> <li>- Corporate Social Responsibility Committee (Member)</li> <li>- Risk Management Committee (Chairperson)</li> </ul>   |

**Ms. Ektaa R. Kapoor**

|   |   |
|---|---|
| DIN   | 00005093  |
| Age   | 47 Years  |
| Qualification   | Under-graduate  |
| Brief Resume  | As provided in the Annual Report, and also at the website of the Company at the following link:<br><b><a href="http://www.balajitelefilms.com/board-of-directors.php">http://www.balajitelefilms.com/board-of-directors.php</a></b>   |
| Expertise in specific functional area   | Ms. Ektaa R. Kapoor is credited with revamping India's television landscape. She pioneered an entire genre of television content, heralding India's satellite television boom. Balaji's shows have been and continue to be channel drivers for most general entertainment broadcasters.   |
| Experience  | 29+ years of experience   |
| Relationship with other Directors/ Key Managerial Personnel   | Daughter of Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor; not related to any other Directors/Key Managerial Personnel.   |
| Terms & Conditions of Re-appointment and details of remuneration sought to be paid  | As per the resolution at Item No. 4 of the Notice convening this meeting read with Explanatory Statement thereto.   |
| Remuneration last drawn for the financial year 2022-23  | ₹ 2,39,88,000/-   |
| Date of first appointment on the Board  | November 10, 1994   |
| Shareholding in the Company as on March 31, 2023  | 1,84,33,254 Equity shares of Face value of ₹ 2 /- each  |
| No. of Meetings of the Board attended during the financial year 2022-23   | 2 (two)   |
| Listed entities wherein directorship held as on date of this Notice   | <ul style="list-style-type: none"> <li>Balaji Telefilms Limited</li> </ul>  |
| Directorships held in other Companies as on March 31, 2023 with details of listed entities from which the person has resigned in the past three years | <ul style="list-style-type: none"> <li>Balaji Motion Pictures Limited</li> <li>Marinating Films Private Limited</li> <li>Ding Infinity Private Limited</li> <li>Balaji Teleproducts Limited</li> <li>Balaji Films &amp; Telly Investments Limited</li> <li>Ekta K. Securities &amp; Investment Private Limited</li> <li>Pantheon Buildcon Private Limited</li> <li>EK Balaji Collective Private Limited</li> </ul> <p>Ms. Ektaa R. Kapoor has not resigned in any listed entities since past three years.</p> |
| Membership/ Chairpersonship of Committees of Companies as on March 31, 2023   | Balaji Telefilms Limited:<br>- Stakeholders' Relationship Committee (Member)  |

**Information required to be given under Clause (B) (iv) of Part II of Schedule V of the Companies Act, 2013 for Item Nos. 3 & 4.**

## I. General Information:

### 1. Nature of Industry:

Balaji Telefilms Limited is among the pioneers of the Indian Television and Movie industry, catering to the diverse consumer base across Hindi general entertainment space.

All segments of the Media and Entertainment (M&E) sector in India experienced significant growth in 2022, leading to a total revenue increase of ₹348 Billion (19.9% YoY) to reach ₹2.1 trillion. The industry experienced growth momentum across both traditional media and digital, online gaming and VFX segments. This growth was driven by technology advancement with widespread adoption of smartphones and internet, globalization, content diversity, evolving generational behaviour and supporting Government policies. With such strong momentum, the industry is well-positioned to achieve its projected growth rate of 11.5% in 2023, reaching ₹2.34 trillion and a CAGR of 10.5% to reach ₹2.83 trillion by 2025.

### 2. Date of commencement of Commercial Production:

The Company was incorporated on November 10, 1994. Immediately after incorporation, the Company had commenced production of serials and gradually engaged in the activities of production and distribution of films and other entertainment programmes.

### 3. In case of new Companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

## 4. Financial Performance based on given indicators:

The financial data as per last audited Standalone Balance Sheet and Financial Statements as on March 31, 2023 is as under:

| (₹ in Lacs)                                      |                   |
|--|-------------------|
| Particulars                                      | 2022-23 (Audited) |
| Revenues   | 51,716.55         |
| Expenditure                                      | 47,057.91         |
| Operating Profit                                 | 4,658.64          |
| Less: Interest                                   | 809.99            |
| Less: Depreciation                               | 955.66            |
| Operating Profit after interest and depreciation | 2,892.99          |
| Add: Other Income                                | 2,378.58          |
| Profit Before Taxes                              | 5,271.57          |
| Less: Provision for Income Tax                   | 1,379.74          |
| Profit After Taxes                               | 3,891.83          |

## 5. Foreign Investments or Collaborators:

At present, the Company does not have any foreign investment or collaboration.

## II. Information about Managing Director and Joint Managing Director

### 1. Background Details:

Mrs. Shobha Kapoor, Managing Director of the Company has been in-charge of Company's operational management and efficiency and in controlling 'on-set' activity. One of the pioneers of the Indian Television industry, Mrs. Shobha Kapoor has been associated with television content production since the early 90's when the Company was producing popular content for Doordarshan.

Ms. Ektaa R. Kapoor is the Joint Managing Director of the Company. Ms. Kapoor is the creative brain behind the Company's most successful



and famous shows. She ventured into Television Serial production at a very early age and in no time, she altered the face of Indian Television Industry and continues to dominate till date. Her shows have broken all

previous records of Television Serial Production and popularity in India. Ms. Ektaa R. Kapoor is the only Indian to feature in the Hollywood Reporters "The 40 Most Influential Women In International Film List".

## 2. Past Remuneration:

(Amount in ₹)

| Name            | Designation             | Basic Salary | Perquisites, allowance and benefits | Commission | Employer's Contribution to Provident Fund | Total       |
|-----------------|-------------------------|--------------|-------------------------------------|------------|---|-------------|
| Shobha Kapoor   | Managing Director       | 1,44,00,000  | 95,66,400                           | -          | 21,600                                    | 2,39,88,000 |
| Ektaa R. Kapoor | Joint Managing Director | 1,44,00,000  | 95,66,400                           | -          | 21,600                                    | 2,39,88,000 |

All above figures are per annum and pertains to financial year 2022-23.

## 3. Awards and Recognition:

Amongst others, following is the short list of few of the awards won by Mrs. Shobha Kapoor, Managing Director and Ms. Ektaa R. Kapoor, Joint Managing Director:

| Awarding Entity                              | Year | Award  | Awardee                                  |
|--|------|--|--|
| Ernst & Young                                | 2001 | Entrepreneur of the Year                           | Ms. Ektaa R. Kapoor                      |
| The Economic Times Award                     | 2002 | Business Woman of the Year                         | Ms. Ektaa R. Kapoor & Mrs. Shobha Kapoor |
| Indian Telly Awards                          | 2003 | Best CEO of the Year                               | Mrs. Shobha Kapoor                       |
| Foundation for promotion of Film Art & Craft | 2003 | Achiever of the Year                               | Mrs. Shobha Kapoor                       |
| American Biographical Institute              | 2003 | Woman of the Year                                  | Ms. Ektaa R. Kapoor                      |
| Indian Telly Awards                          | 2004 | Creative Director of The Year                      | Ms. Ektaa R. Kapoor                      |
| Indian Telly Awards                          | 2006 | Hall of Fame                                       | Ms. Ektaa R. Kapoor                      |
| Indo-American Society                        | 2010 | Most Outstanding Woman Entrepreneur award          | Ms. Ektaa R. Kapoor                      |
| National Media Network Film and TV Awards    | 2011 | Most Successful Film & TV Producer                 | Ms. Ektaa R. Kapoor                      |
| Dadasaheb Phalke Academy Awards              | 2012 | 'Phalke Icon Producer Award' for Film & Television | Ms. Ektaa R. Kapoor                      |
| Asia Pacific Entrepreneurship Awards         | 2015 | Woman Entrepreneur of the Year                     | Ms. Ektaa R. Kapoor                      |
| Indian Business Awards                       | 2017 | Business Today's Most Powerful Women               | Ms. Ektaa R. Kapoor                      |
| KhaasRishta Award                            | 2017 | KhaasRishta Award                                  | Ms. Ektaa R. Kapoor                      |
| ITA Awards                                   | 2017 | Sterling Icon of Entertainment                     | Ms. Ektaa R. Kapoor                      |
| IWM (Indian Wiki Media) Digital Awards       | 2018 | Web Person of the year                             | Ms. Ektaa R. Kapoor                      |

| <b>Awarding Entity</b>                                       | <b>Year</b> | <b>Award</b>                             | <b>Awardee</b>      |
|--|-------------|--|---------------------|
| 34 <sup>th</sup> Annual session of FICCI Ladies Organization | 2018        | FLO Icon Award                           | Ms. Ektaa R. Kapoor |
| Hindustan Times Style Awards                                 | 2019        | Most Stylish Filmmaker                   | Ms. Ektaa R. Kapoor |
| Forbes   | 2019        | Icon of Excellence                       | Ms. Ektaa R. Kapoor |
| Maharashtra Achiever's Awards                                | 2019        | Content Power House of the Year          | Ms. Ektaa R. Kapoor |
| Fortune India Awards   | 2019        | Most Powerful Business Women of the Year | Ms. Ektaa R. Kapoor |
| Economic Times   | 2019        | Content Creator of the Year              | Ms. Ektaa R. Kapoor |
| ET Now Business Leader of the Year Awards                    | 2020        | Business Woman of the year               | Ms. Ektaa R. Kapoor |
| IWMBUZZ Awards   | 2020        | OTT Disruptor of the Year Award          | Ms. Ektaa R. Kapoor |
| International Quality Awards                                 | 2020        | Content Creator of the Year              | Ms. Ektaa R. Kapoor |
| Government of India  | 2020        | Padma Shri Award                         | Ms. Ektaa R. Kapoor |
| Indian Television Academy Awards                             | 2021        | Hall of Fame                             | Ms. Ektaa R. Kapoor |
| Midday Hitlist OTT Awards                                    | 2021        | Industry Leadership Award for ALT Balaji | Ms. Ektaa R. Kapoor |
| DNA Women Achievers Awards                                   | 2023        | Entertainment Personality of the Year    | Ms. Ektaa R. Kapoor |

#### 4. Job Profile and Suitability:

As Managing Director and Joint Managing Director, Mrs. Shobha Kapoor and Ms. Ektaa R. Kapoor respectively are responsible for the conception of different television shows, digital content and movies produced by the Company and the overall management of the Company. Having been instrumental in steering the Company towards being the leader in the television industry in India, both Mrs. Shobha Kapoor and Ms. Ektaa R. Kapoor come with almost three decade's worth of experience in this domain. With this extensive experience, they are ideally placed to ensure that the Company continues to make quality content within a budget specified by the channel, on very stringent timelines. Balaji Telefilms Limited has launched several critically acclaimed television serials and movies in its short tenure within the industry. Balaji's creativity is demonstrated by its series of well received serials that have garnered high TRP ratings.

Mrs. Shobha Kapoor's and Ms. Ektaa R. Kapoor's leadership and involvement has been significant in steering the Company towards being a front runner in the Indian Television industry. They have led teams to conceptualize TV shows and have produced innumerable shows for major broadcasters and have released more than 90 web series online through our digital app ALTT. Over the years, the Balaji Group through its movie business has also demonstrated success in pioneering the production of a differentiated cinematic content across different genres. The Company has been involved in creating a number of commercial as well as critically acclaimed movies and web series.

Their creativity is highly regarded as a prime driving force for the Company to fulfill audience expectations. They have a great understanding of India's demographic profile and never cease to deliver appealing content to the masses. Consequently, their efforts have well positioned Balaji





Telefilms Limited to cater to the rapidly growing Indian Entertainment space as their commitment to the Company is sure to demonstrate excellent growth going forward.

#### 5. **Remuneration Proposed:**

As specified under Item No. 3 & Item No. 4 of the Notice, respectively. The Members are requested to note that the remuneration proposed under Item No. 3 & Item No. 4 of the Notice is in line with their existing remuneration and no change or revision in remuneration is being proposed.

#### 6. **Comparative Remuneration Profile with respect to Industry, Size of the Company, Profile of the Position and Person:**

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mrs. Shobha Kapoor and Ms. Ektaa R. Kapoor, the remuneration proposed to be paid is commensurate with the remuneration package paid to the similar counter parts in other Companies.

#### 7. **Pecuniary relationship directly or indirectly with the Company or relationship with Managerial Personnel or other Director:**

Mr. Jeetendra Kapoor is relative of both the appointees. Mrs. Shobha Kapoor is the wife of Mr. Jeetendra Kapoor and Ms. Ektaa R. Kapoor is the daughter of Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor.

Except for the transaction disclosed in Note No. 36 of the accompanying Financial Statements, they do not have any material pecuniary relationship with the Company.

### III. **Other Information**

#### 1. **Reasons for inadequate profits:**

The content production space operates with certain cyclicity. In the last couple of years, we have had a number of new shows launching which resulted in higher initial costs. However, as the shows become

popular they generate significantly higher profits. We now have a more stable line up of shows with improved profitability as the shows launched in previous years have become daily hits. We also undertook cost optimization effort this year that has significantly enabled improvement at EBIDTA level profitability.

#### 2. **Steps taken or proposed to be taken for improvement:**

In recent years, the Company has put in an aggressive plan to improve per hour realization and improve our production costs. We now focus only on prime time shows with higher impact and higher revenues and have seen our average revenue per hour increase year on year.

We also endeavor to control costs by actively monitoring cost for initial episodes and aim to break even relatively faster. The same is visible in the performance of the Company over the last few quarters.

As regards Movies segment, our endeavor is to pre-lock revenue deals towards Satellite, Music and Digital which enables us to effectively de-risk our movie business segment to a large extent.

#### 3. **Expected increase in productivity and profits in measurable terms.**

We believe all the initiatives listed above will bring and create further value for our shareholders. It will also enhance the revenue potential of the Group, resulting in better and improved profit for these Companies of Balaji Group.

### IV. **Disclosures:**

The information and disclosures of the remuneration package of the Managerial Personnel have been already mentioned in the Annual Report in the Corporate Governance Report Section under the heading Remuneration paid to Directors for the year ended March 31, 2023.







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