

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BALAJI TELFILMS LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Balaji Telefilms Limited (the Company), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order Under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with

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ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

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- (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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 over financial reporting 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 over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 23.1, 23.2 and 23.3 to the 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ('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)



A. B. Jani
Partner
(Membership No. 46488)

Mumbai, Dated: May 17, 2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Re: Balaji Telefilms Limited

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Balaji Telefilms Limited (the Company) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



A. B. Jani
Partner
(Membership No. 46488)

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Re: Balaji Telefilms Limited

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of buildings which are freehold, are held in the name of the Company as at the Balance Sheet date.
- (ii) As explained to us, the nature of the inventories of the Company are such that clause (iii) of paragraph 3 of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has granted unsecured loans aggregating Rs. 23,150.98 lacs to its three wholly owned subsidiaries and to one subsidiary body corporate amounting to Rs. 87.46 lacs covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - b) The principal and interest amounts are repayable on demand. Interest is overdue as at the year-end.
 - c) In respect of the interest overdue for a period of more than ninety days as at the year-end aggregating Rs. 827.65 lacs, as explained to us, the management has taken reasonable steps for recovery of the same.

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- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of making investments as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. Therefore, the clause (v) of the Order is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order regarding maintenance of cost records is not applicable to the Company.
- (vii) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and any other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and any other material statutory dues in arrears, as at March 31, 2016 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited as on March 31, 2016 on account of disputes are given below:

(Rupees in Lakhs)

Name of Statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	CST	11,687.79	1.4.2000 to 31.3.2004	Department of Sales Tax
Chapter V of The Finance Act, 1994	Service Tax	2,944.09	1.4.2006 to 31.3.2010	Office of the Commissioner of Service Tax

- (viii) In our opinion and according to the information and explanations given to us, the Company does not have any borrowings from the banks, financial institutions and debenture holders. Hence reporting under clause (viii) of the Order is not applicable.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year.

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- (x) 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 by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (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) According to the information and explanations given to us, the Company has made private placement of shares during the year under review.

In respect of the above issue, we further report that:

- a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
 - b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised.
- (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 him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
 - (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

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



A B Jani
Partner

(Membership No. 46488)

Mumbai, Dated: May 17, 2016

BALAJI TELEFILMS LIMITED
Balance Sheet as at March 31, 2016

		Note No.	As at March 31, 2016 ₹ in Lacs	As at March 31, 2015 ₹ in Lacs
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	1,518.61	1,304.21
	(b) Reserves and surplus	4	59,758.98	41,694.61
			61,277.59	42,998.82
2	Current liabilities			
	(a) Trade payables			
	(i) Total outstanding dues of micro enterprises and small enterprises; and			
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises.	23.5	4,684.22	3,183.04
	(b) Other current liabilities	5	643.98	17.37
	(c) Short-term provisions	6	463.10	791.89
			5,791.30	3,992.30
	TOTAL		67,068.89	46,991.12
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	7	2,886.33	2,295.50
	(ii) Capital work-in-progress		-	21.77
			2,886.33	2,317.27
	(b) Non-current investments	8	21,713.89	6,656.39
	(c) Deferred tax assets (net)	23.14	690.47	569.34
	(d) Long-term loans and advances	9	2,692.55	2,427.43
	(d) Other non-current assets	10	36.90	41.55
			28,020.14	12,011.98
2	Current assets			
	(a) Current investments	11	3,958.77	14,511.48
	(b) Inventories	12	1,158.89	508.86
	(c) Trade receivables	13	7,617.21	5,901.70
	(d) Cash and cash equivalents	14	398.16	646.05
	(e) Short-term loans and advances	15	24,596.60	12,200.87
	(f) Other current assets	16	1,319.12	1,210.18
			39,048.75	34,979.14
	TOTAL		67,068.89	46,991.12
	See accompanying notes forming part of financial statements			

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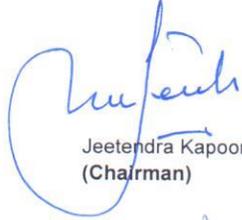
BALAJI TELEFILMS LIMITED
Balance Sheet for the year ended March 31, 2016

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



A. B. Jani
(Partner)
Place : Mumbai
Date : May 17, 2016



Jeetendra Kapoor
(Chairman)



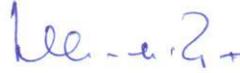
Shobha Kapoor
(Managing Director)



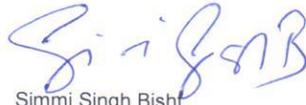
Ekta Kapoor
(Joint Managing Director)



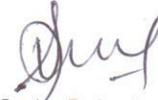
Sameer Nair
(Group Chief Executive Officer)



D.G. Rajan
(Director)



Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date : May 17, 2016



Sanjay Dwivedi
(Group Chief Financial Officer)

BALAJI TELEFILMS LIMITED

Statement of Profit and Loss for the year ended March 31, 2016

Particulars		Note No.	For the Year ended March 31, 2016	For the Year ended March 31, 2015
			₹ in Lacs	₹ in Lacs
1	Revenue			
	Revenue from Operations	17	25,684.93	20,969.22
2	Other income	18	3,365.34	1,020.91
3	Total Revenue (1+2)		29,050.27	21,990.13
4	Expenses			
	(a) Cost of Production of television serials	19	18,352.85	16,680.47
	(b) Employee benefits expense	20	1,277.02	906.33
	(c) Finance costs	21	-	27.93
	(d) Depreciation and amortization expense (Refer Note 23.20)	7	871.58	761.46
	(e) Other expenses	22	2,576.51	2,108.09
	Total Expenses		23,077.96	20,484.28
5	Profit before tax (3-4)		5,972.31	1,505.85
6	Tax expense:			
	(a) Current tax		1,699.00	510.00
	(b) Deferred tax		(121.13)	(231.40)
	(c) Short provision for tax in respect for earlier years		27.00	-
			1,604.87	278.60
7	Profit for the year (5-6)		4,367.44	1,227.25
8	Earnings per share (of ₹ 2/- each):			
	Basic and diluted earnings per share	23.13	6.63	1.88
	See accompanying notes forming part of the financial statements			

DHS LLP

BALAJI TELEFILMS LIMITED
Statement of Profit and Loss for the year ended March 31, 2016

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



A. B. Jani
(Partner)
Place : Mumbai
Date : May 17, 2016



Jeeendra Kapoor
(Chairman)



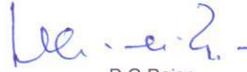
Shobha Kapoor
(Managing Director)



Ekta Kapoor
(Joint Managing Dir)



Sameer Nair
(Group Chief Executive Officer)



D.G. Rajan
(Director)



Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date : May 17, 2016



Sanjay Dwivedi
(Group Chief Financial Officer)

BALAJI TELEFILMS LIMITED

Cash Flow Statement for the year ended March 31, 2016

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	₹ in Lacs		₹ in Lacs	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		5,972.31		1,505.85
Adjustments for:				
Depreciation	871.58		761.46	
Advances written off	-		46.17	
Provision for doubtful debts (net)	-		14.95	
Loss on discard of fixed assets(net)	3.13		-	
Dividend / Profit on sale of long term investments (non-trade) (net)	(2,068.76)		(875.51)	
Provision for diminution of investment	-		465.81	
Provision for earlier years written back (net)	(267.95)		(33.00)	
Provision for doubtful debt written back	-		(12.00)	
Interest income on Fixed Deposits	(2.46)		(3.74)	
Interest income on Loan to subsidiary	(1,171.51)		(12.46)	
Operating (loss) / profit before working capital changes		(2,635.97)		351.68
Adjustments for:				
Increase in trade and other receivable	(1,862.02)		(2,857.11)	
Decrease / (increase) in inventories	(650.03)		143.23	
Increase in trade payables and other payables	2,395.75		710.03	
Cash from operations		(116.30)		(2,003.85)
Income-tax refund / paid		(1,874.54)		(1.91)
Net Cash Flow from / (Used In) Operating Activities (A)		1,345.50		(148.22)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(1,443.78)		(1,310.02)	
Purchase of current investments	-		(6,125.00)	
Sale of current investments	12,621.47		8,679.88	
Investment in fully paid-up Preference shares	(50.00)		(345.00)	
Investment in fully paid-up Equity shares	(15,007.50)		-	
Investment in Trust / Limited Liability Partnership	-		(0.51)	
Investment in Subsidiary	-		(100.00)	
Loans given to subsidiary	(13,792.93)		(5,721.61)	
Loans repaid by subsidiary	2,254.71		6,580.85	
Loans repaid by subsidiary Body corporate	375.84		711.63	
Loans given to subsidiary Body corporate	(29.19)		(1,149.75)	
Bank Balance not considered as cash and cash equivalents (Refer Note 14)	(7.40)		(5.65)	
Interest income	37.56		10.33	
Net Cash (Used In) / From Investing Activities (B)		(15,041.22)		1,225.15
C. CASH FLOW FROM FINANCING ACTIVITIES				
Issue of Equity Share Capital	15,008.00		-	
Dividend paid (net of movement of unpaid dividend account)	(1,382.08)		(393.08)	
Corporate dividend tax paid	(185.49)		(79.65)	
Net Cash Flow from / (Used In) Financing Activities (A)		13,440.43		(472.73)
Net (decrease) / increase in cash and cash equivalents (A+B+C)		(255.29)		604.19
Cash and cash equivalents at the beginning of the year		640.40		36.21
Cash and cash equivalents at the end of the year		385.11		640.40
See accompanying notes forming part of financial statements				
(i) Components of cash and cash equivalents include cash and bank balances in current and deposit accounts (Refer note 14).				
		₹ in Lacs	₹ in Lacs	
(ii) Cash and cash equivalents at the end of the year as per cashflow statement		385.11	640.40	
- Unpaid dividend accounts		13.05	5.65	
- Fixed deposits kept in lien against bank guarantee		-	-	
Cash and cash equivalents at the end of the year as per Note 14		398.16	646.05	

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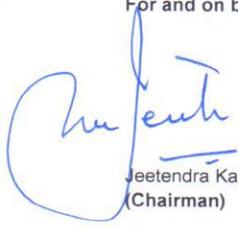
BALAJI TELEFILMS LIMITED
Cash Flow Statement for the year ended March 31, 2016

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



A. B. Jani
(Partner)
Place : Mumbai
Date : May 17, 2016



Jeetendra Kapoor
(Chairman)



Shobha Kapoor
(Managing Director)



Ekta Kapoor
(Joint Managing Dir)



Sameer Nair
(Group Chief Executive Officer)



D.G. Rajan
(Director)



Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date : May 17, 2016



Sanjay Dwivedi
(Group Chief Financial Officer)

BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1

Corporate information

Balaji Telefilms Limited 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.

Note 2

Significant accounting policies

Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013.

Use of Estimates

The preparation of financials statements, in conformity with generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of the revenue and expenses during the reported year. Differences between the actual results and the estimates are recognized in the year in which the results are known / materialize.

Fixed assets

Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation / amortisation and impairment loss, if any.

Depreciation / Amortisation

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in 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

Impairment loss

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on 'Impairment of Assets'. An impairment loss is charged to Statement of Profit and Loss in the year in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

Investments

Current investments are carried at lower of cost and fair value. Long term investments are carried at cost. However, when there is a decline, other than temporary, the carrying amount is reduced to recognise the decline.

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DHS LLP

BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Inventories

Inventory comprise of television serials which are at lower of cost and net realizable value. Cost is determined on the basis of average cost.

Revenue recognition

Revenue is recognized as and when the relevant episodes of the programmes (television serials) are telecast on broadcasting channels.

Revenue (income) is recognized when no significant uncertainty as to its determination or realization exists.

Employee benefits

a) Post employment benefits and other long term benefits

i) Defined Contribution Plans:

The Company contributes towards Provident Fund and Family Pension Fund. Liability in respect thereof is determined on the basis of contribution as required under the Statute / Rules.

ii) Defined Benefit Plans:

The trustees of Balaji Telefilms Limited Employees Group Gratuity Scheme have taken a Group Gratuity cum Life Assurance Policy from the Life Insurance Corporation of India (LIC).

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'. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Gains and losses on changes in actuarial assumptions are accounted in the statement of profit and loss.

b) Short Term Employee Benefits:

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Foreign currency transactions

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realisation / payment of foreign exchange are accounted in the relevant year as income or expense.

Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

Operating leases

Assets taken on lease under which, all the risks and rewards of the ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognized as expenses in accordance with the respective lease agreements.

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BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Taxes on income

Tax expense comprises of current tax and deferred tax.

Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, using the applicable tax rates.

Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years / period. Deferred tax assets are recognized only to the extent that there is reasonable certainty, that sufficient future income will be available except that the deferred tax assets, in case there are unabsorbed depreciation and losses, are recognized if there is a virtual certainty that sufficient future taxable income will be available to realize the same.

Minimum Alternate Tax (MAT) credit entitlement is recognized in accordance with the Guidance Note on "Accounting for credit available in respect of Minimum Alternate Tax under the Income-tax Act, 1961" issued by the Institute of Chartered Accountants of India (ICAI).

Provisions and Contingencies

Provision is recognized in the accounts when there is a present obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation. Contingent liabilities, if any, are disclosed in the notes to the financial statements.

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 3 Share capital

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Authorised 1,30,000,000 (Previous year 85,00,000) Equity shares of ₹ 2/- each	2,600.00	1,700.00
	2,600.00	1,700.00
(b) Issued, Subscribed and fully paid-up 75,930,443(Previous year 65,210,443) Equity shares of ₹ 2/- each	1,518.61	1,304.21
Total	1,518.61	1,304.21

Notes :

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

Name of shareholder	As at March 31, 2016		As at March 31, 2015	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Star Middle East FZ LLC	-	-	16,948,194	25.99
Ekta Kapoor	15,744,371	20.74	13,572,704	20.81
Shobha Kapoor	10,034,883	13.22	9,129,462	14.00
Jeetendra Kapoor	-	-	3,260,522	5.00

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

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares held	₹ in Lacs	No. of shares held	₹ in Lacs
Equity shares outstanding at the beginning of the year	65,210,443	1,304.21	65,210,443	1,304.21
Add: Issue of Equity Shares during the year	10,720,000	214.40	-	-
Equity shares outstanding at the end of the year	75,930,443	1,518.61	65,210,443	1,304.21

U. (iii) All the above Equity Shares have the same rights to dividend, voting and in case of repayment of Capital.

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 4 Reserves and surplus

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹ in Lacs		₹ in Lacs	
(a) Securities premium account				
As per last Balance Sheet	14,785.61		14,785.61	
Add: On issue of equity shares	14,793.60		-	
		29,579.21		14,785.61
(b) General reserve				
As per last Balance Sheet	5,133.10		5,010.38	
Add: Transferred from surplus in Statement of Profit and Loss	-		122.72	
		5,133.10		5,133.10
(c) Surplus in Statement of Profit and Loss				
Opening balance	21,775.89		21,319.61	
Less : Depreciation on account of transitional provisions of Schedule II of the Companies Act, 2013 (Refer Note 23.20)	-		177.33	
Add: Profit for the year	4,367.44		1,227.25	
Less : Proposed dividends NIL (previous year @ ₹ 0.60) per Equity share)	-		391.26	
Less : Interim Dividend @ ₹ 1.20 per Equity share	911.17			
Tax on dividend	185.49		79.65	
Transferred to General reserve	-		122.72	
Closing balance		25,046.67		21,775.89
Total		59,758.98		41,694.61

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 5 Other current liabilities

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Unpaid dividends (Refer Note below)	12.96	5.65
(b) Other payables		
(i) Statutory liabilities	186.02	11.72
(ii) Advances from customers	445.00	-
Total	643.98	17.37

Note

Appropriate amount shall be transferred to Investor Education and Protection Fund if and when due.

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 6 Short-term provisions

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
Provision - Others:		
(i) Provision for tax (net of advance tax ₹ 1921.95 lacs (as at March 31, 2015 ₹ 848.07 lacs))	463.10	320.98
(ii) Provision for proposed dividend on Equity shares	-	391.26
(iii) Provision for tax on proposed dividend	-	79.65
Total	463.10	791.89

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 7 Fixed Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at April 01, 2015	Additions	Deductions	As at March 31, 2016	Upto March 31, 2015	For the Year	On Deductions	Adjustments (Refer Note 23.20)	Upto March 31, 2016	As at March 31, 2016
	₹ in Lacs									
Tangible assets										
Buildings (refer note a below)	472.57 (469.36)	- (3.21)	- (-)	472.57 (472.57)	80.98 (73.09)	7.92 (7.89)	- (-)	- (-)	88.90 (80.98)	383.67 (391.59)
Plant and machinery - Computers	632.61 (632.61)	1.59 (-)	- (-)	634.20 (632.61)	629.52 (569.08)	3.20 (17.69)	- (-)	- (42.75)	632.72 (629.52)	1.48 (3.09)
Plant and machinery - Others	2,235.41 (2,201.37)	107.53 (34.04)	5.23 (-)	2,337.71 (2,235.41)	1,699.98 (1,517.34)	117.56 (182.06)	1.92 (-)	- (0.58)	1,815.62 (1,699.98)	522.09 (535.43)
Computers	401.51 (397.34)	17.90 (4.17)	- (-)	419.41 (401.51)	393.91 (359.59)	6.30 (8.02)	- (-)	- (26.30)	400.21 (393.91)	19.20 (7.60)
Studios and sets	5,881.29 (4,734.13)	1,089.37 (1,147.16)	- (-)	6,970.66 (5,881.29)	4,932.53 (4,641.15)	567.44 (291.38)	- (-)	- (-)	5,499.97 (4,932.53)	1,470.69 (948.76)
Vehicles	812.29 (811.96)	218.00 (0.33)	- (-)	1,030.29 (812.29)	570.99 (419.84)	105.71 (139.96)	- (-)	- (11.19)	676.70 (570.99)	353.59 (241.30)
Furniture and fixtures	305.51 (303.85)	21.91 (1.66)	- (-)	327.42 (305.51)	254.46 (175.07)	20.43 (57.29)	- (-)	- (22.10)	274.89 (254.46)	52.53 (51.05)
Office equipments	385.22 (333.56)	5.82 (51.66)	- (-)	391.04 (385.22)	312.54 (115.98)	32.69 (44.28)	- (-)	- (152.28)	345.23 (312.54)	45.81 (72.68)
Electrical fittings	91.68 (89.68)	3.60 (2.00)	- (-)	95.28 (91.68)	47.68 (27.54)	10.33 (12.89)	- (-)	- (7.25)	58.01 (47.68)	37.27 (44.00)
Lease Hold Improvements	386.41 (386.41)	- (-)	- (-)	386.41 (386.41)	386.41 (386.36)	- (-)	- (-)	- (0.05)	386.41 (386.41)	- (-)
Total	11,604.50 (10,360.27)	1,465.72 (1,244.23)	5.23 (-)	13,064.99 (11,604.50)	9,309.00 (8,285.04)	871.58 (761.46)	1.92 (-)	- (262.50)	10,178.66 (9,309.00)	2,886.33 (2,295.50)

Notes

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

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 8 Non-current investments (Unquoted)

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹ in Lacs		₹ in Lacs	
(Non-trade) (At cost)				
(1) Investment in fully paid-up Equity shares (Refer Note 23.6)				
(i) Wholly owned subsidiaries :				
30,000,000 (Previous year 30,000,000) Equity shares of ₹10/- each in Balaji Motion Pictures Limited		3,000.00		3,000.00
50,000 (Previous year 50,000) Equity shares of ₹10/- each in Bolt Media Limited		5.00		5.00
150,050,000 (Previous year Nil) Equity shares of ₹10/- each in Alt Digital Media Entertainment Limited		15,005.00		-
(ii) Subsidiaries :				
(a) 5,100 (Previous year 5,100) Equity Shares of ₹10/- each in Marinating Films Private Limited (Refer Note 23.6)		100.00		100.00
(b) Investment in Limited Liability Partnership (Refer Note 23.17) Event Media LLP		0.51		0.51
(c) 25,000(Previous year Nil) Equity Shares of ₹10/- each in Chhayabani Balaji Entertainment Private Limited		2.50		-
(2) Investment in optionally convertible debentures (OCDs) of (Refer Note 23.21) :				
(i) Aristo Learning Private Limited				
Series A 3,000 (Previous year 3,000) Debentures of ₹100 each		3.00		3.00
Series B 62,810 (Previous year 62,810) Debentures of ₹100 each		62.81		62.81
		65.81		65.81
Less : Provision for diminution in value of investments		65.81		65.81
		-		-
(ii) Second School Learning Private Limited				
Series A 1,000 (Previous year 1,000) Debentures of ₹100 each		1.00		1.00
Series B 399,000 (Previous year 399,000) Debentures of ₹100 each		399.00		399.00
		400.00		400.00
Less : Provision for diminution in value of investments		400.00		400.00
		-		-
(3) Investment in fully paid-up Preference shares				
Subsidiary				
3,450,000 (Previous Year 345) Preference shares of ₹10/- each in Marinating Films Private Limited (Refer Note 23.6)		345.00		345.00
Subsidiary				
50,000(Previous Year Nil) Preference shares of ₹10/- each in Chhayabani Balaji Entertainment Private limited (Refer Note)		50.00		-
(4) Investment in Associate (Refer Note 23.17)				
(i) IPB Capital Advisors LLP		0.50		0.50
(5) Investment in Indus Balaji Investor Trust (Refer Note 23.2)				
(i) 3,200,000 (Previous year 3,200,000) Class A units of ₹100 each		3,200.00		3,200.00
(ii) 5,000 (Previous year 5,000) Class B units of ₹100 each		5.00		5.00
		3,205.00		3,205.00
(6) Investment in Limited Liability Partnership (Refer Note 23.17)				
(i) Indus Balaji Education Capital Advisors LLP		0.38		0.38
Total		21,713.89		6,656.39

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BALAJI TELEFILMS LIMITED

Notes forming part of the financial statements

Note 9 Long-term loans and advances (unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹ in Lacs		₹ in Lacs	
Secured, considered good				
(a) Security Deposits (Refer note below)				
Considered good	715.40		740.94	
Considered doubtful	50.92		50.92	
	766.32		791.86	
Less: Provision	50.92		50.92	
		715.40		740.94
(b) Advance tax (Net of provisions ₹ 1,243.24 lacs (Previous year ₹ 733.24 lacs) and MAT credit utilised ₹ Nil (Previous year ₹ 70 lacs))		1,977.15		1,686.49
Total		2,692.55		2,427.43

Note: Security Deposits include deposits given to three of the Directors for the properties taken on lease from them (also refer note 23.8 (b))

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
Amount outstanding as at the year-end	640.00	640.00
Maximum amount outstanding at any time during the year for the above deposits.	640.00	640.00

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 10 Other non-current assets (unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Fixed deposits with banks under lien	28.57	35.68
(b) Interest accrued on fixed deposits with banks under lien	8.33	5.87
Total	36.90	41.55

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 11 Current investments (unquoted)

Particulars	As at	As at
	March 31, 2016	March 31, 2015
	₹ in Lacs	₹ in Lacs
(Non trade) (at lower of cost and fair value) :		
Investment in mutual funds (Refer note below)	3,958.77	14,511.48
Total	3,958.77	14,511.48

Note :

	Face Value	Numbers		Value (₹ in Lacs)	
		As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
IN UNITS OF MUTUAL FUNDS					
Kotak Gilt (Investment Regular)- Growth	10	-	765,716.33	-	300.00
Kotak Floater Long Term- Growth	10	-	5,127,994.75	-	1,000.00
Reliance Regular Savings Fund - Debt Plan-Growth Plan	10	5,320,960.78	6,540,746.68	902.17	1,100.00
SBI Magnum Income Fund- Regular Plan- Growth	10	-	1,731,667.70	-	500.00
SBI Magnum Income Fund -FR Savings Plus Bond- Regular Plan-Growth	10	-	2,607,915.55	-	500.00
Templeton India Short term Income Retail Plan Growth	1000	4,198.63	34,180.18	100.00	800.00
Templeton India Ultra Short Bond -Super Institutional	10	-	10,174,261.14	-	1,025.49
UTI Short Term Income Fund Institutional - Growth Option	10	-	6,850,451.70	-	1,000.00
UTI Floating Rate Fund-STP-Regular Plan	10	-	31,117.03	-	618.81
UTI-BOND Fund-Growth	10	-	834,680.86	-	300.16
Birla Sunlife Floating Rate Fund	10	-	408,288.81	-	600.00
Birla Sunlife Income Plus	10	-	1,433,761.59	-	774.67
Birla Sunlife Short Term Opportunities Fund	10	-	2,520,351.84	-	500.00
HDF C Income Fund- Growth	10	-	465,483.31	-	125.00
HDF C High Interest Fund -Dynamic Plan-Growth	10	-	2,212,477.05	-	900.00
HDF C FMP 3/10 July 2013-Series 26- Regular-Growth	10	4,000,000.00	4,000,000.00	400.00	400.00
ICICI Prudential Gilt Fund Investment Plan PF Option	10	-	1,131,827.93	-	245.00
ICICI Prudential Gilt Fund Treasury -Regular Plan- Growth	10	-	1,723,311.93	-	500.00
ICICI Prudential Income-Regular Plan- Growth	10	-	769,546.48	-	287.68
ICICI Prudential Ultra Short Term -Regular Plan-Daily Dividend	10	-	4,225,750.18	-	430.28
ICICI Prudential Regular Savings Fund-Regular Plan- Growth	10	-	1,601,281.03	-	200.00
ICICI Prudential Interval Fund QIP Plan B -Regular Plan	10	930,273.29	1,445,000.00	97.43	151.34
ICICI Prudential Fmp Series 68-369 Days Plan I Regular Plan Cumulative	10	4,000,000.00	4,000,000.00	400.00	400.00
ICICI Prudential Flexible Income Regular Plan DDRI	100	-	692,911.22	-	732.66
ICICI Prudential Flexible Income Regular Plan Daily DividendI	100	-	617,768.25	-	653.20
IDFC Dynamic Bond Fund Growth -Regular Plan	10	1,401,217.66	2,806,807.69	200.00	400.00
IDFC Dynamic Bond Fund	10	1,405,590.03	-	200.00	-
Kotak Liquid Scheme Plan A	1000	26,465.94	-	811.44	-
ICICI Liquid Plan - Growth	100	348,986.18	-	780.54	-
IDFC Super Saver Income Fund-Investment Plan- Growth	10	231,296.33	231,296.33	67.19	67.19
Total				3,958.77	14,511.48

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 12 Inventories

(At lower of cost and net realisable value)

Particulars	As at	As at
	March 31, 2016	March 31, 2015
	₹ in Lacs	₹ in Lacs
Television serials	1,158.89	508.86
Total	1,158.89	508.86

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 13 Trade receivables (unsecured)

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹ in Lacs		₹ in Lacs	
Trade receivables outstanding for a period exceeding six months from the date they were due for payment				
Considered good	38.05		44.81	
Considered doubtful	174.75		174.75	
	212.80		219.56	
Less: Provision	174.75		174.75	
		38.05		44.81
Other Trade receivables				
Considered good		7,579.16		5,856.89
Total		7,617.21		5,901.70

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 14 Cash and cash equivalents

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Cash on hand	20.83	27.94
(b) Balances with banks		
(i) In current accounts	364.28	612.46
(ii) In earmarked accounts - Unpaid dividend accounts	13.05	5.65
Total	398.16	646.05
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements	385.11	640.40

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 15 Short-term loans and advances (unsecured, considered good)

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Loans and advances to subsidiary companies (Refer Note 23.6 and 23.7)	23,238.44	10,997.24
(b) Loans and advances to employees	3.53	41.37
(c) Prepaid expenses	73.24	291.60
(d) Balances with government authorities (VAT, service tax etc)	232.76	336.68
(e) Advance to vendors	811.16	533.98
(f) Contractually recoverable expenses	237.47	-
Total	24,596.60	12,200.87

Note:

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
Maximum amount outstanding for loans and advances given to subsidiaries at any time during the year	24,808.25	12,800.79

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 16 Other current assets (unsecured, considered good)

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
Unbilled revenue (net)	1,319.12	1,210.18
Total	1,319.12	1,210.18

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 17 Revenue from operations

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Sale of services		
Commissioned Sales	24,723.89	20,569.87
Internet Sales	8.77	6.36
(b) Other operating revenues		
Excess Provision of earlier years written back	226.70	33.00
Sale of movie rights / concepts	68.17	154.31
Facilities / equipment hire Income	102.43	125.68
Recovery of Uplinking charges	402.99	-
Service income	114.38	68.00
Provision for doubtful debts/ advances written back	-	12.00
Reimbursement of Expenses	37.60	-
Total	25,684.93	20,969.22

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 18 Other income

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Interest income		
On fixed deposits with banks	2.46	3.74
On Income-tax Refund	-	128.87
On loan given/capital contribution to subsidiary company and subsidiary body corporate	1,171.51	12.46
(b) Profit on sale of current investments (non-trade) (net)	2,035.03	682.24
(c) Dividend on current investments	33.73	193.27
(d) Insurance claim received	81.35	0.33
(e) Excess Provision of earlier years written back	41.26	-
Total	3,365.34	1,020.91

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BALAJI TELEFILMS LIMITED

Notes forming part of the financial statements

Note 19 Cost of Production of television serials

Particulars	For the Year ended March 31, 2016		For the Year ended March 31, 2015	
	₹ in Lacs		₹ in Lacs	
Opening stock of television serials / tapes		508.86		652.09
<u>Add: Cost of production</u>				
Purchase of costumes and dresses	406.74		198.63	
Purchase of tapes	11.48		15.32	
Artists, Directors and other technicians	11,545.29		9,037.83	
Shooting and location expenses (Refer Note 23.15)	6,066.79		4,543.47	
Telecasting fees / purchase of rights	5.00		8.70	
Uplinking charges	39.06		480.96	
Set properties and equipment hire charges	1,281.65		828.59	
Other production expenses	1,994.61		1,716.51	
	21,350.62		16,830.01	
Less: Reimbursement of expenses	2347.74		292.77	
		19,511.74		17,189.33
Less: Closing stock of television serials		1,158.89		508.86
Total		18,352.85		16,680.47

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 20 Employee Benefits Expense

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Salaries and wages	1,164.40	829.54
Contributions to Provident and Other Funds	51.37	40.38
Gratuity	10.20	-
Staff welfare expenses	51.05	36.41
Total	1,277.02	906.33

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 21 Finance costs

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Interest expense on delayed payment of taxes etc.	-	27.93
Total	-	27.93

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BALAJI TELEFILMS LIMITED**Notes forming part of the financial statements****Note 22 Other expenses**

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Power and fuel	85.45	92.50
Rent including lease rentals (Refer Note 23.15)	80.26	75.68
Repairs and maintenance - Machinery	-	24.47
Repairs and maintenance - Others	58.20	120.32
Insurance	83.64	59.97
Rates and taxes	93.01	85.35
Communication expenses	26.32	21.21
Legal and professional charges	1,647.18	734.56
Security and housekeeping expenses	30.67	16.42
Business promotion expenses	12.57	22.18
Travelling and conveyance Expenses	65.13	58.16
Donations and contributions	11.82	28.38
Expenditure on Corporate social responsibility activities	31.24	21.33
Advances written off	-	46.17
Provision for doubtful debts and advances	-	14.95
Provision for dimunition of investment (Refer Note 23.21)	-	465.81
Software expenses	25.63	16.33
Directors sitting fees	54.50	10.00
Commission to Directors	83.02	31.05
Marketing Expenses	12.31	4.19
Licensee Fees	21.04	-
Loss of fixed assets written off	3.13	-
Miscellaneous expenses *	151.39	159.06
Total	2,576.51	2,108.09

* Miscellaneous expenses include membership and subscriptions, water charges, printing and stationery etc.

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 23 Additional information to the financial statements and disclosure under Accounting Standards

	As at March 31, 2016 ₹ in Lacs	As at March 31, 2015 ₹ in Lacs
23.1 Contingent liabilities (to the extent not provided for)		
Contingent Liabilities		
a) In respect of the demands (including interest) raised by Prasar Bharti Broadcasting Corporation of India (Corporation), the Company has arrived at a one-time settlement with the Corporation by making a payment of ₹ 200.00 lacs as telecast fees which has been accounted for as an expense in the previous year. As per the terms of the settlement, the balance outstanding of ₹ 557.20 lacs would be settled by way of supply of various old regional television content. The Company has submitted the required content to the Corporation. The Company has got confirmations about successful review of tapes by various Kendra's of Corporation, for all the tapes submitted to them. The Company has intimated this to the Corporation through a letter with confirmations as supporting documents, discharging its complete obligation with the Corporation as required under the one time settlement as agreed in the MOU. As a result, the Company does not expect any charge in the financial statements on the said matter.	557.20	557.20
b) The Company in earlier years had received notices of demand from the Department of Sales Tax, Government of Maharashtra, aggregating to ₹ 17,107.87 lacs (including interest and penalty) pertaining to the years 2000 to 2004. The Company had appealed against the said orders with the Deputy Commissioner (Appeals) and the same is pending adjudication. Further in the financial year 2013-14, the sales tax authorities have levied an additional sales tax demand (including penalty and interest) under the Bombay Sales Tax Act aggregating of ₹ 515.44 lacs and under Works Contract Tax Act aggregating to ₹ 85.50 lacs for the year 2004-05. The Company had contested these additional claims by filing appeals with the respective appellate authorities. Further, the Company has also been assessed for the financial years 2005-06, 2006-07, 2007-08, 2008-09, 2009-2010, 2010-11 and 2012-13 under the above statutes where the matters contained in the aforesaid demand orders have been accepted by the authorities and have been adjudicated in favour of the Company. The Company, till date, has received favourable orders from the Deputy Commissioner of Sales Tax (Appeals) pertaining to the financial years 2000-2001 and 2001-2002 setting aside the demand amount contested of ₹ 20,73.90 lacs and ₹ 39,47.12 lacs respectively.	11,687.79	17,708.81
c) The Company had received demand notices from the Office of the Commissioner of Service Tax, Mumbai (excluding Interest and penalty) pertaining to Service tax for the period April 2006 to March 2010 on exports made to one of the customers of the Company. On appeal to the Commissioner of Service Tax, the matter pertaining to the period April 2006 to March 2008 was adjudicated in favour of the Company, wherein the demand amount was ₹ 6.348 lacs. The department had further filed an appeal against the said order with the Customs, Excise & Service Tax Appellate Tribunal (CESTAT) which was dismissed by the Hon'ble CESTAT vide their order dated March 9, 2016. On the same matter as aforesaid, the Company had received a Show Cause Notice (SCN) for the period April 2008 to March 2010 and April 2010 to April 2011 aggregating to ₹ 2,897 lacs and ₹ 46 lacs respectively. The Company, in earlier years, with respect to the SCN's submitted the replies to the Commissioner of Service tax on the same lines of the matter which was adjudicated in the Company's favour. The copy of the favourable CESTAT order has been submitted with Commissioner and SCN's are pending for adjudication as at the year-end.	2,943.00	9,245.00
23.2 Commitments (to the extent not provided for)		
Commitments :		
Future commitments towards capital contribution in Indus Balaji Investor Trust	800.00	800.00

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

23.3 On April 30, 2013 the Income-tax Department visited the premises of the Company and initiated proceedings under Section 132 of the Income-tax Act, 1961. Pursuant to the notices under Section 153A of Income-tax Act, 1961 the assessments for all the relevant assessment years were completed by the Department during the quarter ended June 30, 2015. Consequently, the Company has computed the differential tax liability aggregating to ₹ 27 lacs for these years and accounted for the same in the quarter ended June 30, 2015. Further, the Company has filed applications for rectification of two Assessment Orders which had discrepancies, which is pending with the Department.

23.4 **Auditors Remuneration**

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
For Statutory Audit	12.00	19.00
For Tax Audit	-	1.00
For Taxation matters	-	2.50
For Other services-certification etc.	27.50	9.30
Reimbursement of expenses	-	0.85
For service tax	5.73	4.04
Total	45.23	36.69

Note: Amounts pertaining to the previous year relate to payments made to previous joint auditors.

23.5 As per information available with the Company, none of the creditors have confirmed that they are registered under the Micro, Small and Medium enterprises Development Act, 2006.

23.6 The Company has investments in subsidiaries namely Balaji Motion Pictures Limited (BMPL), Bolt Media Ltd (BML), ALT Digital Media Entertainment Limited (ALT), Chhayabani Balaji Entertainment Private Limited (CBEPL), Marinating Films Private Limited (MFPL) and Event Media LLP (EMLLP) aggregating to ₹ 18508.01 lacs (Previous year ₹ 3,450.51 lacs). Further, the Company has also given loans and advances aggregating to ₹ 23,238.44 lacs (Previous year ₹ 10,997.24 lacs) to BMPL, ALT, BML and EMLLP. As per the latest audited balance sheet of BMPL, BML, ALT, MFPL and EMLLP for the year ended March 31, 2016, the accumulated losses have fully eroded the net-worth of the respective companies. However, no provision for diminution in the value of the investments is considered necessary as the investments are strategic long-term investments and the diminution in the value is temporary in nature.

23.7 **Regulation-34 (3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015**

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

Name of the party	Relationship	₹ in Lacs	
		Amount outstanding as at March 31, 2016	Maximum balance outstanding during the year
Balaji Motion Pictures Limited	100% Subsidiary	22,821.05 (-)	22,821.05 (10,965.37)
Bolt Media Limited	100% Subsidiary	290.74 (577.36)	596.99 (685.67)
Event Media LLP	Subsidiary Body Corporate	87.46 (438.12)	451.73 (1,149.75)
ALT Digital Media Entertainment Limited	100% Subsidiary	39.19 (-)	938.48 (-)

Note: Figures in bracket relate to the previous year.

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

23.8 Related Party Transactions

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

Name of the Related Party	Relationship
Balaji Motion Pictures Limited	Subsidiary Company (control exist)
Mannating Films Private Ltd	Subsidiary Company (control exist)
Bolt Media Limited	Subsidiary Company (control exist)
AI T Digital Media Entertainment Limited	Subsidiary Company (control exist)
Chhayabani Balaji Entertainment Private Limited	Subsidiary Company (control exist)
Event Media LLP	Subsidiary Body Corporate
IPB Capital Advisors LLP	Associate
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Key management person
Mr. Sameer Nair	Key management person
Balaji Films & Tolly Investments Limited	Key management person having significant influence

(b) Details of Transactions with related parties during the year

Nature of Transactions	Subsidiary Company	Key Management Person	Relative of Key Management Person	Key management person having significant influence	Subsidiary Body Corporate	Associate	₹ in Lacs
							Total
Loans given							
Balaji Motion Pictures Limited	12,800.97	-	-	-	-	-	12,800.97
Bolt Media Ltd	(5,187.23)	(-)	(-)	(-)	(-)	(-)	(5,187.23)
Bolt Media Ltd	10.31	-	-	-	-	-	10.31
Event Media LLP	(534.38)	(-)	(-)	(-)	(-)	(-)	(534.38)
Event Media LLP	-	-	-	-	29.19	-	29.19
AI T Digital Media Entertainment Limited	981.65	(-)	(-)	(-)	(1,149.75)	(-)	(1,149.75)
AI T Digital Media Entertainment Limited	(-)	(-)	(-)	(-)	(-)	(-)	981.65
Loans Recovered/ Adjusted							
Balaji Motion Pictures Limited	941.69	-	-	-	-	-	941.69
Bolt Media Ltd	(6,170.85)	(-)	(-)	(-)	(-)	(-)	(6,170.85)
Bolt Media Ltd	355.00	-	-	-	-	-	355.00
Event Media LLP	(410.00)	(-)	(-)	(-)	(-)	(-)	(410.00)
Event Media LLP	-	-	-	-	375.84	-	375.84
AI T Digital Media Entertainment Limited	958.02	(-)	(-)	(-)	(711.63)	(-)	(711.63)
AI T Digital Media Entertainment Limited	(-)	(-)	(-)	(-)	(-)	(-)	958.02
Directors sitting fees							
Mr. Jeetendra Kapoor	-	7.50	-	-	-	-	7.50
Mr. Tusshar Kapoor	(-)	(1.80)	(-)	(-)	(-)	(-)	(1.80)
Mr. Tusshar Kapoor	-	5.50	-	-	-	-	5.50
Mr. Tusshar Kapoor	(-)	(0.65)	(-)	(-)	(-)	(-)	(0.65)
Sale of Rights							
Balaji Motion Pictures Limited	(62.00)	(-)	(-)	(-)	(-)	(-)	(62.00)
Facilities / equipment hire income							
Balaji Motion Pictures Limited	(4.68)	(-)	(-)	(-)	(-)	(-)	(4.68)
Intellectual property rights purchased							
Mannating Films Private Limited	(5.00)	(-)	(-)	(-)	(-)	(-)	(5.00)
Rent paid							
Mr. Jeetendra Kapoor	-	32.96	-	-	-	-	32.96
Mr. Jeetendra Kapoor	(-)	(31.10)	(-)	(-)	(-)	(-)	(31.10)
Mrs. Shobha Kapoor	-	1,327.41	-	-	-	-	1,327.41
Mrs. Shobha Kapoor	(-)	(1,246.49)	(-)	(-)	(-)	(-)	(1,246.49)
Mr. Tusshar Kapoor	-	12.38	-	-	-	-	12.38
Mr. Tusshar Kapoor	(-)	(11.69)	(-)	(-)	(-)	(-)	(11.69)
Ms. Ekta Kapoor	-	187.95	-	-	-	-	187.95
Ms. Ekta Kapoor	(-)	(133.03)	(-)	(-)	(-)	(-)	(133.03)
Location Hire							
Balaji Films & Tolly Investments Limited	-	-	-	-	-	-	-
Interest Income on Loan Given							
Event Media LLP	(-)	(-)	(-)	(41.00)	(-)	(-)	(41.00)
Event Media LLP	-	-	-	-	33.55	-	33.55
Balaji Motion Pictures Limited	1,062.03	(-)	(-)	(-)	(12.46)	(-)	(12.46)
Balaji Motion Pictures Limited	(-)	(-)	(-)	(-)	(-)	(-)	1,062.03
AI T Digital Media Entertainment Limited	16.21	(-)	(-)	(-)	(-)	(-)	16.21
AI T Digital Media Entertainment Limited	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Bolt Media Ltd	59.72	(-)	(-)	(-)	(-)	(-)	59.72
Bolt Media Ltd	(-)	(-)	(-)	(-)	(-)	(-)	(-)

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Nature of Transactions	Subsidiary Company	Key Management Person	Relative of Key Management Person	Key management person having significant influence	Subsidiary Body Corporate	Associate	Total
Remuneration							
Mrs. Shobha Kapoor	-	110.12	-	-	-	-	110.12
Ms Ekta Kapoor	(-)	(110.12)	(-)	(-)	(-)	(-)	(110.12)
Mr. Sameer Nair	(-)	48.05	(-)	(-)	(-)	(-)	48.05
Mr. Sameer Nair	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Sameer Nair	(-)	435.70	(-)	(-)	(-)	(-)	435.70
Mr. Sameer Nair	(-)	(282.09)	(-)	(-)	(-)	(-)	(282.09)
Dividend paid							
Mrs. Shobha Kapoor	-	120.41	-	-	-	-	120.41
Ms. Ekta Kapoor	(-)	(36.51)	(-)	(-)	(-)	(-)	(36.51)
Ms. Ekta Kapoor	(-)	188.63	(-)	(-)	(-)	(-)	188.63
Ms. Ekta Kapoor	(-)	(54.29)	(-)	(-)	(-)	(-)	(54.29)
Mr. Jeetendra Kapoor	(-)	39.12	(-)	(-)	(-)	(-)	39.12
Mr. Jeetendra Kapoor	(-)	(13.04)	(-)	(-)	(-)	(-)	(13.04)
Mr. Tusshar Kapoor	(-)	24.36	(-)	(-)	(-)	(-)	24.36
Mr. Sameer Nair	(-)	(8.12)	(-)	(-)	(-)	(-)	(8.12)
Mr. Sameer Nair	(-)	8.31	(-)	(-)	(-)	(-)	8.31
Mr. Ramesh Sippy	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Ramesh Sippy	(-)	(-)	(0.01)	(-)	(-)	(-)	(0.01)
Commission to Directors							
Mrs. Shobha Kapoor	-	28.83	-	-	-	-	28.83
Ms. Ekta Kapoor	(-)	(16.00)	(-)	(-)	(-)	(-)	(16.00)
Ms. Ekta Kapoor	(-)	28.83	(-)	(-)	(-)	(-)	28.83
Mr. Jeetendra Kapoor	(-)	9.22	(-)	(-)	(-)	(-)	9.22
Mr. Jeetendra Kapoor	(-)	(12.04)	(-)	(-)	(-)	(-)	(12.04)
Mr. Tusshar Kapoor	(-)	2.31	(-)	(-)	(-)	(-)	2.31
Mr. Tusshar Kapoor	(-)	(0.50)	(-)	(-)	(-)	(-)	(0.50)
Investment made							
Event Media LLP	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Marinating Films Private Limited	(-)	(-)	(-)	(-)	(0.51)	(-)	(0.51)
Marinating Films Private Limited	(345.00)	(-)	(-)	(-)	(-)	(-)	(345.00)
Chhayabani Balaji Entertainment Limited	52.50	(-)	(-)	(-)	(-)	(-)	52.50
Chhayabani Balaji Entertainment Limited	(-)	(-)	(-)	(-)	(-)	(-)	(-)
AI T Digital Media entertainment Limited	15,005.00	(-)	(-)	(-)	(-)	(-)	15,005.00
AI T Digital Media entertainment Limited	(-)	(-)	(-)	(-)	(-)	(-)	(-)

(c) Closing balances as at March 31, 2016.

Particulars	Subsidiary Company	Key Management Person	Relative of Key Management Person	Key management person having significant influence	Subsidiary Body Corporate	Associate	Total
Amount receivable as at March 31, 2016							
Mrs. Shobha Kapoor *	-	340.00	-	-	-	-	340.00
Mrs. Shobha Kapoor *	(-)	(340.00)	(-)	(-)	(-)	(-)	(340.00)
Mr. Jeetendra Kapoor *	(-)	200.00	(-)	(-)	(-)	(-)	200.00
Mr. Jeetendra Kapoor *	(-)	(200.00)	(-)	(-)	(-)	(-)	(200.00)
Mr. Tusshar Kapoor *	(-)	100.00	(-)	(-)	(-)	(-)	100.00
Mr. Tusshar Kapoor *	(-)	(100.00)	(-)	(-)	(-)	(-)	(100.00)
Balaji Motion Pictures Limited	22,821.05	(-)	(-)	(-)	(-)	(-)	22,821.05
Balaji Motion Pictures Limited	(10,040.65)	(-)	(-)	(-)	(-)	(-)	(10,040.65)
Boii Media Ltd	290.74	(-)	(-)	(-)	(-)	(-)	290.74
Boii Media Ltd	(577.36)	(-)	(-)	(-)	(-)	(-)	(577.36)
Event Media LLP	(-)	(-)	(-)	(-)	87.46	(-)	87.46
Event Media LLP	(-)	(-)	(-)	(-)	(438.12)	(-)	(438.12)
AI T Digital Media Entertainment Limited	39.19	(-)	(-)	(-)	(-)	(-)	39.19
AI T Digital Media Entertainment Limited	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Amount payable as at March 31, 2016							
Balaji Motion Pictures Limited	1.00	(-)	(-)	(-)	(-)	(-)	1.00
Balaji Motion Pictures Limited	(1.00)	(-)	(-)	(-)	(-)	(-)	(1.00)
Balaji Films & Telly Investments Limited	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Balaji Films & Telly Investments Limited	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Marinating Films Private Limited	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Marinating Films Private Limited	(0.25)	(-)	(-)	(-)	(-)	(-)	(0.25)
Commission to Directors payable as at March 31, 2016							
Mrs. Shobha Kapoor	-	28.83	-	-	-	-	28.83
Mrs. Shobha Kapoor	(-)	(16.00)	(-)	(-)	(-)	(-)	(16.00)
Ms. Ekta Kapoor	(-)	28.83	(-)	(-)	(-)	(-)	28.83
Ms. Ekta Kapoor	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Jeetendra Kapoor	(-)	9.22	(-)	(-)	(-)	(-)	9.22
Mr. Jeetendra Kapoor	(-)	(12.04)	(-)	(-)	(-)	(-)	(12.04)
Mr. Tusshar Kapoor	(-)	2.31	(-)	(-)	(-)	(-)	2.31
Mr. Tusshar Kapoor	(-)	(0.50)	(-)	(-)	(-)	(-)	(0.50)

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Particulars	Subsidiary Company	Key Management Person	Relative of Key Management Person	Key management person having significant influence	Subsidiary Body Corporate	Associate	Total
Expenses incurred							
Chhayabani Balaji Entertainment Limited	3.01	-	-	-	-	-	3.01
Investment as on March 31, 2016	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Balaji Motion Pictures Limited	3,000.00	-	-	-	-	-	3,000.00
Bolt Media Ltd	(3,000.00)	(-)	(-)	(-)	(-)	(-)	(3,000.00)
	5.00	-	-	-	-	-	5.00
Mannating Films Private Limited	(5.00)	(-)	(-)	(-)	(-)	(-)	(5.00)
	445.00	-	-	-	-	-	445.00
AL.T. Digital Media Entertainment Limited	(445.00)	(-)	(-)	(-)	(-)	(-)	(445.00)
	15,005.00	-	-	-	-	-	15,005.00
Chhayabani Balaji Entertainment Limited	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Event Media LLP	52.50	(-)	(-)	(-)	(-)	(-)	52.50
	-	(-)	(-)	(-)	(-)	(-)	(-)
IPB Capital Advisors LLP	(-)	(-)	(-)	(-)	0.51	(-)	0.51
	-	(-)	(-)	(-)	(0.51)	(-)	(0.51)
	-	(-)	(-)	(-)	-	0.50	0.50
	(-)	(-)	(-)	(-)	(-)	(0.50)	(0.50)

* Deposit for leased property

Note

- (i) There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties.
(ii) Figures in bracket relate to the previous year.

23.9 Income in foreign currency

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Sales of Concept	-	29.25
Sales of services	8.77	6.36

23.10 Expenditure in foreign currency

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Travelling expenses	-	6.45

23.11 Amounts remitted in foreign currency during the year on account of

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Amount of dividend remitted in foreign currency (₹ in Lacs)	-	67.79
Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency) (Number)	-	1.00
Total number of shares held by them on which dividend was due (Number)	-	16,948,194
Year to which dividend relates	2014-15	2013-14

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

23.12 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 ₹ 51.28 lacs (previous year ₹ 39.61 lacs)

b) Defined Benefit Plans

i) Reconciliation of asset / (liability) recognized in the Balance Sheet (under pre-paid expenses, Refer Note 15)

	As at March 31, 2016 ₹ in Lacs	As at March 31, 2015 ₹ in Lacs
Fair Value of plan assets as at the end of the year	67.79	69.18
Present Value of Obligation as at the end of the year	(36.57)	(27.77)
Net assets / (liability) in the Balance Sheet	31.22	41.42

ii) Movement in net liability recognized in the Balance Sheet

	As at March 31, 2016 ₹ in Lacs	As at March 31, 2015 ₹ in Lacs
Net (assets) as at the beginning of the year	(41.42)	(38.95)
Net expense recognized in the statement of profit and loss account	10.20	3.15
Contribution during the year	-	5.62
Net (assets) as at the end of the year	31.22	(41.42)

iii) Expense Recognized in the profit and loss account (Under the head "Employees benefit expenses" refer Note 20)

	For the Year ended March 31, 2016 ₹ in Lacs	For the Year ended March 31, 2015 ₹ in Lacs
Current Service Cost	7.56	4.57
Interest Cost	2.23	1.80
Expected Return on Plan assets	(5.56)	(5.07)
Actuarial (gains)/losses	5.96	1.86
Expense charged to the Statement Profit and Loss	10.19	3.15

iv) Return on Plan Assets

	For the Year ended March 31, 2016 ₹ in Lacs	For the Year ended March 31, 2015 ₹ in Lacs
Expected return on plan assets	5.56	5.07
Actuarial (losses)/gains	(5.88)	0.17
Actual return on plan assets	(0.32)	5.24

v) Reconciliation of defined benefits commitments

	For the Year ended March 31, 2016 ₹ in Lacs	For the Year ended March 31, 2015 ₹ in Lacs
Commitments at beginning of the year	27.77	19.37
Current Service Cost	7.56	4.57
Interest Cost	2.22	1.80
Actuarial (gains)/losses	0.09	2.03
Benefits paid	(1.07)	-
Settlement cost	-	-
Commitments at year end	36.57	27.77

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

VI Reconciliation of plan assets

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Fair Value of plan assets at beginning of the year	69.18	58.32
Expected return on plan assets	5.56	5.07
Actuarial gains/(losses)	(5.88)	0.17
Employer contribution	-	5.62
Benefits paid	(1.07)	0.00
Fair Value of plan assets at year end	67.79	69.18

VII Experience Adjustment

	For the year 2015-16	For the year 2014-15	For the year 2013- 14	For the year 2012-13	For the year 2010-11
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
On Plan liability (losses)/(gains)	2.74	(2.33)	6.38	(37.97)	2.07
On Plan assets (losses)/ gains	(5.88)	0.17	(0.35)	0.30	0.32

VIII Actuarial Assumptions

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount Rate (per annum)	8.07%	8.03%
Expected Rate of return on Plan assets (per annum)	8.07%	8.03%
Rate of escalation in Salary(per annum)	5.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Composition of plan assets

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Insurer managed funds	100%	100%

23.13 Earning per share

Earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as under:

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Profit / (Loss) for the year attributable to equity share holders (₹ in Lacs)	4,367.44	1,227.25
(b) Weighted average number of equity shares outstanding during the year (Nos.)	65,210,443	65,210,443
(c) Earnings per share - Basic and diluted (₹)	6.70	1.88
(d) Nominal value of shares (₹)	2	2

23.14 Components of Deferred tax assets / (liabilities)

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Depreciation on fixed assets	451.16	348.63
Provision for Diminution of investment	161.22	151.13
Provision for doubtful debts and advances	78.10	69.59
Deferred tax asset/ (liability) net	690.48	569.35

23.15 Lease Transactions

Amount of lease rentals charged to the Statement of profit and loss in respect of operating leases is ₹ 1594.85 Lacs (previous year ₹ 1,572.02 Lacs).

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 23 Additional information to the financial statements and disclosure under Accounting Standards (contd.)

23.16 Segment Information

The Company is primarily engaged in the business of production of television content, which, in the context of Accounting Standard 17 on 'Segment Reporting' constitutes a single reportable segment.

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

Name of the LLP	As at March 31, 2016			As at March 31, 2015		
	Names of partners in the LLP	Total capital	Share of each partner in the profits of the LLP	Names of partners in the LLP	Total capital	Share of each partner in the profits of the LLP
		₹ in Lacs			₹ in Lacs	
IPB Capital Advisors LLP	Balaji Telefilms Limited	0.500	50.00%	Balaji Telefilms Limited	0.500	50.00%
	IP Capital Advisors LLP	0.490	49.00%	IP Capital Advisors LLP	0.490	49.00%
	IPM Capital Advisors LLP	0.010	1.00%	IPM Capital Advisors LLP	0.010	1.00%
		1.000	100%		1.000	100%
Indus Balaji Education Capital Advisors LLP	Balaji Telefilms Limited	0.375	18.75%	Balaji Telefilms Limited	0.375	18.75%
	IP Capital Advisors LLP	0.375	18.75%	IP Capital Advisors LLP	0.375	18.75%
	IPX Capital Advisors LLP	0.250	12.50%	IPX Capital Advisors LLP	0.250	12.50%
	Mohit Raihan	0.500	25.00%	Mohit Raihan	0.500	25.00%
	IPM Capital Advisors LLP	0.500	25.00%	IPM Capital Advisors LLP	0.500	25.00%
	2.000	100%		2.000	100%	
Event Medial LLP	Balaji Telefilms Limited	0.510	51.00%	Balaji Telefilms Limited	0.510	51.00%
	Select Media Holdings LLP	0.490	49.00%	Select Media Holdings LLP	0.490	49.00%
	1.000	100%		1.000	100%	

23.18 The company did not have any long term contracts including derivative contracts for which any provision is required for foreseeable losses

23.19 Particulars of loans given and investments made as required by clause (4) of Section 186 of the Companies Act, 2013

Name	Nature	As at March 31, 2016 (₹ in lacs)	As at March 31, 2015 (₹ in lacs)	Period	Rate of interest	Purpose
BMPPI (Wholly owned subsidiary)	Loan	22,821.05	10,040.65	Repayable on Demand	8%	General corporate purpose
Bolt (Wholly owned subsidiary)		290.74	577.36		8%	
ALT (Wholly owned subsidiary)		39.19	-		8%	
Event Media LLP		87.46	438.12		12%	
Non-current investments (Refer note 8)	Investment	21,713.89	6656.39	Not Applicable		
Current investments (Refer note 11)		3,958.77	14511.48			

23.20 During the previous year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company revised the estimated useful life of relevant assets to align the useful life with those specified in Schedule II. Pursuant to the transitional provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of the assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and adjusted an amount of ₹ 177.33 lacs (net of deferred tax credit of ₹ 85.17 lacs) against the opening balance in the Statement of Profit and Loss under Reserves and Surplus. The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 157.60 lacs and profit after tax for the year is lower by ₹ 106.47 consequent to the change in the useful life of the assets.

23.21 The Company has investments in Optionally Convertible Debentures in Aristo Learning Private Limited and Second School Learning Private Limited aggregating ₹ 465.81 lacs. These investments are strategic and non-current (long-term) in nature. However, considering the financial position of the respective investee companies, the Company, out of abundant caution, has during the previous year provided for these investments considering the diminution in their respective values.

23.22 The figures of the previous year have been regrouped wherever necessary to correspond with those of the current year.

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DHS LLP

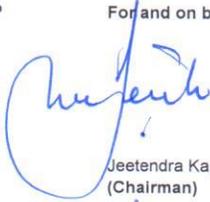
Signatures to notes 1 to 23

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



A. B. Jani
(Partner)
Place : Mumbai
Date : May 17, 2016



Jeetendra Kapoor
(Chairman)



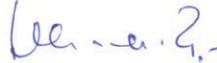
Shobha Kapoor
(Managing Director)



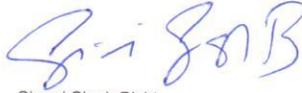
Ekta Kapoor
(Joint Managing Director)



Sameer Nair
(Group Chief Executive Officer)



D.G. Rajan
(Director)



Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date : May 17, 2016



Samal Dwivedi
(Group Chief Financial Officer)

Deloitte Haskins & Sells LLP

Chartered Accountants
Indiabulls Finance Centre
Tower 3, 27th - 32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai - 400 013
Maharashtra, India

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BALAJI TELEFILMS LIMITED

Tel: +91 (022) 6185 4000
Fax: +91 (022) 6185 4501/4601

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Balaji Telefilms Limited (the Holding Company) and its subsidiaries (collectively referred to as the Group) and its associate which comprise the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the consolidated financial statements).

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the

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auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

The consolidated financial statements include the Group's share of net profit of Rs. 3.09 lacs for the year ended March 31, 2016 as considered in the consolidated financial statements, in respect of the associate, whose financial statements have not been audited by us. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

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- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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 Accounting Standards prescribed 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, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies is disqualified as on March 31, 2016 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 over financial reporting and the operating effectiveness of such controls, refer to our Report in 'Annexure A', which is based on the auditors' reports of the Holding company and subsidiary companies except in respect one subsidiary, since it is incorporated before the internal financial controls over financial reporting became applicable and in respect of one subsidiary body corporate and an associate body corporate, since they are not considered as company as defined in the Companies Act, 2013 . Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's and its subsidiary companies internal financial controls over financial reporting
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 23.1, 23.2 and 23.3 to the consolidated financial statements;
 - ii. The Group 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 company.

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



A B Jani
Partner

BALAJI TELEFILMS LIMITED
Consolidated Balance Sheet as at March 31, 2016

	Note No.	As at	As at
		March 31, 2016	March 31, 2015
		₹ in Lacs	₹ in Lacs
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	1,518.61	1,304.21
(b) Reserves and surplus	4	50,850.96	36,873.44
		52,369.57	38,177.65
2 Minority Interest		48.45	-
3 Non current liabilities			
(a) Long term Provisions	5	3.70	-
4 Current liabilities			
(a) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises; and	24.5	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises.		5,769.35	3,716.88
(b) Other current liabilities	6	1,306.49	272.04
(c) Short-term provisions	7	463.10	794.50
		7,591.09	4,783.42
TOTAL		59,960.66	42,961.07
B ASSETS			
1 Non-current assets			
(a) Fixed assets	8		
(i) Tangible assets		3,249.96	2,698.36
(iii) Capital work-in-progress		228.38	21.77
		3,478.34	2,720.13
(b) Goodwill on Consolidation		146.91	146.91
(c) Non-current investments	9	3,208.97	3,204.82
(d) Deferred tax assets (net)		690.47	569.34
(e) Long-term loans and advances	10	7,818.44	6,394.34
(f) Other non-current assets	11	36.90	41.55
		15,380.03	13,077.09
2 Current assets			
(a) Current investments	12	17,058.77	14,511.48
(b) Inventories	13	11,930.98	3,024.55
(c) Trade receivables	14	8,131.82	6,699.82
(d) Cash and cash equivalents	15	1,728.91	1,096.61
(e) Short-term loans and advances	16	4,410.48	3,341.34
(f) Other current assets	17	1,319.67	1,210.18
		44,580.63	29,883.98
TOTAL		59,960.66	42,961.07
See accompanying notes forming part of financial statements.			

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BALAJI TELEFILMS LIMITED

Consolidated Balance Sheet as at March 31, 2016

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



A. B. Jani
(Partner)
Place : Mumbai
Date : May 17, 2016



Jeetendra Kapoor
(Chairman)



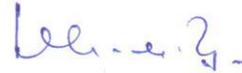
Shobha Kapoor
(Managing Director)



Ekta Kapoor
(Joint Managing Director)



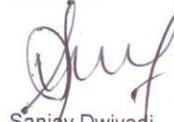
Sameer Nair
(Group Chief Executive Officer)



D.G. Rajan
(Director)



Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date : May 17, 2016



Sanjay Dwivedi
(Group Chief Financial Officer)

BALAJI TELEFILMS LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2016

Particulars		Note No.	For the Year Ended	For the Year Ended
			March 31, 2016	March 31, 2015
			₹ in Lacs	₹ in Lacs
1	REVENUE			
	Revenue from Operations	18	29,275.52	34,648.77
2	Other income	19	2,225.70	1,103.33
3	Total Revenue (1+2)		31,501.22	35,752.10
4	Expenses			
	(a) Cost of Production	20	22,700.67	29,653.24
	(b) Employee benefits expense	21	2,017.26	1,523.05
	(c) Finance costs	22	0.91	33.78
	(d) Depreciation and amortization expense (Refer Note 24.18)	8	940.69	827.35
	(e) Other expenses	23	3,963.38	2,866.28
	Total Expenses		29,622.91	34,903.70
5	Profit before tax (3-4)		1,878.31	848.40
6	Tax expense:			
	(a) Current tax		1,699.00	517.17
	(c) Deferred tax		(121.13)	(231.40)
	(d) Short provision for tax in respect for earlier years		27.00	-
			1,604.87	285.77
7	Profit for the year before share of Profit/(Loss) of Associates and Minority Interest (5-6)		273.44	562.63
8	Add: Share of profit/(loss) of associates		3.09	(1.06)
9	Add: Profit before minority interest (7+8)		276.53	561.57
10	Add: Minority share in Loss		4.06	-
11	Profit for the year (9+10)		280.59	561.57
12	Earnings per share (of ₹ 2/- each): (refer note 24.12)			
	Basic and diluted earnings per share		0.43	0.86
	See accompanying notes forming part of the financial statements			

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BALAJI TELEFILMS LIMITED

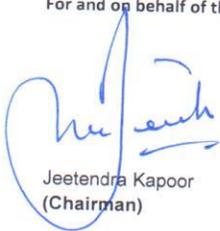
Consolidated Statement of Profit and Loss for the year ended March 31, 2016

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



A. B. Jani
(Partner)
Place : Mumbai
Date : May 17, 2016



Jeetendra Kapoor
(Chairman)



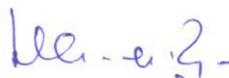
Shobha Kapoor
(Managing Director)



Ekta Kapoor
(Joint Managing Director)



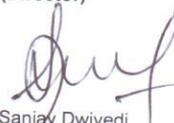
Sameer Nair
(Group Chief Executive Officer)



D.G. Rajan
(Director)



Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date : May 17, 2016



Sanjay Dwivedi
(Group Chief Financial Officer)

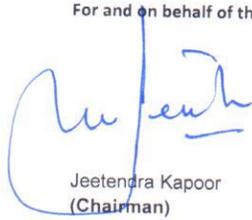
BALAJI TELEFILMS LIMITED
Consolidated Cash Flow Statement for the year ended March 31, 2016

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



A. B. Jani
(Partner)
Place : Mumbai
Date : May 17, 2016



Jeetendra Kapoor
(Chairman)



Shobha Kapoor
(Managing Director)



Ekta Kapoor
(Joint Managing Director)



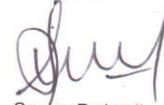
Sameer Nair
(Group Chief Executive Officer)



D.G. Rajan
(Director)



Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date : May 17, 2016



Sanjay Dwivedi
(Group Chief Financial Officer)

BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1

Corporate information

Balaji Telefilms Limited (BTL) 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.

Balaji Motion Pictures Limited (BMPL) was incorporated on March 9, 2007 under the Companies Act, 1956 and is in the business of production of films. The Company is a wholly owned subsidiary of Balaji Telefilms Limited.

Incorporated on November 19, 2012, BOLT Media Limited (BML) is a wholly owned subsidiary of Balaji Telefilms Limited and is involved in production of non-fiction/fiction/reality/factual television shows, events management, branded entertainment, digital content, consultancy and creative services related to it.

Incorporated on October 1, 2014, under the provisions of the Limited Liability Partnership Act 2008, Event Media LLP (The LLP) is a Limited Liability Partnership owned 51% by Balaji Telefilms Limited and 49% by Select Media Holdings LLP. It is involved in organizing and/or managing events relating to film and television industry.

Marinating Films Private Limited (MFPL) was incorporated on August 16, 2011 under the Companies Act, 1956 and is in the business of event management relating to film and television industry. The Company is a subsidiary of Balaji Telefilms Limited.

ALT Digital Media Entertainment Limited was incorporated on July 1, 2015 under the Companies Act, 2013. The Company is in the B2C digital content business and will operate a subscription based video on demand (SVOD) over the top (OTT) platform.

Incorporated on February 16, 2015, Chhayabani Balaji Entertainment Private Limited is a subsidiary of Balaji Telefilms Limited and is involved in production of non-fiction/fiction/reality/factual television shows.

Note 2

Significant accounting policies

Basis of accounting and preparation of financial statements

The accompanying Consolidated Financial Statements of the Balaji Telefilms Limited (BTL/Parent Company/ Company), Balaji Motion Pictures Limited, Bolt Media Limited, Marinating Films Private Limited, ALT Digital Media Entertainment Limited, Chhayabani Balaji Entertainment Private Limited and Event Media LLP (Subsidiaries) as aforesaid (hereinafter together referred as "the group"), have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013.

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DHS LLP

BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Principles of Consolidation

The financial statements of the Parent Company and its subsidiary have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income, expenses, after eliminating intra-group transactions and any unrealized gain or losses on the balances remaining within the group in accordance with the Accounting Standard 21 on "Consolidated Financial Statements" (AS-21).

The financial statements of the Parent Company and its subsidiary have been consolidated using uniform accounting policies for like transaction and other events in similar circumstances. The excess of cost to the Parent Company of its investments in subsidiaries over the Parent's portion of equity at the date on which investment in the subsidiary is made, is recognized as "Goodwill (on consolidation)".

Use of Estimates

The preparation of financials statements, in conformity with generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of the revenue and expenses during the reported year. Differences between the actual results and the estimates are recognized in the year in which the results are known / materialize.

Fixed assets

Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation / amortisation and impairment loss, if any.

Depreciation / Amortisation

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for studios and sets which are depreciated as per managements' estimate of their useful life of 3 years.

Leasehold improvements are depreciated over the period of lease on a straight line basis.

Impairment loss

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on 'Impairment of Assets'. An impairment loss is charged to Statement of Profit and Loss in the year in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

Investments

Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost. However, when there is a decline, other than temporary, the carrying amount is reduced to recognise the decline.

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BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Inventories

Items of inventory are valued at lower of cost and net realisable value. Cost is determined on the following basis.

Television Serials : At average cost

Films / Events : Actual Cost

Unamortised cost of films : The cost of films 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.

Revenue recognition

- a) In respect of commission programmes, revenue is recognised as and when the relevant episodes of the programmes (television serials) are telecast on broadcasting channels.
- b) In respect of films produced / co-produced / acquired, revenue is recognised in accordance with the terms and conditions of the agreements on or after the first theatrical release of the films.
- c) In respect of Events, Revenue is recognised as and when the relevant event is delivered and technical clearance is received from the broadcasting channels.

Revenue (income) is recognised when no significant uncertainty as to its determination or realisation exists.

Employee benefits

a) Post employment benefits and other long-term benefits

- i) Defined Contribution Plans:
The Company contributes towards Provident Fund and Family Pension Fund. Liability in respect thereof is determined on the basis of contribution as required under the Statute / Rules.
- ii) Defined Benefit Plans:
The trustees of Balaji Telefilms Limited and Balaji Motion Pictures Limited Employees Group Gratuity Scheme have taken a Group Gratuity cum Life Assurance Policy from the Life Insurance Corporation of India (LIC).

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'. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Gains and losses on changes in actuarial assumptions are accounted in the statement of profit and loss.

BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

b) Short-term Employee Benefits:

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Foreign currency transactions

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year-end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realisation / payment of foreign exchange are accounted in the relevant year as income or expense.

Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

Operating leases

Assets taken on lease under which, all the risks and rewards of the ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognized as expenses in accordance with the respective lease agreements.

Taxes on income

Tax expense comprises of current tax and deferred tax.

Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, using the applicable tax rates.

Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years / period. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future income will be available except that the deferred tax assets, in case there are unabsorbed depreciation and losses, are recognized if there is a virtual certainty that sufficient future taxable income will be available to realize the same.

Minimum Alternate Tax (MAT) credit entitlement is recognized in accordance with the Guidance Note on "Accounting for credit available in respect of Minimum Alternate Tax under the Income-tax Act, 1961" issued by the Institute of Chartered Accountants of India (ICAI).

Provisions and Contingencies

Provision is recognized in the accounts when there is a present obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation. Contingent liabilities, if any, are disclosed in the notes to the financial statements.

BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Note 3 Share capital

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Authorised 1,30,000,000 (Previous year 85,00,000) Equity shares of ₹ 2/- each	2,600.00	1,700.00
	2,600.00	1,700.00
(b) Issued, Subscribed and fully paid-up 75,930,443(Previous year 65,210,443) Equity shares of ₹ 2/- each	1,518.61	1,304.21
Total	1,518.61	1,304.21

Note:

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

Name of shareholder	As at March 31, 2016		As at March 31, 2015	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Star Middle East FZ LLC	-	-	16,948,194	25.99
Ekta Kapoor	15,744,371	20.74	13,572,704	20.81
Shobha Kapoor	10,034,883	13.22	9,129,462	14.00
Jeetendra Kapoor	-	-	3,260,522	5.00

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

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares held	₹ in Lacs	No. of shares held	₹ in Lacs
Equity shares outstanding at the beginning of the year	65,210,443	1,304.21	65,210,443	1,304.21
Add: Issue of Equity Shares during the year	10,720,000	214.40	-	-
Equity shares outstanding at the end of the year	75,930,443	1,518.61	65,210,443	1,304.21

(iii) All the above Equity Shares have the same rights to dividend, voting and in case of repayment of Capital.

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Note 4 Reserves and surplus

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹ in Lacs		₹ in Lacs	
(a) Securities premium account				
As per last Balance Sheet	14,785.61		14,785.61	
Add: On issue of equity shares	14,793.60		-	
		29,579.21		14,785.61
(b) General reserve				
As per last Balance Sheet	5133.10		5,010.38	
Add: Transferred from surplus in Statement of Profit and Loss	-		122.72	
		5,133.10		5,133.10
(c) Surplus in Statement of Profit and Loss				
Opening balance	16,954.73		17,165.76	
Less : Depreciation on accounting of transitional provisions of Schedule II of the Companies Act, 2013 (ref note 23.20)	-		178.97	
Add: Profit/(Loss) for the year	280.59		561.57	
Less : Interim Dividend @ ₹ 1.20 per Equity share (previous year Nil)	911.17		-	
Dividends proposed to be distributed to equity shareholders current year Nil (previous year ₹ 0.60 per share)	-		391.26	
Tax on dividend	185.49		79.65	
Transferred to General reserve	-		122.72	
Closing balance		16,138.66		16,954.73
Total		50,850.96		36,873.44

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BALAJI TELEFILMS LIMITED**Notes forming part of the consolidated financial statements****Note 5 Long-term provisions**

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
Provision for Employee benefits (i) Provision for gratuity	3.70	-
Total	3.70	-

Note 6 Other current liabilities

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Unpaid dividends (Refer Note below)	12.96	5.65
(b) Interest on loan	0.09	0.03
(c) Other payables		
(i) Statutory liabilities	286.95	61.90
(ii) Advances from customers	1,006.49	204.46
Total	1,306.49	272.04

Note

Appropriate amount shall be transferred to Investor Education and Protection Fund if and when due.

Note 7 Short-term provisions

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
Provision for Employee benefits (i) Provision for gratuity	-	2.61
Provision - Others:		
(i) Provision for tax (net of advance tax ₹ 1921.95 lacs (as at March 31, 2015 ₹ 848.07 lacs))	463.10	320.98
(ii) Provision for proposed equity dividend	-	391.26
(iii) Provision for tax on proposed dividend	-	79.65
Total	463.10	794.50

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements
Note 8 Fixed Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK			
	As at April 1, 2015	Additions	Additions on acquisition	Deductions	As at March 31, 2016	As at April 1, 2015	Additions on acquisition	For the Year	On Deductions	Adjustments (Refer Note 24.18)	Upto March 31, 2016	As at March 31, 2016
Tangible assets												
Buildings (refer note a below)	472.57 (469.36)	- (3.21)	- (-)	- (-)	472.57 (472.57)	80.98 (73.09)	- (-)	7.92 (7.89)	- (-)	- (-)	88.90 (80.98)	383.67 (391.59)
Plant and machinery - Computers	654.11 (649.61)	4.61 (4.50)	- (-)	- (-)	658.72 (654.11)	648.18 (585.12)	- (-)	4.80 (19.51)	- (-)	- (43.55)	652.98 (648.18)	5.74 (5.93)
Plant and machinery - Others	2,450.80 (2,270.56)	108.77 (180.24)	- (6.98)	5.23 (6.98)	2,554.34 (2,450.80)	1,720.39 (1,523.52)	- (1.33)	133.92 (196.29)	1.92 (1.33)	- (0.58)	1,852.38 (1,720.39)	701.95 (730.41)
Computers	424.50 (418.27)	27.86 (6.23)	- (-)	- (-)	452.36 (424.50)	407.52 (366.16)	- (-)	14.09 (14.22)	- (-)	- (27.14)	421.61 (407.52)	30.75 (16.98)
Studios and sets	5,803.79 (4,756.63)	1,089.37 (1,147.16)	- (-)	- (-)	6,993.16 (5,903.79)	4,955.03 (4,663.65)	- (-)	567.44 (291.38)	- (-)	- (-)	5,522.47 (4,955.03)	1,470.69 (948.76)
Vehicles	967.81 (813.48)	218.00 (154.33)	- (-)	- (-)	1,185.81 (967.81)	581.57 (419.98)	- (-)	125.17 (150.40)	- (-)	- (11.19)	706.74 (981.57)	479.07 (386.24)
Furniture and fixtures	313.36 (311.70)	23.65 (1.66)	- (6.49)	- (6.49)	337.01 (313.36)	255.40 (175.15)	- (1.23)	21.40 (58.15)	- (1.23)	- (22.10)	276.80 (255.40)	60.21 (57.96)
Office equipments	428.74 (373.05)	12.66 (55.89)	- (1.01)	- (1.01)	441.40 (428.74)	323.71 (117.53)	- (0.20)	42.61 (53.90)	- (0.20)	- (152.28)	366.32 (323.71)	75.08 (105.03)
Electrical fittings	91.68 (89.68)	3.81 (2.00)	- (-)	- (-)	95.49 (91.68)	47.68 (27.54)	- (-)	10.35 (12.89)	- (-)	- (7.25)	58.03 (47.68)	37.46 (44.00)
Lease Hold Improvements	454.70 (454.70)	6.87 (-)	- (-)	- (-)	461.57 (454.70)	443.24 (420.47)	- (-)	12.99 (22.72)	- (-)	- (0.05)	456.23 (443.24)	5.34 (11.46)
Total	12,162.06 (10,607.04)	1,495.60 (1,555.02)	- (14.48)	5.23 (14.48)	13,652.43 (12,162.06)	9,463.70 (8,372.21)	- (2.76)	940.69 (927.35)	1.92 (2.76)	- (264.14)	10,402.47 (9,463.70)	3,249.96 (2,698.36)
Capital Work-in-Progress												228.38

Note
a. Building includes ₹ 220.86 lacs (previous year ₹ 220.86 lacs), being cost of ownership premises in co-operative society including cost of shares of face value of ₹ 0.01 lac received under Bye-law of the society.
b. Figures in brackets denote previous year figures

BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Note 9 Non-current investments

Particulars	As at March 31, 2016		As at March 31, 2015	
	Unquoted		Unquoted	
	₹ In Lacs		₹ in Lacs	
(At cost): (non-trade)				
(a) Investment in optionally convertible debentures (OCDs) of (Refer Note 24.19) :				
(i) Aristo Learning Private Limited				
Series A 3,000 (Previous year 3,000) Debentures of ₹100 each	3.00		3.00	
Series B 62,810 (Previous year 62,810) Debentures of ₹100 each	62.81		62.81	
	65.81		65.81	
Less : Provision for diminution in value of investments	65.81		65.81	
(ii) Second School Learning Private Limited				
Series A 1,000 (Previous year 1,000) Debentures of ₹100 each	1.00		1.00	
Series B 399,000 (Previous year 399,000) Debentures of ₹100 each	399.00		399.00	
	400.00		400.00	
Less : Provision for diminution in value of investments	400.00		400.00	
(b) Investment in Associate				
(i) IPB Capital Advisors LLP	0.50		0.50	
Add : Share in profit / (loss) of associate	3.09		(1.06)	
		3.59		(0.56)
(c) Investment in Indus Balaji Investor Trust (Refer Note 24.1 B)				
(i) 3,200,000 (Previous year 3,200,000) Class A units of ₹100 each	3,200.00		3,200.00	
(ii) 5,000 (Previous year 5,000) Class B units of ₹100 each	5.00		5.00	
		3,205.00		3,205.00
(d) Investment in Limited Liability Partnership				
(i) Indus Balaji Education Capital Advisors LLP		0.38		0.38
Total		3,208.97		3,204.82

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 10 Long term loans and advances (unsecured, considered good unless otherwise treated)

Particulars	As at March 31, 2016		As at March 31 2015	
	₹ in Lacs		₹ in Lacs	
(a) Security Deposits (Refer Note below)				
Considered good	938.40		942.94	
Considered doubtful	50.92		50.92	
	989.32		993.86	
Less: Provision	50.92		50.92	
		938.40		942.94
(b) Advance to vendors		3,909.22		2,835.56
(c) Advance income - tax (Net of provisions ₹ 1,352.35 lacs (As at March 31,2015, ₹ 1,365.90 lacs))		2,970.82		2,615.84
Total		7,818.44		6,394.34

Note: Security Deposit include deposits given to Directors for the properties taken on lease from them (also refer note 24.7b)

Particulars	As at March 31,2016		As at March 31,2015	
	₹ in Lacs		₹ in Lacs	
Directors		840.00		840.00
Maximum amount outstanding at any time during the year for the above deposits.		840.00		840.00

Note 11 Other non-current assets (unsecured, considered good unless otherwise treated)

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹ in Lacs		₹ in Lacs	
Secured, considered good				
(a) Fixed deposits with banks under lien		28.57		35.68
(b) Interest accrued on fixed deposits with banks under lien		8.33		5.87
Total		36.90		41.55

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Note 12 Current investments (Unquoted)

Particulars	As at	As at
	March 31, 2016	March 31, 2015
	₹ In Lacs	₹ In Lacs
(Non trade) (at lower of cost and fair value)		
Investment in mutual funds (Refer note below)	17,058.77	14,511.48
Total	17,058.77	14,511.48

Note :

Particulars	Face Value	Numbers		Value (₹ in Lacs)	
		As at	As at	As at	As at
		March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
IN UNITS OF MUTUAL FUNDS					
Reliance Liquid Fund - Treasury Plan - Growth Plan	1,000.00	29,895.12	-	1,100.00	-
Birla Sun Life Cash Plus - Growth - Regular Plan	100.00	618,897.24	-	1,500.00	-
ICICI Prudential Liquid Plan - Growth	100.00	492,176.63	-	1,100.00	-
SBI Premier Liquid Fund - Regular Plan - Growth	1,000.00	46,392.87	-	1,100.00	-
UTI-Liquid Cash Plan- Institutional - Growth	1,000.00	44,494.11	-	1,100.00	-
Reliance Banking & PSU Debt Fund - Growth Plan	10.00	13,943,630.55	-	1,500.00	-
ICICI Prudential Flexible Income Growth	100.00	526,252.82	-	1,500.00	-
Birla Sun Life Savings Fund - Growth - Regular Plan	100.00	514,011.97	-	1,500.00	-
Kotak Floater Short Term - Growth	1,000.00	60,595.85	-	1,500.00	-
HDFC Liquid Fund - Growth	1,000.00	36,914.70	-	1,100.00	-
Baroda Pioneer Treasury Advantage Fund - Plan A Growth	1,000.00	6,053.10	-	100.00	-
Kotak Gilt (Investment Regular)- Growth	10	-	765,716.33	-	300.00
Kotak Floater Long Term- Growth	10	-	5,127,994.75	-	1,000.00
Reliance Regular Savings Fund - Debt Plan-Growth Plan	10	5,320,960.78	-	902.17	-
Templeton India Short term Income Retail Plan Growth	1000	4,198.63	-	100.00	-
Templeton India Ultra Short Bond -Super Institutional	10	-	6,540,746.68	-	1,100.00
UTI Floating Rate Fund-STP-Regular Plan	10	-	1,731,667.70	-	500.00
UTI-BOND Fund-Growth	10	-	2,607,915.55	-	500.00
HDFC Cash Management Fund - Treasury Advantage - Wholesale Plan - Growth	10	-	34,180.18	-	800.00
HDFC Short Term Plan - Growth	10	-	10,174,261.14	-	1,025.49
HDFC FMP 370D November 2011 (3) - Growth - Series XIX	10	-	6,850,451.70	-	1,000.00
HDFC FMP 370D January 2012 (2) - Growth - Series XIX	10	-	31,117.03	-	618.81
HDFC FMP 92D March 2012 (3) - Growth - Series XXI	10	-	834,680.86	-	300.16
Birla Sunlife-Short Term Opportunities Fund	10	-	408,288.81	-	600.00
ICICI Prudential Blended Plan B - Institutional Growth Option II	10	-	1,433,761.59	-	774.67
ICICI Prudential Medium Term Plan Premium Plus Growth	10	-	2,520,351.84	-	500.00
HDFC High Interest Fund -Dynamic Plan-Growth	10	-	465,483.31	-	125.00
HDFC FMP 371D July 2013-Series 26- Regular-Growth	10	4,000,000.00	2,212,477.05	400.00	900.00
ICICI Prudential FMP Series 62 - 1 Year Plan A - Cumulative	10	-	4,000,000.00	-	400.00
ICICI Prudential Gilt Fund Investment Plan PF Option	10	-	1,131,827.93	-	245.00
ICICI Prudential Gilt Fund Treasury -Regular Plan- Growth	10	-	1,723,311.93	-	500.00
ICICI Prudential Income-Regular Plan- Growth	10	-	769,546.48	-	287.68
ICICI Prudential Ultra Short Term -Regular Plan-Daily Dividend	10	-	4,225,750.18	-	430.28
ICICI Prudential Regular Savings Fund-Regular Plan- Growth	10	-	1,601,281.03	-	200.00
ICICI Prudential Interval Fund QIP Plan B -Regular Plan	10	930,273.29	1,445,000.00	97.43	151.34
ICICI Prudential Fmp Series 68-369 Days Plan I Regular Plan Cumulative	10	4,000,000.00	4,000,000.00	400.00	400.00
IDFC Dynamic Bond Fund Growth -Regular Plan	10	1,401,217.66	692,911.22	200.00	732.66
IDFC Dynamic Bond Fund	100	1,405,590.03	617,768.25	200.00	653.20
Kotak Liquid Scheme Plan A	10	26,465.94	-	811.44	-
ICICI Liquid Plan - Growth	10	348,986.18	2,806,807.69	780.54	400.00
IDFC Super Saver Income Fund-Investment Plan- Growth	10	231,296.33	231,296.33	67.19	67.19
Total				17,058.77	14,511.48

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Note 13 Inventories

(At lower of cost and net realisable value)

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
a) Serials	1,354.49	518.54
b) Events	60.42	267.51
c) Films	10,516.07	2,238.50
Total	11,930.98	3,024.55

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 14 Trade receivables (unsecured, considered good unless otherwise treated)

Particulars	As at March 31, 2016		As at March 31, 2015	
	₹ in Lacs		₹ in Lacs	
Trade receivables outstanding for a period exceeding six months from the date they were due for payment				
Secured, considered good			196.99	
Considered good	151.49		174.75	
Considered doubtful	183.24			
	334.73		371.74	
Less: Provision	183.24		174.75	
		151.49		196.99
Other Trade receivables				
Secured, considered good		7,980.33		6,502.82
Considered good				
Total		8,131.82		6,699.81

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 15 Cash and cash equivalents

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Cash on hand	23.16	44.14
(b) Balances with banks		
(i) In current accounts	1,659.32	1,046.28
(ii) In deposit accounts	-	0.54
(iii) In earmarked accounts		
- Unpaid dividend accounts	13.05	5.65
- Fixed deposits kept in lien against bank guarantee	33.38	-
Total	1,728.91	1,096.61
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i>	1,682.48	1,090.96

Note 16 Short-term loans and advances (unsecured, considered good unless other wise stated)

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Loans and advances to employees	3.53	41.50
(b) Prepaid expenses	92.40	309.17
(c) Balances with government authorities (VAT, service tax etc.)	1,566.84	789.69
(d) Advance to vendors	2,283.33	2,165.93
(e) Recoverable from co-producer	193.41	-
(f) Contractually recoverable expenses	237.47	-
(f) Security Deposit	33.50	35.05
Total	4,410.48	3,341.34

Note 17 Other current assets

Particulars	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
Unbilled revenue	1,319.12	1,210.18
Interest accrued on fixed deposits with banks- under lien	0.55	-
Total	1,319.67	1,210.18

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Note 18 Revenue from operations

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Sale of services		
Commissioned Sales	24,966.53	23,336.05
Internet Sales	8.77	6.36
Sale of film rights	2,248.99	10,919.28
Service Income- Organising managing events	1,055.22	3.75
(b) Other operating revenues		
Sundry Credit balance written back	32.55	-
Excess provision for earlier years written back	237.89	33.00
Recovery of Uplinking charges	402.99	-
Recovery of advances written-off	-	57.02
Facilities hire charges	102.43	121.00
Service income	114.38	68.00
Sale of movie rights / concepts	68.17	92.31
Reimbursement of Expenses	37.60	-
Provision for doubtful debts / advances written back	-	12.00
Total	29,275.52	34,648.77

Note 19 Other income

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
(a) Interest income		
On fixed deposits with banks	4.12	3.83
On Income tax Refund	5.80	152.69
On Loan given to related party	-	56.27
(b) Profit on sale of current investments (non-trade) (net)	2,035.03	682.24
(c) Dividend on current investments	33.73	193.27
(d) Excess Provision for earlier years written back (net)	48.15	13.33
(e) Excess Provision for Gratuity written back	2.91	-
(f) Foreign Exchange Gain (Net)	0.39	1.37
(g) Insurance Claim received	95.57	0.33
Total	2,225.70	1,103.33

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 20 Cost of Production of television serials / films

Particulars	For the year ended March 31, 2016		For the year ended March 31, 2015	
	₹ in Lacs		₹ in Lacs	
Opening stock of television serials / tapes / films		3,024.54		7,002.13
Add: Stock of Events taken over on acquisition		-		251.73
		3,024.54		7,253.86
<u>Add: Cost of production</u>				
Acquisition Cost	387.97		124.48	
Purchase of costumes and dresses	591.68		285.08	
Purchase of tapes / raw stock / negative	60.82		114.18	
Artists, Directors and other technicians fees	14,470.59		11,826.01	
Shooting and location expenses (Refer Note 24.14)	7,380.27		5,693.75	
Telecasting fees / Purchase rights	5.00		8.70	
Uplinking charges	39.06		480.96	
Food and refreshments	-		32.06	
Set properties and equipment hire charges	2,132.40		1,381.36	
Insurance	64.09		14.65	
Line Production cost	5,184.72		1,105.05	
Marketing and Distribution Expense	957.31		2,136.74	
Other production expenses	2,702.96		2,513.67	
		33,976.87		25,716.69
Less: Reimbursement of Expenses		2,369.76		292.77
		34,631.65		32,677.78
Less: Closing stock of television serials / films/ Events		11,930.98		3,024.54
Total		22,700.67		29,653.24

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BALAJI TELEFILMS LIMITED**Notes forming part of the consolidated financial statements****Note 21 Employee Benefit Expense**

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Salaries and wages	1,863.88	1,412.69
Contributions to Provident and Other Funds	84.46	67.20
Gratuity	10.20	-
Staff welfare expenses	58.72	43.16
Total	2,017.26	1,523.05

Note 22 Finance costs

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Interest expense on delayed payment of taxes etc.	0.85	33.75
Interest on Capital	0.06	0.03
Total	0.91	33.78

Note 23 Other expenses

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Power and fuel	97.18	103.09
License and Hosting fees	57.99	-
Rent including lease rentals (Refer Note 24.14)	166.04	167.40
Repairs and maintenance - Machinery	13.69	30.07
Repairs and maintenance - Others	84.39	145.17
Insurance	83.64	58.23
Rates and taxes	376.74	84.95
Communication expenses	34.11	24.63
Legal and Professional charges	2,255.64	1,087.06
Security and housekeeping expenses	31.59	16.42
Business promotion expenses	57.16	50.96
Travelling & Conveyance Expenses	131.87	59.48
Pre-incorporation expenses	9.24	-
Donations and contributions	11.82	28.79
Expenditure on Corporate social responsibility activities	31.24	21.33
Loss on Fixed Assets sold/scrapped/written off	3.13	11.72
Provision for doubtful debts and advances	8.49	14.95
Provision for dimunition of investment (Refer Note 24.19)	-	465.81
Marketing Expenses	12.31	4.62
Bad debts written off	53.78	1.90
Advances written off	0.17	188.68
Software expenses	25.63	16.33
Directors sitting fees	76.60	15.15
Commission to Directors	83.02	31.05
Foreign exchange loss (net)	0.14	-
Miscellaneous expenses *	257.77	238.49
Total	3,963.38	2,866.28

*Miscellaneous expenses include security charges, printing and stationery etc.

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

		As at March 31, 2016	As at March 31, 2015
		₹ in Lacs	₹ in Lacs
24.1	Contingent liabilities and commitments (to the extent not provided for)		
A	Contingent Liabilities		
a)	In respect of the demands (including interest) raised by Prasar Bharti Broadcasting Corporation of India (Corporation), the Company has arrived at a one-time settlement with the Corporation by making a payment of ₹ 200.00 lacs as telecast fees which has been accounted for as an expense in the previous year. As per the terms of the settlement, the balance outstanding of ₹ 557.20 lacs would be settled by way of supply of various old regional television content. The Company has submitted the required content to the Corporation. The Company has got confirmations about successful review of tapes by various Kendra's of Corporation, for all the tapes submitted to them. The Company has intimated this to the Corporation through a letter with confirmations as supporting documents, discharging its complete obligation with the Corporation as required under the one time settlement as agreed in the MOU. As a result, the Company does not expect any charge in the financial statements on the said matter.	557.20	557.20
b)	The Company had received demand notices from the Office of the Commissioner of Service Tax, Mumbai (excluding Interest and penalty) pertaining to Service tax for the period April 2006 to March 2010 on exports made to one of the customers of the Company. On appeal to the Commissioner of Service Tax, the matter pertaining to the period April 2006 to March 2008 was adjudicated in favour of the Company, wherein the demand amount was ₹ 6,348 lacs. The department had further filed an appeal against the said order with the Customs, Excise & Service Tax Appellate Tribunal (CESTAT) which was dismissed by the Hon'ble CESTAT vide their order dated March 9, 2016. On the same matter as aforesaid, the Company had received a Show Cause Notice (SCN) for the period April 2008 to March 2010 and April 2010 to April 2011 aggregating to ₹ 2,897 lacs and ₹ 46 lacs respectively. The Company, in earlier years, with respect to the SCNs submitted the replies to the Commissioner of Service tax on the same lines of the matter which was adjudicated in the Company's favour. The copy of the favourable CESTAT order has been submitted with Commissioner and SCNs are pending for adjudication as at the year-end.	11,687.79	17,708.81
c)	The Company had received demand notices from the Office of the Commissioner of Service Tax, Mumbai (excluding Interest and penalty) pertaining to Service tax for the period April 2006 to March 2010 on exports made to one of the customers of the Company. On appeal to the Commissioner of Service Tax, the matter pertaining to the period April 2006 to March 2008 was adjudicated in favour of the Company, wherein the demand amount was ₹ 63.48 Crs. The Commissioner has further filed an appeal against the said order with the Customs, Excise & Service Tax Appellate Tribunal. As per the notice of hearing received by us, the matter has been listed for hearing in the tribunal on June 3, 2015. On the same matter, a Show Cause Notice (SCN) for the period April 2008 to March 2010 has been issued with demand amount of ₹ 28.97 Crs. SCN is pending for adjudication with the Commissioner of Service Tax. Company has also received Show Cause Notice from the Office of the Commissioner of service Tax pertaining to service tax for the year 2010 to March 2011 for discharging service tax on export sales made to a customer. Liability in this case is ₹ 0.46 Crs. Company has prepared and submitted reply to the Commissioner of Service tax in the matter, on the same lines as done in earlier years.	2,943.00	9,245.00
B	Commitments : Future commitments towards capital contribution in Indus Balaji Investor Trust	800.00	800.00

24.2 On April 30, 2013 the Income-tax Department visited the premises of the Company and BMPL and initiated proceedings under Section 132 of the Income-tax Act, 1961. Pursuant to the notices under Section 153A of Income-tax Act, 1961 the assessments for all the relevant assessment years were completed by the Department during the quarter ended June 30, 2015. Consequently, the Company has computed the differential tax liability aggregating to ₹ 27 lacs for these years and accounted for the same in the quarter ended June 30, 2015. Further, the Company and BMPL has filed applications for rectification of two Assessment Orders which had discrepancies, which is pending with the Department.

24.3 The Finance Act, 2010 had introduced a new taxable service category viz 'Copyright Services', wherein a temporary transfer or permitting the use/enjoyment of copyright has been made liable to service tax. The levy extends to all transactions involving temporary transfer or permitting the use of copyrights in cinematographic films and sound recordings. Pursuant to this, the Company, as a co-petitioner, along with other companies who are engaged in the business of creation and production of cinematographic films and musical works for distribution, exhibition and communication to the public, via different mediums, had filed a writ petition in the Bombay High Court challenging the vires of the Central Government to levy Service tax under the said entry. Pending disposal of this writ petition, the Company has collected the service tax on such transactions aggregating to ₹ 265.80 lacs from their customers and deposited the same 'under protest' with the authorities.

24.4 Payment to Auditors

	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
For Statutory Audit	35.00	34.95
For Tax Audit	-	2.50
For Taxation matters	-	5.00
For other services - certification etc.	44.05	10.30
Reimbursement of expenses	0.06	1.12
For Service Tax	11.47	6.66
Total	90.58	60.53

24.5 As per information available with the Company, none of the creditors have confirmed that they are registered under the Micro, Small and Medium enterprises Development Act, 2006.

24.6 Details of subsidiary and associate included in Consolidated Financial Statements

Name	Relationship	Country of incorporation	% of ownership interest and voting power
Balaji Motion Pictures Limited	Subsidiary	India	100%
Bolt Media Ltd	Subsidiary	India	100%
ALT Digital Entertainment Limited	Subsidiary	India	100%
Marinating Films Private Limited	Subsidiary	India	51%
Event Media LLP	Subsidiary	India	51%
Chhayabani Balaji Entertainment Private Limited	Subsidiary	India	51%
IPB Capital Advisors LLP	Associate	India	50%

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24.7 Related Party Transactions

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

Name of the Related Party	Relationship
Balaji Motion Pictures Limited	Subsidiary Company (control exist)
Marinating Films Pvt Ltd	Subsidiary Company (control exist)
Bolt Media Limited	Subsidiary Company (control exist)
ALT Digital Entertainment Limited	Subsidiary Company (control exist)
Chhayabani Balaji Entertainment Private Limited	Subsidiary Company (control exist)
Event Media LLP	Subsidiary Body Corporate
IPB Capital Advisors LLP	Associate
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Key management person
Mr. Sameer Nair (from July 15, 2014)	Key management person
M/s. J K Developers	Sole proprietary firm of a Key management person
Balaji Films & Telly Investments Limited	Key management person having significant influence

(b) Details of Transactions with related parties during the year

₹ in Lacs

Nature of Transactions	Key Management Person	Relative of Key Management Person	Key management person having significant influence	Company owned by relative of Key Management Person	Sole proprietary firm of Key Management Person	Associate	Total
Directors sitting fees							
Mr. Jeetendra Kapoor	9.75	-	-	-	-	-	9.75
	(2.65)	(-)	(-)	(-)	(-)	(-)	(2.65)
Mr. Tusshar Kapoor	7.25	-	-	-	-	-	7.25
	(0.90)	(-)	(-)	(-)	(-)	(-)	(0.90)
Directors commission							
Mr. Jeetendra Kapoor	9.22	-	-	-	-	-	9.22
	(16.00)	(-)	(-)	(-)	(-)	(-)	(16.00)
Mrs. Shobha Kapoor	28.83	-	-	-	-	-	28.83
	(12.04)	(-)	(-)	(-)	(-)	(-)	(12.04)
Mr. Tusshar Kapoor	2.31	-	-	-	-	-	2.31
	(0.50)	(-)	(-)	(-)	(-)	(-)	(0.50)
Ms. Ekta Kapoor	28.83	-	-	-	-	-	28.83
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Rent paid							
Mr. Jeetendra Kapoor	49.44	-	-	-	-	-	49.44
	(46.65)	(-)	(-)	(-)	(-)	(-)	(46.65)
Mrs. Shobha Kapoor	1,327.41	-	-	-	-	-	1,327.41
	(1,246.49)	(-)	(-)	(-)	(-)	(-)	(1,246.49)
Mr. Tusshar Kapoor	12.38	-	-	-	-	-	12.38
	(11.69)	(-)	(-)	(-)	(-)	(-)	(11.69)
Ms. Ekta Kapoor	201.98	-	-	-	-	-	201.98
	(146.27)	(-)	(-)	(-)	(-)	(-)	(146.27)
Location Hire							
Balaji Films & Telly Investments Limited	-	-	-	-	-	-	-
	(-)	(-)	(41.00)	(-)	(-)	(-)	(41.00)
Remuneration							
Mrs. Shobha Kapoor	110.12	-	-	-	-	-	110.12
	(110.12)	(-)	(-)	(-)	(-)	(-)	(110.12)
Ms. Ekta Kapoor	126.64	-	-	-	-	-	126.64
	(124.35)	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Sameer Nair	435.70	-	-	-	-	-	435.70
	(282.09)	(-)	(-)	(-)	(-)	(-)	(282.09)
Capital advances returned							
M/s J.K. Developers	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(400.00)	(-)	(400.00)
Interest received on capital advances							
M/s J.K. Developers	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(56.27)	(-)	(56.27)
Purchase of rights							
Balaji Films & Telly Investments Limited	-	-	-	-	-	-	-
	(-)	(-)	(-)	(101.00)	(-)	(-)	(101.00)
Artist fees							
Mr. Tusshar Kapoor	50.00	-	-	-	-	-	50.00
	(50.00)	(-)	(-)	(-)	(-)	(-)	(50.00)
Dividend paid							
Mrs. Shobha Kapoor	120.41	-	-	-	-	-	120.41
	(36.51)	(-)	(-)	(-)	(-)	(-)	(36.51)
Ms. Ekta Kapoor	188.63	-	-	-	-	-	188.63
	(54.29)	(-)	(-)	(-)	(-)	(-)	(54.29)
Mr. Jeetendra Kapoor	39.12	-	-	-	-	-	39.12
	(13.04)	(-)	(-)	(-)	(-)	(-)	(13.04)
Mr. Tusshar Kapoor	24.36	-	-	-	-	-	24.36
	(8.12)	(-)	(-)	(-)	(-)	(-)	(8.12)
Mr. Sameer Nair	8.31	-	-	-	-	-	8.31
	(-)	(-)	(-)	(-)	(-)	(-)	(-)

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(c) Closing balances as at March 31, 2016

Amount receivable as at March 31, 2016							
Mrs. Shobha Kapoor *	340.00	-	-	-	-	-	340.00
	(340.00)	(-)	(-)	(-)	(-)	(-)	(340.00)
Mr. Jeetendra Kapoor *	300.00	-	-	-	-	-	300.00
	(300.00)	(-)	(-)	(-)	(-)	(-)	(300.00)
Mr. Tusshar Kapoor *	100.00	-	-	-	-	-	100.00
	(100.00)	(-)	(-)	(-)	(-)	(-)	(100.00)
Amount payable as at March 31, 2016							
Mr. Jeetendra Kapoor	9.22	-	-	-	-	-	9.22
	(16.00)	(-)	(-)	(-)	(-)	(-)	(16.00)
Mrs. Shobha Kapoor	28.83	-	-	-	-	-	28.83
	(12.04)	(-)	(-)	(-)	(-)	(-)	(12.04)
Mr. Tusshar Kapoor	2.31	-	-	-	-	-	2.31
	(0.50)	(-)	(-)	(-)	(-)	(-)	(0.50)
Ms. Ekta Kapoor	28.83	-	-	-	-	-	28.83
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Investment as on March 31, 2016							
IPB Capital Advisors LLP	-	-	-	-	-	0.50	0.50
	(-)	(-)	(-)	(-)	(-)	(0.50)	(0.50)

* - Deposit for leased property

Note

- (i) There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties.
(ii) Figures in bracket relate to the previous year.

24.8 Income in foreign currency

	For the year ended	For the year ended
	March 31, 2016	March 31, 2015
	₹ in Lacs	₹ in Lacs
Sale of Film Rights	129.07	813.63
Sales of Concept	-	29.25
Sales of services	8.77	6.36

24.9 Expenditure in foreign currency

	For the year ended	For the year ended
	March 31, 2016	March 31, 2015
	₹ in Lacs	₹ in Lacs
Line production charges	2,628.97	155.96
Software Consultancy Fees	228.38	-
License fee and hosting fee	36.95	-
Artists, Directors and other technician fees	74.87	36.16
Shooting and location expenses	-	285.34
Set properties and equipment hire charges	-	225.10
Other production expenses	34.00	58.79
Travelling and conveyance expenses	79.19	41.43

24.10 Amounts remitted in foreign currency during the year on account of **dividend**

	For the year ended	For the year ended
	March 31, 2016	March 31, 2015
	₹ in Lacs	₹ in Lacs
Amount of dividend remitted in foreign currency (₹ in Lacs)	-	67.79
Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency)	-	1.00
Total number of shares held by them on which dividend was due (Number)	-	16948194
Year to which dividend relates	-	2013-14

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24.11 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 ₹84.19 Lacs (previous year ₹ 68.63 Lacs)

b) a) Defined Benefit Plans

I Reconciliation of asset / (liability) recognized in the Balance Sheet

	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
Fair Value of plan assets as at the end of the year	84.62	84.71
Present Value of Obligation as at the end of the year	(45.80)	(34.91)
Net assets in the Balance Sheet	38.82	49.81

II Movement in net liability recognized in the Balance Sheet

	As at March 31, 2016	As at March 31, 2015
	₹ in Lacs	₹ in Lacs
Net (assets) as at the beginning of the year	(49.81)	(42.68)
Net expense recognized in the Statement of Profit and Loss	3.59	(1.51)
Contribution during the year	-	(5.62)
Net (assets) as at the end of the year	(46.22)	(49.81)

III Expense Recognized in the profit and loss account

	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Current Service Cost	5.53	9.43
Interest Cost	1.34	0.29
Expected Return on Plan assets	(4.31)	(3.83)
Actuarial (gains)	1.02	(7.38)
Expense charged to the Statement Profit and Loss	3.58	(1.50)

IV Return on Plan Assets

	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Expected return on plan assets	6.82	6.31
Actuarial (gains)	(5.84)	(2.05)
Actual return on plan assets	0.98	8.36

V Reconciliation of defined benefits commitments

	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Commitments at beginning of the year	34.91	29.88
Current Service Cost	5.53	9.43
Interest Cost	3.11	2.77
Actuarial (gains)	(3.61)	(7.17)
Benefits paid	(1.07)	-
Settlement cost	-	-
Commitments at year end	38.87	34.91

VI Reconciliation of plan assets

	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Fair Value of plan assets at beginning of the year	86.55	72.57
Expected return on plan assets	6.82	6.31
Actuarial gains/(losses)	(5.84)	2.05
Employer contribution	-	5.62
Benefits paid	(1.07)	-
Fair Value of plan assets at year end	86.46	86.55

VII Experience Adjustment

	For the Year 2015-2016	For the Year 2014-2015	For the Year 2013-2014	For the Year 2012-2013	For the Year 2011-2012
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
On Plan liability (gains) / losses	1.59	(12.59)	0.54	(37.79)	(3.61)
On Plan assets gains / (losses)	(5.84)	0.21	0.02	0.45	0.43

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	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount Rate (per annum)	7.80%	8.03%
Expected Rate of return on Plan assets (per annum)	7.80%	8.03%
Rate of escalation in Salary(per annum)	5.00%	5.00%
Attrition rate	2.00%	2.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Composition of plan assets

	For the year ended March 31, 2016	For the year ended March 31, 2015
Insurer managed funds	100%	100%

24.12 Earning per share

Earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as under :

	For the year ended March 31, 2016	For the year ended March 31, 2015
(a) Profit for the year attributable to equity share holders (₹ in Lacs)	280.59	561.57
(b) Weighted average number of equity shares outstanding during the year (Nos.)	65,854,815	65,210,443
(c) Earnings per share - Basic and diluted (₹)	0.43	0.86
(d) Nominal value of shares (₹)	2	2

24.13 Components of Deferred tax Assets / (Liabilities)

	For the year ended March 31, 2016	For the year ended March 31, 2015
	₹ in Lacs	₹ in Lacs
Difference between the books and tax written down values of fixed assets	451.16	348.63
Provision for Diminution of investment	161.22	151.13
Disallowance under the Income Tax Act, 1961	78.10	69.59
Deferred tax asset/ (liability)-net	Total 690.48	569.35

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Note 24 Additional information to the financial statements and disclosure under Accounting Standards (contd.)

24.14 Lease Transactions

The Company has taken certain premises on non-cancellable operating lease basis. Future lease rentals in respect of fixed assets taken on non-cancellable operating lease basis are as follows:

Particulars	As on
	March 31, 2016 ₹ in Lacs
Amount due within 1 year	13.63
Total	13.63

Amount of lease rentals charged to the statement of profit and loss account in respect of operating leases is ₹ 1667.04 lacs (previous year ₹ 1655.12 lacs)

24.15 Segment Information

(A) Information about primary segments

The Company has considered business segment as the primary segment for disclosure. The reportable business segments are as under:

- (a) Commissioned Programmes : Income from sale of television serials to channels
- (b) Feature Films : Income from business of production and / or distribution of motion pictures and films

	Commissioned Programmes		Feature Films		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue	26,021.75	23,344.79	2,248.99	10,919.28	28,270.74	34,264.07
Add: Inter-Segment sale	-	-	-	-	-	-
Total Revenue	26,021.75	23,344.79	2,248.99	10,919.28	28,270.74	34,264.07
Segment result	4,452.15	3,095.86	(1,341.14)	(623.70)	3,111.01	2,472.16
Unallocable expenses (net)					(4,463.18)	(3,113.76)
Operating Income	972.24	327.67	32.55	57.02	1,004.79	384.69
Other Income	2,209.13	1,008.45	16.57	97.28	2,225.70	1,105.73
Profit before tax	7,633.52	4,431.98	(1,292.03)	(469.40)	1,878.31	848.82
Tax expense			-	-	(1,604.87)	(286.17)
Profit for the year	7,633.52	4,431.98	(1,292.03)	(469.40)	273.44	562.65
Segment assets	15,181.84	11,189.10	18,861.71	8,934.37	34,043.55	20,123.47
Unallocable assets					25,917.11	22,938.06
Total assets					59,960.66	43,061.53
Segment liabilities	5,283.10	3,335.89	740.17	555.81	6,023.27	3,891.70
Unallocated liabilities					1,567.83	992.45
Total Liabilities					7,591.10	4,884.15
Other Information						
Capital expenditure (allocable)	1,165.00	1,250.79	2.00	304.23	1,167.00	1,555.02
Capital expenditure (unallocable)					292.59	-
Depreciation / Amortisation (allocable)	696.12	345.22	62.94	63.62	759.06	408.84
Depreciation / Amortisation (unallocable)					181.63	418.50

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Note 24 Additional information to the financial statements and disclosure under Accounting Standards (contd.)

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

Name of the LLP	As at March 31, 2016			As at March 31, 2015		
	Names of partners in the LLP	Total capital	Share of each partner in the profits of the LLP	Names of partners in the LLP	Total capital	Share of each partner in the profits of the LLP
IPB Capital Advisors LLP	Balaji Telefilms Limited	0.500	50.00%	Balaji Telefilms Limited	0.500	50.00%
	IP Capital Advisors LLP	0.490	49.00%	IP Capital Advisors LLP	0.490	49.00%
	IPM Capital Advisors LLP	0.010	1.00%	IPM Capital Advisors LLP	0.010	1.00%
		1.000	100.00%		1.000	100%
Indus Balaji Education Capital Advisors LLP	Balaji Telefilms Limited	0.375	18.75%	Balaji Telefilms Limited	0.375	18.75%
	IP Capital Advisors LLP	0.375	18.75%	IP Capital Advisors LLP	0.375	18.75%
	IPX Capital Advisors LLP	0.250	12.50%	IPX Capital Advisors LLP	0.250	12.50%
	Mohit Rajhan	0.500	25.00%	Mohit Rajhan	0.500	25.00%
	IPM Capital Advisors LLP	0.500	25.00%	IPM Capital Advisors LLP	0.500	25.00%
		2.000	100.00%		2.000	100%
Event Media LLP	Balaji Telefilms Limited	0.510	51.00%	Balaji Telefilms Limited	0.510	51.00%
	Select Media Holding LLP	0.490	49.00%	Select Media Holding LLP	0.490	49.00%
		2.000	100.00%		2.000	100.00%

24.17 The company did not have any long term contracts including derivative contracts for which any provision is required for foreseeable losses

24.18 During the previous year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the group revised the estimated useful life of relevant assets to align the useful life with those specified in Schedule II. Pursuant to the transitional provisions prescribed in Schedule II to the Companies Act, 2013, the group has fully depreciated the carrying value of the assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and adjusted an amount of ₹ 178.97 lacs (net of deferred tax credit of ₹ 85.17 lacs) against the opening balance in the Statement of Profit and Loss under Reserves and Surplus. The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 171.00 lacs and profit after tax for the year is lower by ₹ 119.87 consequent to the change in the useful life of the assets.

24.19 The Company has investments in Optionally Convertible Debentures in Aristo Learning Private Limited and Second School Learning Private Limited aggregating ₹ 465.81 lacs. These investments are strategic and non-current (long-term) in nature. However, considering the current financial position of the respective investee companies, the Company, out of abundant caution, has during the current year provided for these investments considering the diminution in their respective values.

24.20 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

	As % of consolidated net assets	Amount (Rs. Lacs)	Share of profit or loss	Amount (Rs. Lacs)
			As % of consolidated profit or loss	
Subsidiaries				
Balaji Motion Pictures Limited	-14.81%	(7,758.41)	-1145.49%	(3,214.11)
Bolt Media Limited	-0.34%	(179.31)	-18.36%	(51.53)
Event Media LLP	-0.11%	(54.99)	-3.71%	(10.40)
Mannating Films Private Limited	-0.32%	(169.60)	-6.29%	(17.66)
ALT Digital Media Entertainment Limited	-1.51%	(793.14)	-282.67%	(793.14)
Chhayabani Balaji Entertainment Private Limited	-0.01%	(4.06)	-1.45%	(4.06)
Associates				
IBP Capital Advisors	NA	NA	1.10%	3.09

Particulars	As at March 31, 2016
	₹ in Lacs
Estimated amount of contracts remaining to be executed on capital account	150.04
Total	150.04

24.22 The figures of the previous year have been regrouped wherever necessary to correspond with those of the current year.

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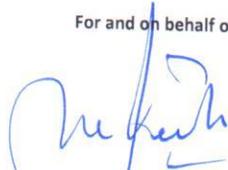
Signatures to notes 1 to 24

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants



A. B. Jani
(Partner)
Place : Mumbai
Date : May 17, 2016

For and on behalf of the Board of Directors



Jeetendra Kapoor
(Chairman)

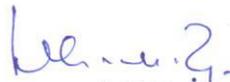


Shobha Kapoor
(Managing Director)

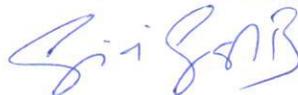
Ekta Kapoor
(Joint Managing Director)



Sameer Nair
(Group Chief Executive Officer)

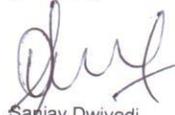


D.G. Rajan
(Director)



Simmi Singh Bisht
(Group Head Secretarial)

Place : Mumbai
Date : May 17, 2016



Sanjay Dwivedi
(Group Chief Financial Officer)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BALAJI TELEFILMS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Balaji Telefilms Limited (the Company), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company

has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the Order) issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

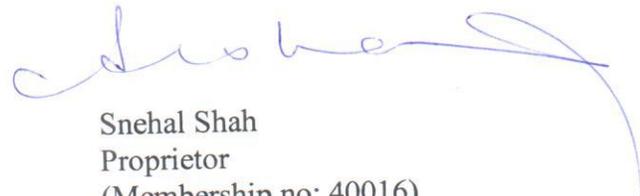
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 23.1, 23.2 and 23.3 to the financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material 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.

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



A B Jani
Partner
(Membership No. 46488)
Mumbai, Dated: May 20, 2015

For Snehal & Associates
Chartered Accountants
(Registration no: 110314W)



Snehal Shah
Proprietor
(Membership no: 40016)
Mumbai, Dated: May 20, 2015

(vii) According to the information and explanations given to us in respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and any other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and any other material statutory dues in arrears, as at March 31, 2015 for a period of more than six months from the date they became payable.
- (c) Details of dues of Sales Tax and Excise Duty which have not been deposited as on March 31, 2015 on account of disputes are given below:

Name of Statute	Nature of dues	Forum where dispute is pending	Financial Year to which amount relates	Amount (Rs. in lakhs)
Central Sales Tax Act, 1956	CST	Department of Sales Tax	1.4.2000 to 31.3.2004	17,708.81
The Finance Act 1994	Service Tax	Office of the Commissioner of Service Tax	1.4.2006 to 31.3.2010	9,245.00

- (d) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company does not have any borrowings from any banks, financial institutions and debenture holders.
- (x) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not taken term loans during the year.

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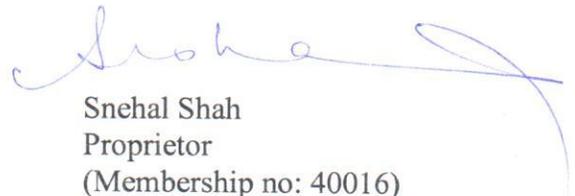
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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



A B Jani
Partner
(Membership No. 46488)
Mumbai, Dated: May 20, 2015

For Snehal & Associates
Chartered Accountants
(Registration no: 110314W)



Snehal Shah
Proprietor
(Membership no: 40016)
Mumbai, Dated: May 20, 2015

BALAJI TELEFILMS LIMITED
Balance Sheet as at March 31, 2015

		Note No.	As at March 31, 2015	As at March 31, 2014
			₹ in Lacs	₹ in Lacs
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	1,304.21	1,304.21
	(b) Reserves and surplus	4	41,694.61	41,115.60
			42,998.82	42,419.81
2	Current liabilities			
	(a) Trade payables	23.5	3,183.04	2,141.65
	(b) Other current liabilities	5	17.37	348.73
	(c) Short-term provisions	6	791.89	331.55
			3,992.30	2,821.93
	TOTAL		46,991.12	45,241.74
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets	7		
	(i) Tangible assets		2,295.50	2,075.23
	(ii) Capital work-in-progress		21.77	87.56
			2,317.27	2,162.79
	(b) Non-current investments	8	6,656.39	6,676.69
	(c) Deferred tax assets (net)	23.14	569.34	252.77
	(d) Long-term loans and advances	9	2,427.43	3,698.00
	(d) Other non-current assets	10	41.55	10.59
			12,011.98	12,800.84
2	Current assets			
	(a) Current investments	11	14,511.48	15,997.59
	(b) Inventories	12	508.86	652.09
	(c) Trade receivables	13	5,901.70	3,151.65
	(d) Cash and cash equivalents	14	646.05	84.66
	(e) Short-term loans and advances	15	12,200.87	11,806.41
	(f) Other current assets	16	1,210.18	748.50
			34,979.14	32,440.90
	TOTAL		46,991.12	45,241.74
	See accompanying notes forming part of financial statements			

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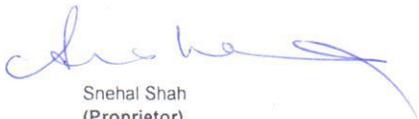
BALAJI TELEFILMS LIMITED
Balance Sheet as at March 31, 2015

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants



A. B. Jani
(Partner)
Place : Mumbai
Date : May 20, 2015

For Snehal & Associates
Chartered Accountants



Snehal Shah
(Proprietor)
Place : Mumbai
Date : May 20, 2015

For and on behalf of the Board of Directors



Jeetendra Kapoor
(Chairman)



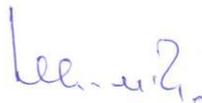
Sameer Nair
(Group Chief Executive Officer)



Simmi Singh Bisht
(Company Secretary)
Place : Mumbai
Date : May 20, 2015



Shobha Kapoor
(Managing Director)



D.G. Rajan
(Director)



Sanjay Dwivedi
(Group Chief Financial Officer)



Ekta Kapoor
(Director)

BALAJI TELEFILMS LIMITED

Statement of Profit and Loss for the year ended March 31, 2015

Particulars		Note No.	For the Year ended March 31, 2015	For the Year ended March 31, 2014
			₹ In Lacs	₹ In Lacs
1	Revenue			
	Revenue from Operations	17	20,969.22	13,153.69
2	Other income	18	1,020.91	1,789.09
3	Total Revenue (1+2)		21,990.13	14,942.78
4	Expenses			
	(a) Cost of Production of television serials	19	16,680.47	10,059.66
	(b) Employee benefits expense	20	906.33	721.90
	(c) Finance costs	21	27.93	118.86
	(d) Depreciation and amortization expense (Refer Note 23.20)	7	761.46	545.38
	(e) Other expenses	22	2,108.09	1,895.42
	Total Expenses		20,484.28	13,341.22
5	Profit before tax (3-4)		1,505.85	1,601.56
6	Tax expense:			
	(a) Current tax		510.00	364.17
	(b) Less: MAT credit		-	(70.00)
	(c) Deferred tax		(231.40)	(103.70)
	(d) Short provision for tax in respect for earlier years		-	409.00
			278.60	599.47
7	Profit for the year (5-6)		1,227.25	1,002.09
8	Earnings per share (of ₹ 2/- each): Basic and diluted earnings per share	23.13	1.88	1.54
	See accompanying notes forming part of the financial statements			

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BALAJI TELEFILMS LIMITED

Cash Flow Statement for the year ended March 31, 2015

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
	₹ in Lacs		₹ in Lacs	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		1,505.85		1,601.56
Adjustments for:				
Depreciation				
Advances written off	761.46		545.38	
Provision for doubtful debts (net)	46.17		-	
Profit on sale / discard of fixed assets (net)	14.95		169.72	
Dividend / Profit on sale of long term investments (non-trade) (net)	-		2.68	
Provision for diminution of investment	(875.51)		(1,104.30)	
Provision for earlier years written back (net)	465.81		-	
Provision for doubtful debt written back	(33.00)		-	
Interest income on Fixed Deposits	(12.00)		(9.00)	
	(16.20)			
Operating profit / (loss) before working capital changes	1,857.53		1,206.04	
Adjustments for:				
(Increase) / Decrease in trade and other receivable	(2,857.11)		(372.24)	
Decrease / (Increase) in inventories	143.23		(305.82)	
Increase / (Decrease) in trade payables and other payables	710.03		432.79	
Cash from operations		(146.32)		960.77
Income-tax refund received / (paid)		(1.91)		(991.51)
Net Cash (Used In) / from Operating Activities (A)		(148.22)		(30.74)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(1,310.02)		(116.85)	
Sale of fixed assets (including sale of land)	-		1.87	
Purchase of current investments	(6,125.00)		(19,085.17)	
Sale of current investments	8,679.88		16,005.75	
Investment in fully paid-up Preference shares	(345.00)		-	
Investment in Trust / Limited Liability Partnership	(0.51)		(500.00)	
Investment in Subsidiary	(100.00)		-	
Loans given to subsidiary	(5,721.61)		(10,796.09)	
Loans repaid by subsidiary	6,580.85		14,022.72	
Loans repaid by subsidiary Body corporate	711.63			
Loans given to subsidiary Body corporate	(1,149.75)			
Bank Balance not considered as cash and cash equivalents (Refer Note 14)	(5.65)		(48.45)	
Interest income	10.33		5.21	
Net Cash From / (Used In) Investing Activities (B)		1,225.15		(511.01)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Dividend paid (net of movement of unpaid dividend account)	(393.08)		(260.84)	
Corporate dividend tax paid	(79.65)		(44.33)	
Net Cash Flow (Used In) Financing Activities (C)		(472.73)		(305.17)
Net increase / (decrease) in cash and cash equivalents (A+B+C)		604.19		(846.92)
Cash and cash equivalents at the beginning of the year		36.21		883.13
Cash and cash equivalents at the end of the year		640.40		36.21
See accompanying notes forming part of financial statements				
Notes:				
(i) Components of cash and cash equivalents include cash and bank balances in current and deposit accounts (Refer note 14).				
(ii) Cash and cash equivalents at the end of the year as per cashflow statement		₹ in Lacs	₹ in Lacs	
- Unpaid dividend accounts		640.40	36.21	
- Fixed deposits kept in lien against bank guarantee		5.65	7.47	
Cash and cash equivalents at the end of the year as per Note 14		-	40.98	
		646.05	84.66	

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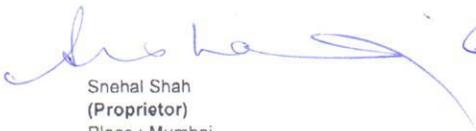
BALAJI TELEFILMS LIMITED
Cash Flow Statement for the year ended March 31, 2015

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants



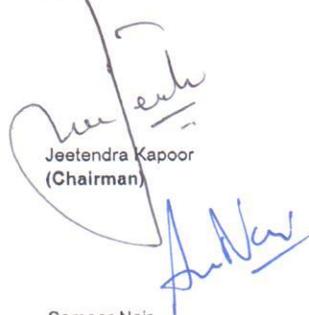
A. B. Jani
(Partner)
Place : Mumbai
Date : May 20, 2015

For Snehal & Associates
Chartered Accountants



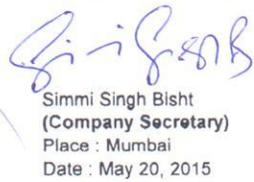
Snehal Shah
(Proprietor)
Place : Mumbai
Date : May 20, 2015

For and on behalf of the Board of Directors



Jeetendra Kapoor
(Chairman)

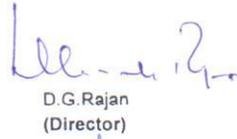
Sameer Nair
(Group Chief Executive Officer)



Simmi Singh Bisht
(Company Secretary)
Place : Mumbai
Date : May 20, 2015



Shobha Kapoor
(Managing Director)



D.G. Rajan
(Director)



Sanjay Dwivedi
(Group Chief Financial Officer)



Ekta Kapoor
(Director)

BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1

Corporate information

Balaji Telefilms Limited 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.

Note 2

Significant accounting policies

Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 / Companies Act, 1956 as applicable.

Use of Estimates

The preparation of financials statements, in conformity with generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of the revenue and expenses during the reported year. Differences between the actual results and the estimates are recognized in the year in which the results are known / materialize.

Fixed assets

Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation / amortisation and impairment loss, if any.

Depreciation / Amortisation

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for studios and sets which are depreciated as per managements' estimate of their useful life of 3 years. Leasehold improvements are depreciated over the period of lease on a straight line basis.

Impairment loss

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on 'Impairment of Assets'. An impairment loss is charged to Statement of Profit and Loss in the year in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

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BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Investments

Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost. However, when there is a decline, other than temporary, the carrying amount is reduced to recognise the decline.

Inventories

Inventory comprise of television serials which are at lower of cost and net realisable value. Cost is determined on the basis of average cost.

Revenue recognition

Revenue is recognised as and when the relevant episodes of the programmes (television serials) are telecast on broadcasting channels.

Revenue (income) is recognised when no significant uncertainty as to its determination or realisation exists.

Employee benefits

a) Post employment benefits and other long-term benefits

- i) **Defined Contribution Plans:**
The Company contributes towards Provident Fund and Family Pension Fund. Liability in respect thereof is determined on the basis of contribution as required under the Statute / Rules.
- ii) **Defined Benefit Plans:**
The trustees of Balaji Telefilms Limited Employees Group Gratuity Scheme have taken a Group Gratuity cum Life Assurance Policy from the Life Insurance Corporation of India (LIC).

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'. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Gains and losses on changes in actuarial assumptions are accounted in the statement of profit and loss.

b) Short-term Employee Benefits:

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

Foreign currency transactions

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year-end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realisation / payment of foreign exchange are accounted in the relevant year as income or expense.

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BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

Operating leases

Assets taken on lease under which, all the risks and rewards of the ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognized as expenses in accordance with the respective lease agreements.

Taxes on income

Tax expense comprises of current tax and deferred tax.

Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, using the applicable tax rates.

Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years / period. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future income will be available except that the deferred tax assets, in case there are unabsorbed depreciation and losses, are recognized if there is a virtual certainty that sufficient future taxable income will be available to realize the same.

Minimum Alternate Tax (MAT) credit entitlement is recognized in accordance with the Guidance Note on "Accounting for credit available in respect of Minimum Alternate Tax under the Income-tax Act, 1961" issued by the Institute of Chartered Accountants of India (ICAI).

Provisions and Contingencies

Provision is recognized in the accounts when there is a present obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation. Contingent liabilities, if any, are disclosed in the notes to the financial statements.

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 3 Share capital

Particulars	As at March 31, 2015	As at March 31, 2014
	₹ in Lacs	₹ in Lacs
(a) Authorised 85,000,000 (Previous year 75,00,000) Equity shares of ₹ 2/- each	1,700.00	1,500.00
	1,700.00	1,500.00
(b) Issued, Subscribed and fully paid-up 65,210,443 Equity shares of ₹ 2/- each	1,304.21	1,304.21
Total	1,304.21	1,304.21

Notes :

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

Name of shareholder	As at March 31, 2015		As at March 31, 2014	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Star Middle East FZ LLC	16,948,194	25.99	16,948,194	25.99
Ekta Kapoor	13,572,704	20.81	13,572,704	20.81
Shobha Kapoor	9,129,462	14.00	9,129,462	14.00
Jeetendra Kapoor	3,260,522	5.00	3,260,522	5.00

(ii) All the above Equity Shares have the same rights to dividend, voting and in case of repayment of Capital.

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 4 Reserves and surplus

Particulars	As at March 31, 2015		As at March 31, 2014	
	₹ in Lacs		₹ in Lacs	
(a) Securities premium account As per last Balance Sheet		14,785.61		14,785.61
(b) General reserve As per last Balance Sheet	5,010.38		4,910.17	
Add: Transferred from surplus in Statement of Profit and Loss	122.72		100.21	
		5,133.10		5,010.38
(c) Surplus in Statement of Profit and Loss Opening balance	21,319.61		20,722.90	
Less : Depreciation on account of transitional provisions of Schedule II of the Companies Act, 2013 (Refer Note 23.20)	177.33		-	
Add: Profit for the year	1,227.25		1,002.09	
Less : Proposed dividends (@ ₹ 0.60 (previous year @ ₹ 0.40) per Equity share)	391.26		260.84	
Tax on dividend	79.65		44.33	
Transferred to General reserve	122.72		100.21	
Closing balance		21,775.90		21,319.61
Total		41,694.61		41,115.60

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 5 Other current liabilities

Particulars	As at March 31, 2015	As at March 31, 2014
	₹ in Lacs	₹ in Lacs
(a) Unpaid dividends (Refer Note below)	5.65	7.47
(b) Temporarily overdrawn book balances	-	167.11
(c) Other payables		
(i) Statutory liabilities	11.72	93.19
(ii) Advances from customers	-	80.96
Total	17.37	348.73

Note

Appropriate amount shall be transferred to Investor Education and Protection Fund if and when due.

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 6 Short-term provisions

Particulars	As at March 31, 2015	As at March 31, 2014
	₹ in Lacs	₹ in Lacs
Provision - Others:		
(i) Provision for tax (net of advance tax ₹ 848.07 lacs (as at March 31, 2014 ₹ 103.31 lacs))	320.98	26.38
(ii) Provision for proposed dividend on Equity shares	391.26	260.84
(iii) Provision for tax on proposed dividend	79.65	44.33
Total	791.89	331.55

ASUP

BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 7 Fixed Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at April 01, 2014	Additions	Deductions	As at March 31, 2015	Upto March 31, 2014	For the Year	On Deductions	Adjustments (Refer Note 23.20)	Upto March 31, 2015	As at March 31, 2015
Tangible assets										
Buildings (refer note a below)	469.36 (469.36)	3.21 (-)	- (-)	472.57 (469.36)	73.09 (55.44)	7.89 (7.65)	- (-)	- (-)	80.98 (73.09)	391.59 (396.27)
Plant and machinery - Computers	632.61 (631.54)	- (1.07)	- (-)	632.61 (632.61)	569.08 (510.55)	17.69 (58.53)	- (-)	42.75 (-)	629.52 (569.08)	3.09 (63.53)
Plant and machinery - Others	2,201.37 (2,200.51)	34.04 (0.86)	- (-)	2,235.41 (2,201.37)	1,517.34 (1,364.75)	182.06 (152.59)	- (-)	0.58 (-)	1,699.98 (1,517.34)	535.43 (684.03)
Computers	397.34 (390.69)	4.17 (6.65)	- (-)	401.51 (397.34)	359.59 (344.28)	8.02 (15.31)	- (-)	26.30 (-)	393.91 (359.59)	7.60 (37.75)
Studios and sets	4,734.13 (4,716.84)	1,147.16 (17.29)	- (-)	5,881.29 (4,734.13)	4,641.15 (4,471.53)	291.38 (169.62)	- (-)	- (-)	4,932.53 (4,641.15)	948.76 (92.98)
Vehicles	811.96 (822.35)	0.33 (-)	- (10.39)	812.29 (811.96)	419.84 (354.47)	139.96 (71.57)	- (6.20)	11.19 (-)	570.99 (419.84)	241.30 (392.12)
Furniture and fixtures	303.85 (304.23)	1.66 (-)	- (0.38)	305.51 (303.85)	175.07 (156.29)	57.29 (19.06)	- (0.28)	22.10 (-)	254.46 (175.07)	51.05 (128.78)
Office equipments	333.56 (327.43)	51.66 (6.56)	- (0.43)	385.22 (333.56)	115.98 (100.49)	44.28 (15.66)	- (0.17)	152.28 (-)	312.54 (115.98)	72.68 (217.58)
Electrical fittings	89.68 (89.68)	2.00 (-)	- (-)	91.68 (89.68)	27.54 (23.32)	12.89 (4.22)	- (-)	7.25 (-)	47.68 (27.54)	44.00 (62.14)
Lease Hold Improvements	386.41 (386.41)	- (-)	- (-)	386.41 (386.41)	386.36 (355.19)	- (31.17)	- (-)	0.05 (-)	386.41 (386.36)	0.00 (0.05)
Total	10,360.27 (10,339.04)	1,244.23 (32.43)	- (11.20)	11,604.50 (10,360.27)	8,285.04 (7,746.31)	761.46 (545.38)	- (6.65)	262.50 (-)	9,309.00 (8,285.04)	2,295.50 (2,075.23)

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

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 8 Non-current investments (Unquoted)

Particulars	As at March 31, 2015		As at March 31, 2014	
	₹ in Lacs		₹ in Lacs	
(Non-trade) (At cost):				
(1) Investment in fully paid-up Equity shares (Refer Note 23.6)				
(i) Wholly owned subsidiaries :				
30,000,000 (Previous year 30,000,000) Equity shares of ₹10/- each in Balaji Motion Pictures Limited		3,000.00		3,000.00
50,000 (Previous year 50,000) Equity shares of ₹10/- each in Bolt Media Limited		5.00		5.00
(ii) Subsidiaries :				
(a) 5,100 (Previous year Nil) Equity Shares of ₹10/- each in Marinating Films Private Limited (Refer Note 23.6)		100.00		-
(b) Investment in Limited Liability Partnership (Refer Note 23.17) Event Media LLP		0.51		-
(2) Investment in optionally convertible debentures (OCDs) of (Refer Note 23.21) :				
(i) Aristo Learning Private Limited				
Series A 3,000 (Previous year 3,000) Debentures of ₹100 each	3.00		3.00	
Series B 62,810 (Previous year 62,810) Debentures of ₹100 each	62.81		62.81	
Less : Provision for dimunition in value of investments	65.81		65.81	
	65.81		-	65.81
(ii) Second School Learning Private Limited				
Series A 1,000 (Previous year 1,000) Debentures of ₹100 each	1.00		1.00	
Series B 399,000 (Previous year 399,000) Debentures of ₹100 each	399.00		399.00	
Less : Provision for dimunition in value of investments	400.00		400.00	
	400.00		-	400.00
(3) Investment in fully paid-up Preference shares				
Subsidiary :				
3,450,000 (Previous Year Nil) Preference shares of ₹10/- each in Marinating Films Private Limited (Refer Note 23.6)		345.00		-
(4) Investment in Associate (Refer Note 23.17)				
(i) IPB Capital Advisors LLP		0.50		0.50
(5) Investment in Indus Balaji Investor Trust (Refer Note 23.2)				
(i) 3,200,000 (Previous year 3,200,000) Class A units of ₹100 each	3,200.00		3,200.00	
(ii) 5,000 (Previous year 5,000) Class B units of ₹100 each	5.00		5.00	
		3,205.00		3,205.00
(6) Investment in Limited Liability Partnership (Refer Note 23.17)				
(i) Indus Balaji Education Capital Advisors LLP		0.38		0.38
Total		6,656.39		6,676.69

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 9 Long-term loans and advances (unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2015		As at March 31, 2014	
	₹ in Lacs		₹ in Lacs	
(a) Security Deposits (Refer note below)				
Considered good	740.94		728.02	
Considered doubtful	50.92		46.66	
	791.86		774.68	
Less: Provision	50.92		46.66	
		740.94		728.02
(b) Loan to Balaji Employees Foundation Trust		-		1,000.00
(c) Advance tax (Net of provisions ₹ 733.24 lacs (Previous year ₹ 1261.24 lacs) and MAT credit utilised ₹ 70 lacs (Previous year ₹ Nil))		1,686.49		1,899.98
(d) MAT credit entitlement		-		70.00
Total		2,427.43		3,698.00

Note: Security Deposits include deposits given to three of the Directors for the properties taken on lease from them (also refer note 23.8 (b))

Particulars	As at March 31, 2015	As at March 31, 2014
	₹ in Lacs	₹ in Lacs
Amount outstanding as at the year-end	640.00	640.00
Maximum amount outstanding at any time during the year for the above deposits.	640.00	640.00

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 10 Other non-current assets (unsecured, considered good unless otherwise stated)

Particulars	As at March 31, 2015	As at March 31, 2014
	₹ in Lacs	₹ in Lacs
(a) Fixed deposits with banks under lien	35.68	9.94
(b) Interest accrued on fixed deposits with banks under lien	5.87	0.65
Total	41.55	10.59

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 11 Current investments (unquoted)

Particulars	As at March 31, 2015	As at March 31, 2014
	₹ in Lacs	₹ in Lacs
(Non trade) (at lower of cost and fair value) :		
Investment in mutual funds (Refer note below)	14,511.48	15,997.59
Total	14,511.48	15,997.59

Note :

	Face Value	Numbers		Value (₹ in Lacs)	
		As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
IN UNITS OF MUTUAL FUNDS					
Kotak Gilt (Investment Regular)- Growth	10	765,716.33	765,716.33	300.00	300.00
Kotak Floater Long Term- Growth	10	5,127,994.75	5,127,994.75	1,000.00	1,000.00
Kotak Floater Long Term - Daily Dividend Reinvestment	10	-	2,127,114.35	-	215.28
Kotak Bond Scheme Plan A- Growth	10	-	2,433,948.34	-	795.00
Reliance Liquidity Fund	10	-	199.55	-	2.00
Reliance Dynamic Bond Fund- Growth Plan	10	-	4,516,358.50	-	700.06
Reliance Regular Savings Fund - Debt Plan-Growth Plan	10	6,540,746.68	2,467,323.76	1,100.00	400.00
SBI Dynamic Bond Fund- Growth	10	-	3,205,349.38	-	450.00
SBI Magnum Income Fund- Regular Plan- Growth	10	1,731,667.70	1,731,667.70	500.00	500.00
SBI Magnum Income Fund -FR Savings Plus Bond- Regular Plan-Growth	10	2,607,915.55	2,607,915.55	500.00	500.00
Templeton India Short term Income Retail Plan Growth	1000	34,180.18	34,180.18	800.00	800.00
Templeton India Ultra Short Bond -Super Institutional	10	10,174,261.14	2,122,215.27	1,025.49	201.98
UTI Short Term Income Fund Institutional - Growth Option	10	6,850,451.70	6,850,451.70	1,000.00	1,000.00
UTI Floating Rate Fund-STP-Regular Plan	10	31,117.03	50,285.44	618.81	1,000.00
UTI-BOND Fund-Growth	10	834,680.86	834,680.86	300.16	300.16
Birla Sunlife Dynamic Bond Fund - Retail	10	-	682,155.27	-	121.73
Birla Sun Life Fixed Plan Series ED Growth	10	-	5,025,936.00	-	502.59
Birla Sunlife Floating Rate Fund	10	408,288.81	408,288.81	600.00	600.00
Birla Sun Life Cash Manager	10	-	299,373.27	-	300.25
Birla Sunlife Income Plus	10	1,433,761.59	1,433,761.59	774.67	774.67
Birla Sunlife-Short Term Opportunities Fund	10	2,520,351.84	2,520,351.84	500.00	500.00
DWS Treasury Fund -Inv-Regular Plan- Daily Dividend- Reinvestment	10	-	543,606.12	-	55.67
HDFC Income Fund- Growth	10	465,483.31	2,606,804.51	125.00	700.00
HDFC High Interest Fund -Dynamic Plan-Growth	10	2,212,477.05	2,212,477.05	900.00	900.00
HDFC FMP 371D July 2013-Series 26- Regular-Growth	10	4,000,000.00	4,000,000.00	400.00	400.00
ICICI Prudential Gilt Fund Investment Plan PF Option	10	1,131,827.93	1,131,827.93	245.00	245.00
ICICI Prudential Gilt Fund Treasury -Regular Plan- Growth	10	1,723,311.93	1,723,311.93	500.00	500.00
ICICI Prudential Income-Regular Plan- Growth	10	769,546.48	769,546.48	287.68	287.68
ICICI Prudential Ultra Short Term -Regular Plan-Daily Dividend	10	4,225,750.18	3,985,329.61	430.28	403.01
ICICI Prudential Regular Savings Fund-Regular Plan- Growth	10	1,601,281.03	1,601,281.03	200.00	200.00
ICICI Prudential Interval Fund QIP Plan B -Regular Plan	10	1,445,000.00	2,864,317.29	151.34	300.00
ICICI Prudential Fmp Series 68-369 Days Plan I Regular Plan Cummulative	10	4,000,000.00	4,000,000.00	400.00	400.00
ICICI Prudential Flexible Income-Regular Plan-Weekly dividend	100	-	6,362.21	-	6.36
ICICI Prudential Liquid -Regular Plan-Daily Dividend	100	-	7,978.25	-	9.93
ICICI Prudential Flexible Income - Regular Plan -DDR1	100	692,911.22	-	732.66	-
ICICI Prudential Flexible Income Plan Daily Dividend	100	617,768.25	-	653.20	-
IDFC Banking Debt Fund	10	-	262,251.01	-	26.22
IDFC Dynamic Bond Fund Growth -Regular Plan	10	2,806,807.69	2,806,807.69	400.00	400.00
IDFC Super Saver Income Fund-Investment Plan- Growth	10	231,296.33	688,482.38	67.19	200.00
Total				14,511.48	15,997.59

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BALAJI TELEFILMS LIMITED

Notes forming part of the financial statements

Note 12 Inventories

(At lower of cost and net realisable value)

Particulars	As at March 31, 2015	As at March 31, 2014
	₹ in Lacs	₹ in Lacs
Television serials	508.86	652.09
Total	508.86	652.09

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 13 Trade receivables (unsecured)

Particulars	As at March 31, 2015		As at March 31, 2014	
	₹ in Lacs		₹ in Lacs	
Trade receivables outstanding for a period exceeding six months from the date they were due for payment				
Considered good	44.81		189.55	
Considered doubtful	174.75		176.06	
Less: Provision	219.56		365.61	
	174.75		176.06	
Other Trade receivables		44.81		189.55
Considered good		5,856.89		2,962.10
Total		5,901.70		3,151.65

As per

BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 14 Cash and cash equivalents

Particulars	As at March 31, 2015	As at March 31, 2014
	₹ In Lacs	₹ In Lacs
(a) Cash on hand	27.94	22.28
(b) Balances with banks		
(i) In current accounts	612.46	13.93
(ii) In earmarked accounts		
- Unpaid dividend accounts	5.65	7.47
- Fixed deposits kept in lien against bank guarantee	-	40.98
Total	646.05	84.66
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements	640.40	36.21

AS 3

BALAJI TELEFILMS LIMITED

Notes forming part of the financial statements

Note 15 Short-term loans and advances (unsecured, considered good)

Particulars	As at March 31, 2015	As at March 31, 2014
	₹ in Lacs	₹ in Lacs
(a) Loans and advances to subsidiary companies (Refer Note 23.6 and 23.7)	10,997.24	11,418.34
(b) Loans and advances to employees	41.37	2.46
(c) Prepaid expenses	291.60	65.30
(d) Balances with government authorities (VAT, service tax etc)	336.68	193.75
(e) Advance to vendors	533.98	126.56
Total	12,200.87	11,806.41

Note:

Particulars	As at March 31, 2015	As at March 31, 2014
	₹ in Lacs	₹ in Lacs
Maximum amount outstanding for loans and advances given to subsidiaries at any time during the year	12,800.79	16,800.29

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 16 Other current assets (unsecured, considered good)

Particulars	As at March 31, 2015	As at March 31, 2014
	₹ in Lacs	₹ in Lacs
Unbilled revenue (net)	1,210.18	745.36
Interest accrued on fixed deposits with banks- under lien	-	3.14
Total	1,210.18	748.50

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 17 Revenue from operations

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
(a) Sale of services		
Commissioned Sales	20,569.87	12,913.08
Internet Sales	6.36	7.33
(b) Other operating revenues		
Sale of Scrap	-	0.27
Excess Provision of earlier years written back	33.00	-
Sale of movie rights / concepts	154.31	-
Facilities / equipment hire Income	125.68	142.35
Service income	68.00	90.66
Provision for doubtful debts / advances written back	12.00	-
Total	20,969.22	13,153.69

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 18 Other income

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
(a) Interest income		
On fixed deposits with banks	3.74	9.00
On Income-tax Refund	128.87	-
On loan given/capital contribution to subsidiary body corporate	12.46	-
(b) Profit on sale of current investments (non-trade) (net)	682.24	1,019.13
(c) Dividend on current investments	193.27	85.17
(d) Insurance claim received (Includes Nil (Previous year ₹ 673.00 lacs) on maturity of Keyman Insurance policy)	0.33	673.60
(e) Miscellaneous income	-	2.19
Total	1,020.91	1,789.09

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BALAJI TELEFILMS LIMITED

Notes forming part of the financial statements

Note 19 Cost of Production of television serials

Particulars	For the Year ended March 31, 2015		For the Year ended March 31, 2014	
	₹ in Lacs		₹ in Lacs	
Opening stock of television serials / tapes		652.09		346.27
<u>Add: Cost of production</u>				
Purchase of costumes and dresses	198.63		89.87	
Purchase of tapes	15.32		30.74	
Artists, Directors and other technicians	9,037.83		6,180.58	
Shooting and location expenses (Refer Note 23.15)	4,543.47		2,111.60	
Telecasting fees / purchase of rights	8.70		228.92	
Uplinking charges	480.96		119.76	
Set properties and equipment hire charges	828.59		403.29	
Other production expenses	1,716.51		1,279.29	
	16,830.01		10,444.04	
Less: Reimbursement of expenses	292.77		78.56	
		17,189.33		10,711.75
Less: Closing stock of television serials		508.86		652.09
Total		16,680.47		10,059.66

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 20 Employee Benefits Expense

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Salaries and wages	829.54	657.36
Contributions to Provident and Other Funds	40.38	35.81
Staff welfare expenses	36.41	28.73
Total	906.33	721.90

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 21 Finance costs

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Interest expense on delayed payment of taxes etc.	27.93	118.86
Total	27.93	118.86

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 22 Other expenses

Particulars	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Power and fuel	92.50	156.90
Rent including lease rentals (Refer Note 23.15)	75.68	65.13
Repairs and maintenance - Machinery	24.47	30.40
Repairs and maintenance - Others	120.32	261.94
Insurance	59.97	63.14
Rates and taxes	85.35	90.56
Communication expenses	21.21	22.95
Legal and professional charges	734.56	682.42
Security and housekeeping expenses	16.42	86.58
Business promotion expenses	22.18	20.43
Travelling and conveyance Expenses	58.16	62.84
Donations and contributions	28.38	50.20
Expenditure on Corporate social responsibility activities	21.33	-
Advances written off	46.17	-
Loss on fixed assets sold/scrapped/written off	-	2.68
Provision for doubtful debts and advances	14.95	169.72
Provision for dimunition of investment (Refer Note 23.21)	465.81	-
Software expenses	16.33	6.95
Directors sitting fees	10.00	3.27
Commission to Directors	31.05	-
Marketing Expenses	4.19	6.55
Miscellaneous expenses *	159.06	112.76
Total	2,108.09	1,895.42

* Miscellaneous expenses include membership and subscriptions, water charges, printing and stationery etc.

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Notes forming part of the financial statements

Note 23 Additional information to the financial statements and disclosure under Accounting Standards

	As at March 31, 2015 ₹ in Lacs	As at March 31, 2014 ₹ in Lacs
23.1 Contingent liabilities (to the extent not provided for)		
Contingent Liabilities		
a) In respect of the demands (including interest) raised by Prasar Bharti Broadcasting Corporation of India (Corporation), the Company has arrived at a one-time settlement with the Corporation by making a payment of ₹ 200.00 lacs as telecast fees which has been accounted for as an expense in the current year. As per the terms of the settlement, the balance outstanding of ₹ 557.20 lacs would be settled by way of supply of various old regional television content. The Company has submitted the required content to the Corporation, the approval for which is being received by the Company in a phased manner. As a result, the Company does not expect any charge in the financial statements on receipt of entire approvals from the Corporation for the balance outstanding.	557.20	557.20
b) The Company in earlier years had received notices of demand from the Department of Sales Tax, Government of Maharashtra, aggregating to ₹ 17,107.87 lacs (including interest and penalty) pertaining to the years 2000 to 2004. The Company has appealed against the said orders with the Deputy Commissioner (Appeals) and the same is pending adjudication. Further in the current year, the sales tax authorities have levied an additional sales tax demand (including penalty and interest) under the Bombay Sales Tax Act aggregating of ₹ 515.44 lacs and under Works Contract Act aggregating to ₹ 85.50 lacs for the year 2004-05. The Company is contesting these additional claims by filing appeals with the respective appellate authorities. Further, the Company has also been assessed for the years 2005-06, 2006-07, 2007-08, 2008-09, 2009-2010 and 2010-11 under the above statutes where the matters contained in the aforesaid demand orders have been accepted by the authorities and has been adjudicated in favour of the Company.	17,708.81	17,708.81
c) The Company had received demand notices from the Office of the Commissioner of Service Tax, Mumbai (excluding Interest and penalty) pertaining to Service tax for the period April 2006 to March 2010 on exports made to one of the customers of the Company. On appeal to the Commissioner of Service Tax, the matter pertaining to the period April 2006 to March 2008 was adjudicated in favour of the Company, wherein the demand amount was ₹ 63.48 Crs. The Commissioner has further filed an appeal against the said order with the Customs, Excise & Service Tax Appellate Tribunal. As per the notice of hearing received by us, the matter has been listed for hearing in the tribunal on June 3, 2015. On the same matter, a Show Cause Notice (SCN) for the period April 2008 to March 2010 has been issued with demand amount of ₹ 28.97 Crs. SCN is pending for adjudication with the Commissioner of Service Tax. Company has also received Show Cause Notice from the Office of the Commissioner of service Tax pertaining to service tax for the year 2010 to March 2011 for discharging service tax on export sales made to a customer. Liability in this case is ₹ 0.46 Crs. Company has prepared and submitted reply to the Commissioner of Service tax in the matter, on the same lines as done in earlier years.	9,245.00	9,245.00
23.2 Commitments (to the extent not provided for)		
Commitments :		
Future commitments towards capital contribution in Indus Balaji Investor Trust	800.00	800.00

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- 23.3 On April 30, 2013, the Income-tax Department visited the premises of the Company and initiated proceedings under Section 132 of the Income-tax Act, 1961. In this connection, the Company has received notices under section 153A of Income-tax Act, 1961 and the Company has complied with the requirements of the said notices. Based on compliance of the requirement under Sec 153A, the Company has now received notices for providing various details to the assessing officers for carrying out assessments. The Company is in the process of complying with the requirements and is submitting required information. Since the proceedings are pending completion, the tax liability, if any, would be ascertained and provided on the completion of the assessments under these proceedings.

23.4 **Auditors Remuneration**

For Statutory Audit
 For Tax Audit
 For Taxation matters
 For Other services-certification etc.
 Reimbursement of expenses
 For service tax
Total

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ In Lacs	₹ in Lacs
	19.00	17.00
	1.00	1.00
	2.50	2.50
	9.30	6.30
	0.85	0.37
	4.04	3.36
	36.69	30.53

- 23.5 As per information available with the Company, none of the creditors have confirmed that they are registered under the Micro, Small and Medium enterprises Development Act, 2006.
- 23.6 The Company has investments in subsidiaries namely Balaji Motion Pictures Limited (BMPL), Bolt Media Ltd (BML), Marinating Films Private Limited (MFPL) and Event Media LLP (EMLLP) aggregating to ₹ 3,450.51 lacs (Previous year ₹ 3,005.00 lacs). Further, the Company has also given loans and advances aggregating to ₹ 10,997.24 lacs (Previous year ₹ 11,418.34 lacs) to BMPL, BML and EMLLP. As per the latest audited balance sheet of BMPL, BML, MFPL and EMLLP for the year ended March 31, 2015, the accumulated losses have fully eroded the net-worth of the respective companies. However, no provision for diminution in the value of the investments is considered necessary as the investments are strategic long-term investments and the diminution in the value is temporary in nature.

23.7 **Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges**
 Loans and advances in the nature of loans given to subsidiaries and associates :

Name of the party	Relationship	₹ In Lacs	
		Amount outstanding as at March 31, 2015	Maximum balance outstanding during the year
Balaji Motion Pictures Limited	100% Subsidiary	9,981.75 (10,965.37)	10,965.37 (16,347.32)
Bolt Media Limited	100% Subsidiary	577.36 (452.97)	685.67 (452.97)
Event Media LLP	Subsidiary Body Corporate	438.12 (-)	1,149.75 (-)

Note: Figures in bracket relate to the previous year.

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note

23.8 Related Party Transactions

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

Name of the Related Party	Relationship
Balaji Motion Pictures Limited	Subsidiary Company (control exist)
Marinating Films Pvt Ltd	Subsidiary Company (control exist)
Bolt Media Limited	Subsidiary Company (control exist)
Event Media LLP	Subsidiary Body Corporate
IPB Capital Advisors LLP	Associate
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Key management person
Mr. Sameer Nair (from July 15, 2014)	Key management person
Mr. Ramesh Sippy (till June 30, 2014)	Relative of Key management person
Balaji Films & Telly Investments Limited	Key management person having significant influence

(b) Details of Transactions with related parties during the year

₹ In Lacs

Nature of Transactions	Subsidiary Company	Key Management Person	Relative of Key Management Person	Key management person having significant influence	Subsidiary Body Corporate	Associate	Total
Loans given							
Balaji Motion Pictures Limited	5,187.23 (10,316.23)	- (-)	- (-)	- (-)	- (-)	- (-)	5,187.23 (10,316.23)
Bolt Media Ltd	534.38 (479.86)	- (-)	- (-)	- (-)	- (-)	- (-)	534.38 (479.86)
Event Media LLP	- (-)	- (-)	- (-)	- (-)	1,149.75 (-)	- (-)	1,149.75 (-)
Loans Recovered/ Adjusted							
Balaji Motion Pictures Limited	6,170.85 (13,922.70)	- (-)	- (-)	- (-)	- (-)	- (-)	6,170.85 (13,922.70)
Bolt Media Ltd	410.00 (100.02)	- (-)	- (-)	- (-)	- (-)	- (-)	410.00 (100.02)
Event Media LLP	- (-)	- (-)	- (-)	- (-)	711.63 (-)	- (-)	711.63 (-)
Directors sitting fees							
Mr. Jeetendra Kapoor	- (-)	1.80 (0.60)	- (-)	- (-)	- (-)	- (-)	1.80 (0.60)
Mr. Tusshar Kapoor	- (-)	0.65 (0.60)	- (-)	- (-)	- (-)	- (-)	0.65 (0.60)
Sale of Rights							
Balaji Motion Pictures Limited	62.00 0.00	- (-)	- (-)	- (-)	- (-)	- (-)	62.00 (-)
Facilities / equipment hire income							
Balaji Motion Pictures Limited	4.68 0.00	- (-)	- (-)	- (-)	- (-)	- (-)	4.68 (-)
Intellectual property rights purchased							
Marinating Films Private Limited	5.00 -	- (-)	- (-)	- (-)	- (-)	- (-)	5.00 (-)
Production Expense							
Bolt Media Ltd	- (40.00)	- (-)	- (-)	- (-)	- (-)	- (-)	- (40.00)
Rent paid							
Mr. Jeetendra Kapoor	- (-)	31.10 (29.34)	- (-)	- (-)	- (-)	- (-)	31.10 (29.34)
Mrs. Shobha Kapoor	- (-)	1,246.49 (723.67)	- (-)	- (-)	- (-)	- (-)	1,246.49 (723.67)
Mr. Tusshar Kapoor	- (-)	11.69 (11.03)	- (-)	- (-)	- (-)	- (-)	11.69 (11.03)
Ms. Ekta Kapoor	- (-)	133.03 (-)	- (-)	- (-)	- (-)	- (-)	133.03 (-)
Location Hire							
Balaji Films & Telly Investments Limited	- (-)	- (-)	- (-)	41.00 (91.24)	- (-)	- (-)	41.00 (91.24)
Rent Received							
Balaji Motion Pictures Limited	- (12.00)	- (-)	- (-)	- (-)	- (-)	- (-)	- (12.00)
Interest Income on Loan Given							
Event Media LLP	- (-)	- (-)	- (-)	- (-)	12.46 (-)	- (-)	12.46 (-)

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Deposit paid							
Balaji Motion Pictures Limited	-	-	-	-	-	-	(1.00)
	(1.00)	(-)	(-)	(-)	(-)	(-)	
Remuneration							
Mrs. Shobha Kapoor	-	110.12	-	-	-	-	110.12
	(-)	(110.12)	(-)	(-)	(-)	(-)	(110.12)
Ms. Ekta Kapoor (upto August 31, 2013)	-	-	-	-	-	-	(51.25)
	(-)	(51.25)	(-)	(-)	(-)	(-)	(51.25)
Sameer Nair (from July 15, 2014)	-	282.09	-	-	-	-	282.09
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Dividend paid							
Mrs. Shobha Kapoor	-	36.51	-	-	-	-	36.51
	(-)	(40.15)	(-)	(-)	(-)	(-)	(40.15)
Ms. Ekta Kapoor	-	54.29	-	-	-	-	54.29
	(-)	(42.67)	(-)	(-)	(-)	(-)	(42.67)
Mr. Jeetendra Kapoor	-	13.04	-	-	-	-	13.04
	(-)	(17.57)	(-)	(-)	(-)	(-)	(17.57)
Mr. Tusshar Kapoor	-	8.12	-	-	-	-	8.12
	(-)	(4.06)	(-)	(-)	(-)	(-)	(4.06)
Mr. Ramesh Sippy	-	-	0.01	-	-	-	0.01
	(-)	(-)	(0.01)	(-)	(-)	(-)	(0.01)
Investment made							
Event Media LLP	-	-	-	-	0.51	-	0.51
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Marinating Films Private Limited	345.00	-	-	-	-	-	345.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Amount receivable as at March 31, 2015							
Mrs. Shobha Kapoor *	0	340.00	-	-	-	-	340.00
	(-)	(340.00)	(-)	(-)	(-)	(-)	(340.00)
Mr. Jeetendra Kapoor *	-	200.00	-	-	-	-	200.00
	(-)	(200.00)	(-)	(-)	(-)	(-)	(200.00)
Mr. Tusshar Kapoor *	-	100.00	-	-	-	-	100.00
	(-)	(100.00)	(-)	(-)	(-)	(-)	(100.00)
Balaji Motion Pictures Limited	10,040.65	-	-	-	-	-	10,040.65
	(10,965.37)	(-)	(-)	(-)	(-)	(-)	(10,965.37)
Bolt Media Ltd	577.36	-	-	-	-	-	577.36
	(452.97)	(-)	(-)	(-)	(-)	(-)	(452.97)
Event Media LLP	-	-	-	-	438.12	-	438.12
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Amount payable as at March 31, 2015							
Balaji Motion Pictures Limited	1.00	-	-	-	-	-	1.00
	(1.00)	(-)	(-)	(-)	(-)	(-)	(1.00)
Balaji Films & Tolly Investments Limited	-	-	-	-	-	-	-
	(-)	(-)	(-)	(10.44)	(-)	(-)	(10.44)
Marinating Films Private Limited	0.25	-	-	-	-	-	0.25
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Investment as on March 31, 2015							
Balaji Motion Pictures Limited	3,000.00	-	-	-	-	-	3,000.00
	(3,000.00)	(-)	(-)	(-)	(-)	(-)	(3,000.00)
Bolt Media Ltd	5.00	-	-	-	-	-	5.00
	(5.00)	(-)	(-)	(-)	(-)	(-)	(5.00)
Marinating Films Private Limited	445.00	-	-	-	-	-	445.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Event Media LLP	-	-	-	-	0.51	-	0.51
	(-)	(-)	(-)	(-)	(-)	(-)	0.00
IPB Capital Advisors LLP	-	-	-	-	-	0.50	0.50
	(-)	(-)	(-)	(-)	(-)	(0.50)	(0.50)

* - Deposit for leased property

Note

- (i) There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties.
(ii) Figures in bracket relate to the previous year.

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23.9 Income in foreign currency

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Sales of Concept	29.25	-
Sales of services	6.36	7.33

23.10 Expenditure in foreign currency

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Travelling expenses	6.45	-

23.11 Amounts remitted in foreign currency during the year on account of

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Amount of dividend remitted in foreign currency (₹ in Lacs)	67.79	67.79
Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency) (Number)	1.00	1.00
Total number of shares held by them on which dividend was due (Number)	16,948,194	16,948,194
Year to which dividend relates	2013-14	2012-13

23.12 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 ₹ 39.61 Lacs (previous year ₹ 34.62 lacs).

b) a) Defined Benefit Plans

i) Reconciliation of asset / (liability) recognized in the Balance Sheet (under pre-paid expenses, Refer Note 15)

	As at 31 March, 2015	As at 31 March, 2014
	₹ in Lacs	₹ in Lacs
Fair Value of plan assets as at the end of the year	69.18	58.32
Present Value of Obligation as at the end of the year	(27.77)	(19.37)
Net assets / (liability) in the Balance Sheet	41.42	38.95

11/11/15

II Movement in net liability recognized in the Balance Sheet

	As at 31 March, 2015	As at 31 March, 2014
	₹ In Lacs	₹ In Lacs
Net (assets) as at the beginning of the year	(38.95)	(42.12)
Net expense recognized in the statement of profit and loss account	3.15	3.17
Contribution during the year	(5.62)	-
Net (assets) as at the end of the year	(41.42)	(38.95)

III Expense Recognized in the profit and loss account (Under the head "Employees benefit expenses" refer Note 20)

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ In Lacs	₹ In Lacs
Current Service Cost	4.57	4.19
Interest Cost	1.80	1.37
Expected Return on Plan assets	(5.07)	(5.15)
Actuarial (gains)/losses	1.86	2.77
Expense charged to the Statement Profit and Loss	3.15	3.18

IV Return on Plan Assets

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ In Lacs	₹ In Lacs
Expected return on plan assets	5.07	5.15
Actuarial (losses)/gains	0.17	(0.35)
Actual return on plan assets	5.24	4.80

V Reconciliation of defined benefits commitments

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ In Lacs	₹ In Lacs
Commitments at beginning of the year	19.37	17.08
Current Service Cost	4.57	4.19
Interest Cost	1.80	1.37
Actuarial (gains)/losses	2.03	2.41
Benefits paid	-	(5.68)
Settlement cost	-	-
Commitments at year end	27.77	19.37

VI Reconciliation of plan assets

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ In Lacs	₹ In Lacs
Fair Value of plan assets at beginning of the year	58.32	59.20
Expected return on plan assets	5.07	5.15
Actuarial gains/(losses)	0.17	(0.35)
Employer contribution	5.62	-
Benefits paid	-	(5.68)
Fair Value of plan assets at year end	69.18	58.32

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VII Experience Adjustment

	For the year 2014-15	For the year 2013-14	For the year 2012- 13	For the year 2011- 12	For the year 2010-11
	₹ In Lacs	₹ In Lacs	₹ In Lacs	₹ In Lacs	₹ In Lacs
On Plan liability losses/(gains)	(2.33)	6.38	(37.97)	(3.30)	2.07
On Plan assets (losses)/ gains	0.17	(0.35)	0.30	0.19	0.32

VIII Actuarial Assumptions

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ In Lacs	₹ In Lacs
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount Rate (per annum)	8.03%	9.31%
Expected Rate of return on Plan assets (per annum)	8.03%	8.70%
Rate of escalation in Salary(per annum)	5.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Composition of plan assets

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
Insurer managed funds	100%	100%

23.13 Earning per share

Earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as under :

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
(a) Profit / (Loss) for the year attributable to equity share holders (₹ in Lacs)	1,227.25	1,002.09
(b) Weighted average number of equity shares outstanding during the year (Nos.)	65,210,443	65,210,443
(c) Earnings per share - Basic and diluted (₹)	1.88	1.54
(d) Nominal value of shares (₹)	2	2

23.14 Components of Deferred tax assets / (liabilities)

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Depreciation on fixed assets	348.63	180.51
Provision for Diminution of investment	151.13	-
Provision for doubtful debts and advances	69.59	72.26
Deferred tax asset/ (liability)-net	569.35	252.77

23.15 Lease Transactions

Amount of lease rentals charged to the profit and loss account in respect of operating leases is ₹ 1,572.02 Lacs (previous year ₹ 764.35 Lacs).

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 23 Additional information to the financial statements and disclosure under Accounting Standards (contd.)

Note

23.16 Segment Information

The Company is primarily engaged in the business of production of television content, which, in the context of Accounting Standard 17 on 'Segment Reporting', constitutes a single reportable segment.

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

Name of the LLP	As at March 31, 2015			As at March 31, 2014		
	Names of partners in the LLP	Total capital	Share of each partner in the profits of the LLP	Names of partners in the LLP	Total capital	Share of each partner in the profits of the LLP
		₹ in Lacs			₹ in Lacs	
IPB Capital Advisors LLP	Balaji Telefilms Limited	0.500	50.00%	Balaji Telefilms Limited	0.500	50.00%
	IP Capital Advisors LLP	0.490	49.00%	IP Capital Advisors LLP	0.490	49.00%
	IPM Capital Advisors LLP	0.010	1.00%	IPM Capital Advisors LLP	0.010	1.00%
		1.000	100%		1.000	100%
Indus Balaji Education Capital Advisors LLP	Balaji Telefilms Limited	0.375	18.75%	Balaji Telefilms Limited	0.375	18.75%
	IP Capital Advisors LLP	0.375	18.75%	IP Capital Advisors LLP	0.375	18.75%
	IPX Capital Advisors LLP	0.250	12.50%	IPX Capital Advisors LLP	0.250	12.50%
	Mohit Raihan	0.500	25.00%	Mohit Raihan	0.500	25.00%
	IPM Capital Advisors LLP	0.500	25.00%	IPM Capital Advisors LLP	0.500	25.00%
		2.000	100%		2.000	100%
Event Media LLP	Balaji Telefilms Limited	0.510	51.00%	-	-	-
	Select Media Holding Ltd	0.490	49.00%	-	-	-
		1.000	100%	-	-	-

23.18 The company did not have any long term contracts including derivative contracts for which any provision is required for foreseeable losses

23.19 Particulars of loans given and investments made as required by clause (4) of Section 186 of the Companies Act, 2013

Name	Nature	As at March 31, 2015 (₹ in lacs)	Period	Rate of Interest	Purpose
BMPL (Wholly owned subsidiary)	Loan	10,040.65	Repayable on Demand	Nil	General corporate purpose
Bolt (Wholly owned subsidiary)		577.36		Nil	
Event Media LLP		438.12		12%	
Non-current investments (Refer note 8)	Investment	6,656.39			
Current investments (Refer note 11)		14,511.48		Not Applicable	
Note:					
The corresponding figures of the previous year has not been given as section 186 of the Companies Act, 2013 is applicable with effect from April 1, 2014.					

23.20 During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company revised the estimated useful life of relevant assets to align the useful life with those specified in Schedule II. Pursuant to the transitional provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of the assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and adjusted an amount of Rs. ₹ 177.33 lacs (net of deferred tax credit of ₹ 85.17 lacs) against the opening balance in the Statement of Profit and Loss under Reserves and Surplus. The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 157.60 lacs and profit after tax for the year is lower by ₹ 106.47 consequent to the change in the useful life of the assets.

23.21 The Company has investments in Optionally Convertible Debentures in Aristo Learning Private Limited and Second School Learning Private Limited aggregating ₹ 465.81 lacs. These investments are strategic and non-current (long-term) in nature. However, considering the current financial position of the respective investee companies, the Company, out of abundant caution, has during the current year provided for these investments considering the diminution in their respective values.

23.22 The Company during the year, pursuant to a memorandum of understanding (MOU) with Chhayabani Private Limited (CPL), on Feb 16, 2015 has formed Chhayabani Balaji Entertainment Private Limited (CBEPL). Subsequent to the year end, the Company has completed other formalities related to commencement of business.

23.23 The figures of the previous year have been regrouped wherever necessary to correspond with those of the current year.

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BALAJI TELEFILMS LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Balaji Telefilms Limited (the Holding Company) and its subsidiaries (collectively referred to as the Group) and its associate, comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the consolidated financial statements).

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and

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the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by either of us in terms of the reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

Attention is invited to Note 23.21 of the financial statements regarding remuneration paid by a subsidiary company to its Managing Director which is in excess by Rs.48.31 lacs as determined under the relevant provisions of the Act for which the Central Government approval is awaited, as explained in the note.

Our opinion is not qualified in respect of this matter.

Other Matter

The consolidated financial statements include the financial statement of four subsidiary entities which reflect total assets (net) of Rs. (4,030.05) lacs as at March 31 March, 2015, total revenues of Rs. 13,761.98 lacs and net cash flows amounting to Rs. (279.90) lacs for the year ended on that date, and also include the Group's share of net loss of Rs. (1.06) lacs for the year ended March 31 March, 2015 in respect of one associate.

The aforesaid financial statements of subsidiaries/ associate have been audited by us either jointly or by one of us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to the work done by us/ either of us.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the Order), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies, incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

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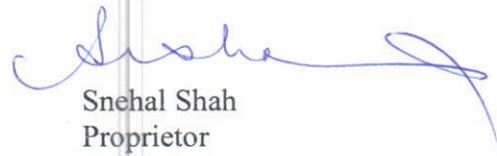
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the audit reports of the subsidiary companies, which have been audited by us, either jointly or by one of us, none of the directors of the Group companies is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate. Refer Note 23.1, 23.2 and 23.3 to the consolidated financial statements;
 - ii. The Group and its associate did not have any long term contracts, including derivative contracts, for which there were any foreseeable material foreseeable;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. In respect of its subsidiaries, there were no amounts, required to be transferred, to the Investor Education and Protection Fund.

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



A B Jani
Partner
(Membership No. 46488)
Mumbai, Dated: May 20, 2015

For Snehal & Associates
Chartered Accountants
(Registration no: 110314W)



Snehal Shah
Proprietor
(Membership no: 40016)
Mumbai, Dated: May 20, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED
FINANCIAL STATEMENTS

Re: Balaji Telefilms Limited

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the consolidated financial statements of Balaji Telefilms Limited (the Holding Company) for the year ended March 31, 2015))

Our reporting on the Order includes three subsidiary companies, to which the Order is applicable, which have been audited by us, either jointly or by one of us, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

- (i) In respect of the fixed assets of the Holding Company and its subsidiary companies:
 - a. The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us and the other auditors, no material discrepancies were noticed on such verification.
- (ii) The activities of the Holding Company and its subsidiary companies and the nature of their business do not involve the use of inventory (i.e. goods). Accordingly clause (ii) of paragraph 3 of the Order is not applicable.
- (iii) The Holding Company has granted interest free unsecured loans aggregating to Rs.10,559.12 lacs to its two wholly owned subsidiary companies and interest bearing loan to one subsidiary body corporate amounting to Rs.438.12 lacs, to the extent included in the consolidated financial statements, covered in the Register maintained under Section 189 of the Companies Act, 2013
- (iv) In our opinion and according to the information and explanations given to us there is an adequate internal control system in the Holding Company and its subsidiary companies, commensurate with the size of the respective entities and the nature of their business for the purchase of fixed assets and for the sale of services and during the course of either of our audit no continuing failure to correct major weaknesses in such internal control system has been observed.
- (v) The Holding Company and its subsidiary companies have not accepted any deposit during the year.
- (vi) According to the information and explanations given to us, in our opinion, the Holding Company and its subsidiaries have, *prima facie*, made and maintained the prescribed cost records pursuant to the Companies (Cost records and audit) Rules, 2014, as amended by the Central Government under

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subsection (1) of Section 148 of the Companies Act, 2013. We, however, have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to either of us in respect of statutory dues of the Holding Company, its subsidiaries, its subsidiary body corporate and its associate:

- (a) The respective entities have generally been regular in depositing undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and any other material statutory dues applicable to it with the appropriate authorities except in respect of one subsidiary company, where, income-tax and service tax have not been regularly deposited with the authorities and there have been delays in large number of cases.
- (b) There were no undisputed amounts payable by the respective entities in respect of Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and any other material statutory dues in arrears, as at March 31, 2015 for a period of more than six months from the date they became payable, except in case of one subsidiary company as per details given below:

Name of Statute	Nature of dues	Amount (Rs. in lacs)	Period to which the Amount Relates
The Finance Act, 1994	Service tax	3.74	April 1, 2014 to September 30, 2014
Income Tax Act, 1961	Tax Deducted at source	1.09	April 1, 2014 to September 30, 2014

The aforesaid amounts have been paid by the subsidiary company subsequent to the year-end.

(c) Details of dues of Sales Tax and Excise Duty which have not been deposited as on March 31, 2015 on account of disputes are given below:

Name of Statute	Nature of dues	Forum where dispute is pending	Financial Year to which amount relates	Amount (Rs. in lakhs)
Central Sales Tax Act, 1956	CST	Department of Sales Tax	1.4.2000 to 31.3.2004	17,708.81
The Finance Act 1994	Service Tax	Office of the Commissioner of Service Tax	1.4.2006 to 31.3.2010	9,245.00

(d) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. In respect of its subsidiaries, there were no amounts, required to be transferred, to the Investor Education and Protection Fund.

(viii) The Group does not have consolidated accumulated losses at the end of the financial year and the Group has not incurred cash losses on a consolidated basis during the financial year covered by our audit. The Group has incurred cash loss in the immediately preceding previous year.

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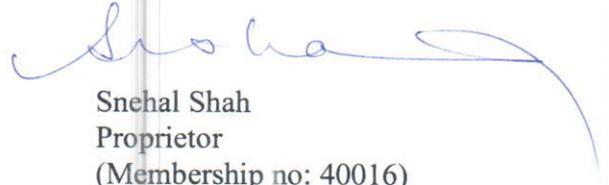
- (ix) In our opinion and according to the information and explanations given to us, the Holding Company and three subsidiary companies do not have any borrowings from any banks, financial institutions and debenture holders.
- (x) According to the information and explanations given to us, the Holding Company and three subsidiary companies have not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the Holding Company and three subsidiary companies have not taken term loans during the year.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Holding Company and three subsidiary companies and no material fraud on the Holding Company and three subsidiary companies has been noticed or reported during the year.

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



A B Jani
Partner
(Membership No. 46488)
Mumbai, Dated: May 20, 2015

For Snehal & Associates
Chartered Accountants
(Registration no: 110314W)



Snehal Shah
Proprietor
(Membership no: 40016)
Mumbai, Dated: May 20, 2015

BALAJI TELEFILMS LIMITED
Consolidated Balance Sheet as at March 31, 2015

		Note No.	As at March 31, 2015	As at March 31, 2014
			₹ in Lacs	₹ in Lacs
A	EQUITY AND LIABILITIES			
	1 Shareholders' funds			
	(a) Share capital	3	1,304.21	1,304.21
	(b) Reserves and surplus	4	36,873.44	36,961.75
			38,177.65	38,265.96
	2 Current liabilities			
	(a) Trade payables	23.5	3,716.88	3,019.81
	(b) Other current liabilities	5	272.04	1,852.26
	(c) Short-term provisions	6	794.50	332.03
			4,783.42	5,204.10
	TOTAL		42,961.07	43,470.06
B	ASSETS			
	1 Non-current assets			
	(a) Fixed assets	7		
	(i) Tangible assets		2,698.36	2,234.83
	(iii) Capital work-in-progress		21.77	87.56
			2,720.13	2,322.39
	(b) Goodwill on Consolidation		146.91	-
	(c) Non-current investments	8	3,204.82	3,669.80
	(d) Deferred tax assets (net)	23.13	569.34	252.77
	(e) Long-term loans and advances	9	6,394.34	6,543.25
	(f) Other non-current assets	10	41.55	10.59
			13,077.09	12,798.80
	2 Current assets			
	(a) Current investments	11	14,511.48	15,997.59
	(b) Inventories	12	3,024.55	7,002.11
	(c) Trade receivables	13	6,699.82	3,854.26
	(d) Cash and cash equivalents	14	1,096.61	775.92
	(e) Short-term loans and advances	15	3,341.34	2,143.47
	(f) Other current assets	16	1,210.18	897.91
			29,883.98	30,671.26
	TOTAL		42,961.07	43,470.06
	See accompanying notes forming part of financial statements.			

ASUP

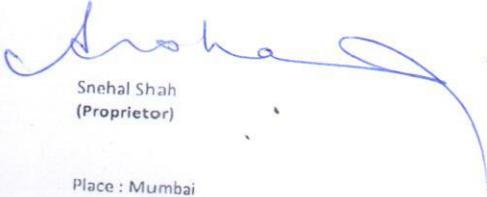
BALAJI TELEFILMS LIMITED
Consolidated Balance Sheet as at March 31, 2015

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants



A. B. Jani
(Partner)
Place : Mumbai
Date : May 20, 2015

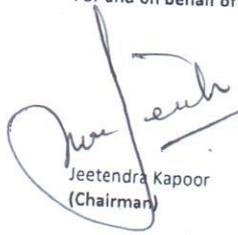
For Snehal & Associates
Chartered Accountants



Snehal Shah
(Proprietor)

Place : Mumbai
Date : May 20, 2015

For and on behalf of the Board of Directors



Jeetendra Kapoor
(Chairman)



Sameer Nair
(Group Chief Executive Officer)



Simmi Singh Bisht
(Company Secretary)

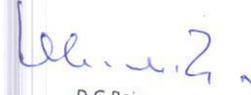
Place : Mumbai
Date : May 20, 2015



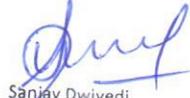
Shobha Kapoor
(Managing Director)



Ekta Kapoor
(Director)



D.G. Rajan
(Director)



Sanjay Dwivedi
(Group Chief Financial Officer)

BALAJI TELEFILMS LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2015

Particulars		Note No.	For the Year Ended	For the Year Ended
			March 31, 2015	March 31, 2014
			₹ in Lacs	₹ in Lacs
1	REVENUE			
	Revenue from Operations	17	34,648.77	40,746.01
2	Other income	18	1,103.33	1,798.40
3	Total Revenue (1+2)		35,752.10	42,544.41
4	Expenses			
	(a) Cost of Production	19	29,653.24	38,509.02
	(b) Employee benefits expense	20	1,523.05	1,639.72
	(c) Finance costs	21	33.78	137.31
	(d) Depreciation and amortization expense (Refer Note 23.20)	7	827.35	603.18
	(e) Other expenses	22	2,866.28	2,775.06
	Total Expenses		34,903.70	43,664.29
5	Profit / (Loss) before tax (3-4)		848.40	(1,119.88)
6	Tax expense:			
	(a) Current tax		517.17	364.17
	(b) Less: MAT credit			(70.00)
	(c) Deferred tax	23.13	(231.40)	(103.70)
	(d) Short provision for tax in respect for earlier years		-	409.00
			285.77	599.47
7	Profit / (Loss) for the year (5-6)		562.63	(1,719.35)
8	Share in the loss of associates		(1.06)	(1.89)
9	Profit / (Loss) for the year (7+8)		561.57	(1,721.24)
10	Earnings per share (of ₹ 2/- each): (refer note 23.12)			
	Basic and diluted earnings per share		0.86	(2.64)
See accompanying notes forming part of the financial statements				

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BALAJI TELEFILMS LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2015

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

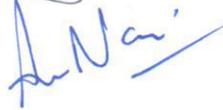
For and on behalf of the Board of Directors



A. B. Jani
(Partner)
Place : Mumbai
Date : May 20, 2015



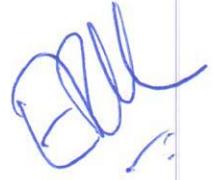
Jeetendra Kapoor
(Chairman)



Sameer Nair
(Group Chief Executive Officer)

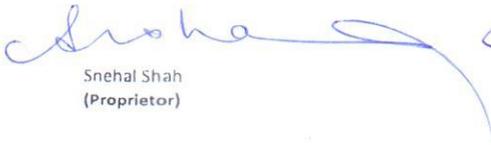


Shobha Kapoor
(Managing Director)



Ekta Kapoor
(Director)

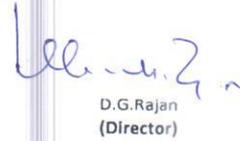
For Snehal & Associates
Chartered Accountants



Snehal Shah
(Proprietor)



Simmi Singh Bisht
(Company Secretary)



D.G. Rajan
(Director)



Sanjay Dwivedi
(Group Chief Financial Officer)

Place : Mumbai
Date : May 20, 2015

Place : Mumbai
Date : May 20, 2015

BALAJI TELEFILMS LIMITED

Consolidated Cash Flow Statement for the year ended March 31, 2015

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
	₹ In Lacs	₹ In Lacs	₹ in Lacs	₹ In Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit / (Loss) for the year		848.40		(1,119.88)
Adjustments for:				
Depreciation				
Advances written off	827.35		603.18	
Credit balances written back	188.68		-	
Bad debts written off	(6.70)		-	
Provision for doubtful debts and advances	1.90		-	
Loss on sale / discard of fixed assets(net)	14.95		169.72	
provision on diminition on investment	11.72		3.28	
Dividend / Profit on sale of long term investments (non-trade) (net)	465.81			
Provision for earlier years written back (net)	(875.51)		(1,104.30)	
Provision for doubtful debt written back	(39.63)		(3.14)	
Interest income on Fixed Deposits	(12.00)		-	
	(16.29)		(15.17)	
Operating (loss) /profit before working capital changes				
Adjustments for:	1,408.68		(1,466.31)	
(Increase) in trade and other receivable				
Decrease in inventories	(4,931.88)		(2,522.44)	
(Decrease) / Increase in trade payables and other payables	4,229.30		8,060.22	
	(768.31)		809.14	
Cash used in operations				
Income-tax (paid) / refund received		(62.21)		4,880.61
NET CASH (USED IN) / FROM OPERATING ACTIVITIES (A)		(122.44)		(1,017.36)
		(184.65)		3,863.25
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets				
Sale of fixed assets	(1,477.99)		(239.95)	
Acquisition of Subsidiary (Refer Note 24.20(a))	-		3.17	
Purchase of investments	(100.00)		-	
Sale of investments	(6,125.00)		(19,085.17)	
Investment in Trust / Limited Liability Partnership	8,679.88		16,005.75	
Bank Balance not considered as cash and cash equivalents (Refer Note 14)	-		(500.00)	
Interest income	(5.65)		(63.49)	
	10.42		11.38	
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B)		981.66		(3,868.31)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Dividend paid				
Corporate dividend tax paid	(393.08)		(260.84)	
NET CASH FLOW (USED IN) FINANCING ACTIVITIES (C)		(79.65)		(44.33)
		(472.73)		(305.17)
Net increase / (decrease) in cash and cash equivalents		324.28		(310.23)
Cash Acquired on Acquisition (Refer Note 24.20(a))		39.21		
Cash and cash equivalents at the beginning of the year		727.47		1,037.70
Cash and cash equivalents at the end of the year		1,090.96		727.47
Notes:				
(i) Components of cash and cash equivalents include cash and bank balances in current and deposit accounts (Refer note 14).				
(ii) Cash and cash equivalents at the end of the year as per cashflow statement				
- Unpaid dividend accounts		₹ In Lacs		₹ in Lacs
		1,090.96		727.47
- Fixed deposits kept in lien against bank guarantee		5.65		7.47
		-		40.98
Cash and cash equivalents at the end of the year as per Note 14		1,096.61		775.92

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BALAJI TELEFILMS LIMITED
Consolidated Cash Flow Statement for the year ended March 31, 2015

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



Ekta Kapoor
(Director)



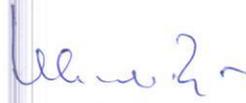
Shobha Kapoor
(Managing Director)



Jeetendra Kapoor
(Chairman)

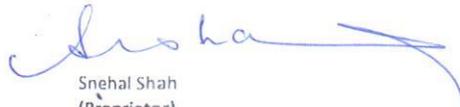


Sameer Nair
(Group Chief Executive Officer)



D.G. Rajan
(Director)

For Snehal & Associates
Chartered Accountants



Snehal Shah
(Proprietor)



Simmi Singh Bisht
(Company Secretary)



Sanjay Dwivedi
(Group Chief Financial Officer)

Place : Mumbai
Date : May 20, 2015

Place : Mumbai
Date : May 20, 2015

BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1

Corporate information

Balaji Telefilms Limited (BTL) 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.

Balaji Motion Pictures Limited (BMPL) was incorporated on March 9, 2007 under the Companies Act, 1956 and is in the business of production of films. The Company is a wholly owned subsidiary of Balaji Telefilms Limited.

Incorporated on November 19, 2012, BOLT Media Limited (BML) is a wholly owned subsidiary of Balaji Telefilms Limited and is involved in production of non-fiction/fiction/reality/factual television shows, events management, branded entertainment, digital content, consultancy and creative services related to it.

Incorporated on October 1, 2014, under the provisions of the Limited Liability Partnership Act 2008, Event Media LLP (The LLP) is a Limited Liability Partnership owned 51% by Balaji Telefilms Limited and 49% by Select Media Holding Limited. It is involved in organizing and/or managing events relating to film and television industry.

Marinating Films Private Limited (MFPL) was incorporated on August 16, 2011 under the Companies Act, 1956 and is in the business of event management relating to film and television industry. The Company is a subsidiary of Balaji Telefilms Limited.

Note 2

Significant accounting policies

Basis of accounting and preparation of financial statements

The accompanying Consolidated Financial Statements of Balaji Telefilms Limited (BTL/Parent Company/ Company), Balaji Motion Pictures Limited, Bolt Media Limited, Marinating Films Private Limited and Event Media LLP (Subsidiaries) as aforesaid (hereinafter together referred as "the group"), have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 / Companies Act, 1956 as applicable.

Principles of Consolidation

The financial statements of the Parent Company and its subsidiary have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income, expenses, after eliminating intra-group transactions and any unrealized gain or losses on the balances remaining within the group in accordance with the Accounting Standard 21 on "Consolidated Financial Statements" (AS-21).

AS-21

BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The financial statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies for like transaction and other events in similar circumstances. The excess of cost to the Parent Company of its investments in subsidiaries over the Parent's portion of equity at the date on which investment in the subsidiary is made, is recognised as 'Goodwill (on consolidation)'.

Use of Estimates

The preparation of financials statements, in conformity with generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of the revenue and expenses during the reported year. Differences between the actual results and the estimates are recognized in the year in which the results are known / materialize.

Fixed assets

Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation / amortisation and impairment loss, if any.

Depreciation / Amortisation

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for studios and sets which are depreciated as per managements' estimate of their useful life of 3 years.

Leasehold improvements are depreciated over the period of lease on a straight line basis.

Impairment loss

At the end of each year, the group determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on 'Impairment of Assets'. An impairment loss is charged to Statement of Profit and Loss in the year in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

Investments

Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost. However, when there is a decline, other than temporary, the carrying amount is reduced to recognise the decline.

Inventories

Items of inventory are valued at lower of cost and net realisable value. Cost is determined on the following basis.

Television Serials : At average cost

Films / Events : Actual Cost

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BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Unamortised cost of films : The cost of films 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.

Revenue recognition

- a) In respect of commission programmes, revenue is recognised as and when the relevant episodes of the programmes (television serials) are telecast on broadcasting channels.
- b) In respect of films produced / co-produced / acquired, revenue is recognised in accordance with the terms and conditions of the agreements on or after the first theatrical release of the films.
- c) In respect of events, revenue is recognised as and when the relevant event is delivered and technical clearance is received from the broadcasting channels.

Revenue (income) is recognised when no significant uncertainty as to its determination or realisation exists.

Employee benefits

- a) Post employment benefits and other long-term benefits

- i) Defined Contribution Plans:

The Group contributes towards Provident Fund and Family Pension Fund. Liability in respect thereof is determined on the basis of contribution as required under the Statute / Rules.

- ii) Defined Benefit Plans:

The trustees of Balaji Telefilms Limited and Balaji Motions Pictures Limited Employees Group Gratuity Scheme have taken a Group Gratuity cum Life Assurance Policy from the Life Insurance Corporation of India (LIC).

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'. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Gains and losses on changes in actuarial assumptions are accounted in the statement of profit and loss.

- b) Short-term Employee Benefits:

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

ANUP

BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Foreign currency transactions

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year-end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realisation / payment of foreign exchange are accounted in the relevant year as income or expense.

Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

Operating leases

Assets taken on lease under which, all the risks and rewards of the ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognized as expenses in accordance with the respective lease agreements.

Taxes on income

Tax expense comprises of current tax and deferred tax.

Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, using the applicable tax rates.

Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years / period. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future income will be available except that the deferred tax assets, in case there are unabsorbed depreciation and losses, are recognized if there is a virtual certainty that sufficient future taxable income will be available to realize the same.

Minimum Alternate Tax (MAT) credit entitlement is recognized in accordance with the Guidance Note on "Accounting for credit available in respect of Minimum Alternate Tax under the Income-tax Act, 1961" issued by the Institute of Chartered Accountants of India (ICAI).

Provisions and Contingencies

Provision is recognized in the accounts when there is a present obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation. Contingent liabilities, if any, are disclosed in the notes to the financial statements.

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Note 3 Share capital

Particulars	As at March 31, 2015	As at March 31, 2014
	₹ In Lacs	₹ In Lacs
(a) Authorised 85,000,000 (Previous year 75,00,000) Equity Shares of ₹ 2/- each	1,700.00	1,500.00
	1,700.00	1,500.00
(b) Issued, Subscribed and fully paid-up 65,210,443 Equity Shares of ₹ 2/- each	1,304.21	1,304.21
Total	1,304.21	1,304.21

Note:

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

Name of shareholder	As at March 31, 2015		As at March 31, 2014	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Star Middle East FZ LLC	16,948,194	25.99	16,948,194	25.99
Ekta Kapoor	13,572,704	20.81	13,572,704	20.81
Shobha Kapoor	9,129,462	14.00	9,129,462	14.00
Jeetendra Kapoor	3,260,522	5.00	3,260,522	5.00

(ii) All the above Equity Shares have the same rights to dividend, voting and in case of repayment of Capital.

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BALAJI TELEFILMS LIMITED**Notes forming part of the consolidated financial statements****Note 4 Reserves and surplus**

Particulars	As at March 31, 2015		As at March 31, 2014	
	₹ in Lacs		₹ in Lacs	
(a) Securities premium account As per last Balance Sheet		14,785.61		14,785.61
(b) General reserve As per last Balance Sheet	5,010.38		4,910.17	
Add: Transferred from surplus in Statement of Profit and Loss	122.72		100.21	
		5,133.10		5,010.38
(c) Surplus in Statement of Profit and Loss				
Opening balance	17,165.76		19,292.38	
Less : Depreciation on accounting of transitional provisions of Schedule II of the Companies Act, 2013 (Refer Note 23.18)	178.97			
Add: Profit for the year	561.57		(1,721.24)	
Less : Dividends proposed to be distributed to equity shareholders (current year ₹0.60 (previous year ₹ 0.40 per Tax on dividend	391.26		260.84	
Transferred to General reserve	79.65		44.33	
Closing balance	122.72		100.21	
		16,954.73		17,165.76
Total		36,873.44		36,961.75

ASSTP

BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Note 5 Other current liabilities

Particulars	As at March 31, 2015	As at March 31 , 2014
	₹ in Lacs	₹ in Lacs
(a) Unpaid dividends (Refer Note below)	5.65	7.47
(b) Temporarily overdrawn book balances	-	392.47
Interest on loan	0.03	-
(c) Other payables		
(i) Statutory liabilities	61.90	200.06
(ii) Advances from customers	204.46	1,252.26
Total	272.04	1,852.26

Note

Appropriate amount shall be transferred to Investor Education and Protection Fund if and when due.

ASUP

BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 6 Short-term provisions

Particulars	As at March 31, 2015	As at March 31, 2014
	₹ in Lacs	₹ in Lacs
Provision for Employee benefits		
(i) Provision for gratuity	2.61	0.48
Provision - Others:		
(i) Provision for tax (net of advance tax ₹ 848.07 lacs (as at March 31, 2014 ₹ 103.31 lacs))	320.98	26.38
(ii) Provision for proposed equity dividend	391.26	260.84
(iii) Provision for tax on proposed dividend	79.65	44.33
Total	794.50	332.03

12/10/15

BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements
Note 7 Fixed Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK		
	As at April 1, 2014	Additions	On acquisition (Refer Note 23.20(a))	Deductions	As at March 31, 2015	On acquisition (Refer Note 23.20(a))	For the Year	On Deductions	Adjustments (Refer Note 23.18)	Upto March 31, 2015	As at March 31, 2015
Tangible assets											
Buildings (refer note a below)	469.36 (469.36)	3.21 (-)	- (-)	- (-)	472.57 (469.36)	- (-)	7.89 (7.65)	- (-)	- (-)	80.98 (73.09)	391.59 (396.27)
Plant and machinery - Computers	649.61 (648.60)	4.50 (1.07)	- (-)	- (0.06)	654.11 (649.61)	- (-)	19.51 (61.37)	(0.03)	43.55 (-)	648.18 (585.12)	5.93 (64.49)
Plant and machinery - Others	2,270.56 (2,200.51)	180.24 (70.05)	6.98 (-)	6.98 (-)	2,450.80 (2,270.56)	1.33 (-)	196.29 (159.40)	1.33 (-)	0.58 (-)	1,720.39 (1,523.52)	730.41 (747.04)
Computers	418.27 (398.16)	6.23 (20.48)	- (-)	- (0.37)	424.50 (418.27)	- (-)	14.22 (17.49)	(0.37)	27.14 (-)	407.52 (366.16)	16.98 (52.11)
Studios and sets	4,756.63 (4,716.84)	1,147.16 (39.79)	- (-)	- (-)	5,903.79 (4,756.63)	- (-)	291.38 (192.12)	- (-)	- (-)	4,955.03 (4,663.65)	948.76 (92.98)
Vehicles	813.48 (822.35)	154.33 (1.52)	- (-)	- (10.39)	967.81 (813.48)	- (-)	150.40 (71.71)	(6.20)	11.19 (-)	581.57 (419.98)	386.24 (393.50)
Furniture and fixtures	311.70 (305.88)	1.66 (6.78)	6.49 (-)	6.49 (0.96)	313.36 (311.70)	1.23 (-)	58.15 (19.82)	1.23 (0.43)	22.10 (-)	255.40 (175.15)	57.96 (136.55)
Office equipments	373.05 (336.61)	55.69 (38.34)	1.01 (-)	1.01 (1.90)	428.74 (373.05)	0.20 (-)	53.90 (16.78)	0.20 (0.19)	152.28 (-)	323.71 (117.53)	105.03 (255.52)
Electrical fittings	89.68 (89.68)	2.00 (-)	- (-)	- (-)	91.68 (89.68)	- (-)	12.89 (4.22)	- (-)	7.25 (-)	47.68 (27.54)	44.00 (62.14)
Lease Hold Improvements	454.70 (454.70)	- (-)	- (-)	- (-)	454.70 (454.70)	- (-)	22.72 (53.93)	- (-)	0.05 (-)	443.24 (420.47)	11.46 (34.23)
Total	10,607.04 (10,442.69)	1,555.02 (178.03)	14.48 (-)	14.48 (13.68)	12,162.06 (10,607.04)	2.76 (-)	827.35 (603.18)	2.76 (7.22)	264.14 (-)	9,463.70 (8,372.21)	2,698.36 (2,234.83)

Note

a. Building includes ₹ 220.86 lacs (previous year ₹ 220.86 lacs), being cost of ownership premises in co-operative society including cost of shares of face value of ₹ 0.01 lac received under Bye-law of the society.
b. Figures in brackets denote previous year figures

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 8 Non-current investments

Particulars	As at March 31, 2015		As at March 31, 2014	
	Unquoted		Unquoted	
	₹ in Lacs		₹ in Lacs	
(At cost): (non-trade)				
(a) Investment in optionally convertible debentures (OCDs) of (Refer Note 23.19) :				
(i) Aristo Learning Private Limited				
Series A 3,000 (Previous year 3,000) Debentures of ₹100 each	3.00		3.00	
Series B 62,810 (Previous year 62,810) Debentures of ₹100 each	62.81		62.81	
	65.81		65.81	
Less : Provision for diminution in value of investments	65.81		-	65.81
		-		
(ii) Second School Learning Private Limited				
Series A 1,000 (Previous year 1,000) Debentures of ₹100 each	1.00		1.00	
Series B 399,000 (Previous year 399,000) Debentures of ₹100 each	399.00		399.00	
	400.00		400.00	
Less : Provision for diminution in value of investments	400.00		-	400.00
		-		
(b) Investment in Associate				
(i) IPB Capital Advisors LLP	0.50		0.50	
Add : Share in (loss)/profit of associate	(1.06)		(1.89)	
		(0.56)		(1.39)
(c) Investment in Indus Balaji Investor Trust (Refer Note 23.1 B)				
(i) 3,200,000 (Previous year 2,700,000) Class A units of ₹100 each	3,200.00		3,200.00	
(ii) 5,000 (Previous year 5,000) Class B units of ₹100 each	5.00		5.00	
		3,205.00		3,205.00
(d) Investment in Limited Liability Partnership				
(i) Indus Balaji Education Capital Advisors LLP		0.38		0.38
Total		3,204.82		3,669.80

ASUP

BALAJI TELEFILMS LIMITED**Notes forming part of the consolidated financial statements****Note 18 Other income**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
(a) Interest income		
On fixed deposits with banks	3.83	15.17
On Income tax Refund	152.69	-
On Loan given to related party	56.27	-
(b) Profit on sale of current investments (non-trade) (net)	682.24	1,019.13
(c) Insurance claim received (Includes Nil (Previous Year ₹ 673.00 lacs) on maturity of Keyman Insurance policy)	0.33	673.60
(d) Dividend on current investments	193.27	85.17
(e) Excess Provision for earlier years written back (net)	13.33	3.14
(f) Foreign Exchange Gain (Net)	1.37	-
(g) Miscellaneous income	-	2.19
Total	1,103.33	1,798.40

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 19 Cost of Production of television serials / films

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
	₹ in Lacs		₹ in Lacs	
Opening stock of television serials / tapes / films		7,002.13		15,062.32
Less: Service tax credit availed*		-		73.50
		7,002.13		14,988.82
Add: Stock of Events taken over on acquisition (Refer Note 23.20(a))		251.73		-
		7,253.86		14,988.82
<u>Add: Cost of production</u>				
Acquisition Cost	124.48		431.07	
Purchase of costumes and dresses	285.08		245.76	
Purchase of tapes / raw stock / negative	114.18		321.06	
Artists, Directors and other technicians fees	11,826.01		11,567.64	
Shooting and location expenses (Refer Note 23.14)	5,693.75		3,676.01	
Telecasting fees / Purchase rights	8.70		228.92	
Uplinking charges	480.96		119.76	
Food and refreshments	32.06		-	
Set properties and equipment hire charges	1,381.36		1,361.16	
Insurance	14.65		107.14	
Line Production cost	1,105.05		2,547.93	
Marketing and Distribution Expense	2,136.74		7,617.55	
Other production expenses	2,513.67		2,298.33	
	25,716.69			
Less: Reimbursement of Expenses	292.77			30,522.33
		32,677.78		45,511.15
Less: Closing stock of television serials / films/ Events		3,024.54		7,002.13
Total		29,653.24		38,509.02

*pertains to service tax credit availed in current year in respect of cost of film produced/acquired and included in inventory

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 20 Employee Benefit Expense

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Salaries and wages	1,412.69	1,536.06
Contributions to Provident and Other Funds	67.20	67.51
Staff welfare expenses	43.16	36.15
Total	1,523.05	1,639.72

ASST

BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 21 Finance costs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Interest expense on delayed payment of taxes etc.	33.75	137.31
Interest on Capital	0.03	-
Total	33.78	137.31

DWLP

BALAJI TELEFILMS LIMITED**Notes forming part of the consolidated financial statements****Note 22 Other expenses**

Particulars	For the year ended	For the year ended
	March 31, 2015	March 31, 2014
	₹ in Lacs	₹ in Lacs
Power and fuel	103.09	174.82
Rent including lease rentals (Refer Note 23.14)	167.40	129.46
Repairs and maintenance - Machinery	30.07	36.70
Repairs and maintenance - Others	145.17	314.27
Insurance	58.23	63.50
Rates and taxes	84.95	175.96
Communication expenses	24.63	32.08
Legal and Professional charges	1,087.06	1,010.83
Security and housekeeping expenses	16.42	86.58
Business promotion expenses	50.96	113.64
Travelling & Conveyance Expenses	59.48	108.67
Donations and contributions	28.79	50.79
Expenditure on Corporate social responsibility activities	21.33	-
Loss on Fixed Assets sold/scrapped/written off	11.72	3.28
Provision for doubtful debts and advances	14.95	169.72
Provision for dimunition of investment (Refer Note 23.19)	465.81	-
Marketing Expenses	4.62	6.55
Bad debts written off	1.90	-
Advances written off	188.68	-
Software expenses	16.33	6.95
Directors sitting fees	15.15	5.95
Commission to Directors	31.05	-
Foreign exchange loss (net)	-	38.94
Miscellaneous expenses *	238.49	246.37
Total	2,866.28	2,775.06

*Miscellaneous expenses include security charges, printing and stationery etc.

2014

BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

	As at 31 March, 2015 ₹ in Lacs	As at 31 March, 2014 ₹ in Lacs
23.1 Contingent liabilities and commitments (to the extent not provided for)		
A Contingent Liabilities		
a) In respect of the demands (including interest) raised by Prasar Bharti Broadcasting Corporation of India (Corporation), the Company has arrived at a one-time settlement with the Corporation by making a payment of ₹ 200.00 lacs as telecast fees which has been accounted for as an expense in the current year. As per the terms of the settlement, the balance outstanding of ₹ 557.20 lacs would be settled by way of supply of various old regional television content. The Company has submitted the required content to the Corporation, the approval for which is being received by the Company in a phased manner. As a result, the Company does not expect any charge in the financial statements on receipt of entire approvals from the Corporation for the balance outstanding.	557.20	557.20
b) The Company in earlier years had received notices of demand from the Department of Sales Tax, Government of Maharashtra, aggregating to ₹ 17,107.87 lacs (including interest and penalty) pertaining to the years 2000 to 2004. The Company has appealed against the said orders with the Deputy Commissioner (Appeals) and the same is pending adjudication. Further in the current year, the sales tax authorities have levied an additional sales tax demand (including penalty and interest) under the Bombay Sales Tax Act aggregating of ₹ 515.44 lacs and under Works Contract Act aggregating to ₹ 85.50 lacs for the year 2004-05. The Company is contesting these additional claims by filing appeals with the respective appellate authorities. Further, the Company has also been assessed for the years 2005-06, 2006-07, 2007-08, 2008-09, 2009-2010 and 2010-11 under the above statutes where the matters contained in the aforesaid demand orders have been accepted by the authorities and has been adjudicated in favour of the Company.	17,708.81	17,107.81
c) The Company had received demand notices from the Office of the Commissioner of Service Tax, Mumbai (excluding Interest and penalty) pertaining to Service tax for the period April 2006 to March 2010 on exports made to one of the customers of the Company. On appeal to the Commissioner of Service Tax, the matter pertaining to the period April 2006 to March 2008 was adjudicated in favour of the Company, wherein the demand amount was ₹ 63.48 Crs. The Commissioner has further filed an appeal against the said order with the Customs, Excise & Service Tax Appellate Tribunal. As per the notice of hearing received by us, the matter has been listed for hearing in the tribunal on June 3, 2015. On the same matter, a Show Cause Notice (SCN) for the period April 2008 to March 2010 has been issued with demand amount of ₹ 28.97 Crs. SCN is pending for adjudication with the Commissioner of Service Tax. Company has also received Show Cause Notice from the Office of the Commissioner of service Tax pertaining to service tax for the year 2010 to March 2011 for discharging service tax on export sales made to a customer. Liability in this case is ₹ 0.46 Crs. Company has prepared and submitted reply to the Commissioner of Service tax in the matter, on the same lines as done in earlier years.	9,245.00	9,245.00
B Commitments :		
Future commitments towards capital contribution in Indus Balaji Investor Trust	800.00	800.00

23.2 On April 30, 2013, the Income-tax Department visited the premises of the Company and BMPL and initiated proceedings under Section 132 of the Income-tax Act, 1961. In this connection, the Company has received notices under section 153A of Income-tax Act, 1961 and the Company has complied with the requirements of the said notices. Based on compliance of the requirement under Sec 153A, the Company has now received notices for providing various details to the assessing officers for carrying out assessments. The Company is in the process of complying with the requirements and is submitting required information. Since the proceedings are pending completion, the tax liability, if any, would be ascertained and provided on the completion of the assessments under these proceedings.

23.3 The Finance Act, 2010 had introduced a new taxable service category viz 'Copyright Services', wherein a temporary transfer or permitting the use/enjoyment of copyright has been made liable to service tax. The levy extends to all transactions involving temporary transfer or permitting the use of copyrights in cinematographic films and sound recordings. Pursuant to this, BMPL, as a co-petitioner, along with other companies who are engaged in the business of creation and production of cinematographic films and musical works for distribution, exhibition and communication to the public, via different mediums, had filed a writ petition in the Bombay High Court challenging the vires of the Central Government to levy Service tax under the said entry. Pending disposal of this writ petition, BMPL has collected the service tax on such transactions aggregating to ₹265.80 lacs from their customers and deposited the same 'under protest' with the authorities.

23.4 Payment to Auditors

For Statutory Audit
For Tax Audit
For Taxation matters
For other services - certification etc.
Reimbursement of expenses
For Service Tax
Total

	For the year ended 31 March, 2015 ₹ in Lacs	For the year ended 31 March, 2014 ₹ in Lacs
	34.95	27.45
	2.50	2.50
	5.00	5.00
	10.30	7.30
	1.12	0.60
	6.66	5.30
Total	60.53	48.15

DLR/A

BALAJI TELEFILMS LIMITED**Notes forming part of the consolidated financial statements**

23.5 As per information available with the Company, none of the creditors have confirmed that they are registered under the Micro, Small and Medium enterprises Development Act, 2006.

23.6 Details of subsidiary and associate included in Consolidated Financial Statements

Name	Relationship	Country of Incorporation	% of ownership interest and voting power
Balaji Motion Pictures Limited	Subsidiary	India	100%
Bolt Media Ltd	Subsidiary	India	100%
Marinating Films Private Limited	Subsidiary	India	51%
Event Media LLP	Subsidiary	India	51%
IPB Capital Advisors LLP	Associate	India	50%

ASST

BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

23.7 Related Party Transactions

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

Name of the Related Party	Relationship
Balaji Motion Pictures Limited	Subsidiary Company (control exist)
Marinating Films Pvt Ltd	Subsidiary Company (control exist)
Bolt Media Limited	Subsidiary Company (control exist)
Event Media LLP	Subsidiary Body Corporate
IPB Capital Advisors LLP	Associate
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Key management person
Mr. Sameer Nair (from July 15, 2014)	Key management person
Mr. Ramesh Sippy (till June 30, 2014)	Relative of Key management person
Reksha Entertainment Private Limited (till June 30, 2014)	Relative of Key management person having significant influence
M/s. J K Developers	Sole proprietary firm of a Key management person
Balaji Films & Telly Investments Limited	Key management person having significant influence

(b) Details of Transactions with related parties during the year

Nature of Transactions	₹ In Lacs						
	Key Management Person	Relative of Key Management Person	Key management person having significant influence	Company owned by relative of Key Management Person	Sole proprietary firm of Key Management Person	Associate	Total
Directors sitting fees							
Mr. Jeetendra Kapoor	2.85	-	-	-	-	-	2.85
	(1.00)	(-)	(-)	(-)	(-)	(-)	(1.00)
Mr. Tusshar Kapoor	0.90	-	-	-	-	-	0.90
	(0.60)	(-)	(-)	(-)	(-)	(-)	(0.60)
Rent paid							
Mr. Jeetendra Kapoor	46.65	-	-	-	-	-	46.65
	(44.00)	(-)	(-)	(-)	(-)	(-)	(44.00)
Mrs. Shobha Kapoor	1,246.49	-	-	-	-	-	1,246.49
	(723.87)	(-)	(-)	(-)	(-)	(-)	(723.87)
Mr. Tusshar Kapoor	11.69	-	-	-	-	-	11.69
	(12.13)	(-)	(-)	(-)	(-)	(-)	(12.13)
Ms. Ekta Kapoor	146.27	-	-	-	-	-	146.27
	(12.49)	(-)	(-)	(-)	(-)	(-)	(12.49)
Location Hire							
Balaji Films & Telly Investments Limited	-	-	41.00	-	-	-	41.00
	(-)	(-)	(91.24)	(-)	(-)	(-)	(91.24)
Capital Advances given							
M/s. J K Developers	-	-	-	-	-	-	0.00
	(-)	(-)	(-)	(-)	(400.00)	(-)	(400.00)
Capital Advances returned							
M/s. J K Developers	-	-	-	-	400.00	-	400.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Interest received on Capital Advances							
M/s. J K Developers	-	-	-	-	56.27	-	56.27
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Purchase of rights							
Balaji Films & Telly Investments Limited	-	-	101.00	-	-	-	101.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)

ADMP

BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Remuneration							
Mrs. Shobha Kapoor	110.12	-	-	-	-	-	110.12
	(110.12)	(-)	(-)	(-)	(-)	(-)	(110.12)
Ms. Ekta Kapoor	127.19	-	-	-	-	-	127.19
	(132.30)	(-)	(-)	(-)	(-)	(-)	(132.30)
Sameer Nair (from July 15, 2014)	296.09	-	-	-	-	-	296.09
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Artial fees							
Mr. Tusshar Kapoor	50.00	-	-	-	-	-	50.00
	(21.50)	(-)	(-)	(-)	(-)	(-)	(21.50)
Legal and Professional charges							
Mr. Ramesh Sippy	-	1.20	-	-	-	-	1.20
	(-)	(3.20)	(-)	(-)	(-)	(-)	(3.20)
Sale of film rights							
Raksha Entertainment Pvt Ltd	-	-	-	31.39	-	-	31.39
	(-)	(-)	(-)	(116.45)	(-)	(-)	(116.45)
Dividend paid							
Mrs. Shobha Kapoor	36.51	-	-	-	-	-	40.15
	(40.15)	(-)	(-)	(-)	(-)	(-)	(40.15)
Ms. Ekta Kapoor	54.29	-	-	-	-	-	42.67
	(42.67)	(-)	(-)	(-)	(-)	(-)	(42.67)
Mr. Jeetendra Kapoor	13.04	-	-	-	-	-	13.04
	(17.57)	(-)	(-)	(-)	(-)	(-)	(17.57)
Mr. Tusshar Kapoor	8.12	-	-	-	-	-	8.12
	(8.12)	(-)	(-)	(-)	(-)	(-)	(8.12)
Mr. Ramesh Sippy	-	0.01	-	-	-	-	0.01
	(-)	(0.01)	(-)	(-)	(-)	(-)	(0.01)
Amount receivable as at March 31, 2015							
Mrs. Shobha Kapoor *	340.00	-	-	-	-	-	340.00
	(340.00)	(-)	(-)	(-)	(-)	(-)	(340.00)
Mr. Jeetendra Kapoor *	300.00	-	-	-	-	-	300.00
	(300.00)	(-)	(-)	(-)	(-)	(-)	(300.00)
Mr. Tusshar Kapoor *	100.00	-	-	-	-	-	100.00
	(100.00)	(-)	(-)	(-)	(-)	(-)	(100.00)
Mr. Ekta Kapoor *	100.00	-	-	-	-	-	100.00
	(100.00)	(-)	(-)	(-)	(-)	(-)	(100.00)
Raksha Entertainment Pvt Ltd	-	-	-	0.76	-	-	0.76
	(-)	(-)	(-)	(31.45)	(-)	(-)	(31.45)
Amount payable as at March 31, 2015							
Balaj Films & Telly Investments Limited	-	-	-	-	-	-	-
	(-)	(-)	(10.44)	(-)	(-)	(-)	(10.44)
Investment as on March 31, 2015							
IPB Capital Advisors LLP	-	-	-	-	-	0.50	0.50
	(-)	(-)	(-)	(-)	(-)	(0.50)	(0.50)

* - Deposit for leased property

Note

(i) There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties
(ii) Figures in bracket relate to the previous year.

23.8 Income in foreign currency

	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Sale of Film Rights	813.63	10,417.14
Sales of Concept	29.25	-
Sales of services	6.36	7.33

23.9 Expenditure in foreign currency

	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Line production charges	155.96	-
Artists, Directors and other technician fees	36.16	-
Shooting and location expenses	285.34	402.93
Set properties and equipment hire charges	225.10	-
Other production expenses	58.79	-
Travelling and conveyance expenses	41.43	0.97

ADUP

BALAJI TELEFILMS LIMITED**Notes forming part of the consolidated financial statements****Note 18 Other income**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
(a) Interest income		
On fixed deposits with banks	3.83	15.17
On Income tax Refund	152.69	-
On Loan given to related party	56.27	-
(b) Profit on sale of current investments (non-trade) (net)	682.24	1,019.13
(c) Insurance claim received (Includes Nil (Previous Year ₹ 673.00 lacs) on maturity of Keyman Insurance policy)	0.33	673.60
(d) Dividend on current investments	193.27	85.17
(e) Excess Provision for earlier years written back (net)	13.33	3.14
(f) Foreign Exchange Gain (Net)	1.37	-
(g) Miscellaneous income	-	2.19
Total	1,103.33	1,798.40

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 19 Cost of Production of television serials / films

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
	₹ in Lacs		₹ in Lacs	
Opening stock of television serials / tapes / films		7,002.13		15,062.32
Less: Service tax credit availed*		-		73.50
		7,002.13		14,988.82
Add: Stock of Events taken over on acquisition (Refer Note 23.20(a))		251.73		-
		7,253.86		14,988.82
<u>Add: Cost of production</u>				
Acquisition Cost	124.48		431.07	
Purchase of costumes and dresses	285.08		245.76	
Purchase of tapes / raw stock / negative	114.18		321.06	
Artists, Directors and other technicians fees	11,826.01		11,567.64	
Shooting and location expenses (Refer Note 23.14)	5,693.75		3,676.01	
Telecasting fees / Purchase rights	8.70		228.92	
Uplinking charges	480.96		119.76	
Food and refreshments	32.06		-	
Set properties and equipment hire charges	1,381.36		1,361.16	
Insurance	14.65		107.14	
Line Production cost	1,105.05		2,547.93	
Marketing and Distribution Expense	2,136.74		7,617.55	
Other production expenses	2,513.67		2,298.33	
	25,716.69			
Less: Reimbursement of Expenses	292.77			30,522.33
		32,677.78		45,511.15
Less: Closing stock of television serials / films/ Events		3,024.54		7,002.13
Total		29,653.24		38,509.02

*pertains to service tax credit availed in current year in respect of cost of film produced/acquired and included in inventory

ADUUP

BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 20 Employee Benefit Expense

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Salaries and wages	1,412.69	1,536.06
Contributions to Provident and Other Funds	67.20	67.51
Staff welfare expenses	43.16	36.15
Total	1,523.05	1,639.72

ASST

BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 21 Finance costs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Interest expense on delayed payment of taxes etc.	33.75	137.31
Interest on Capital	0.03	-
Total	33.78	137.31

DWLP

BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 22 Other expenses

Particulars	For the year ended	For the year ended
	March 31, 2015	March 31, 2014
	₹ in Lacs	₹ in Lacs
Power and fuel	103.09	174.82
Rent including lease rentals (Refer Note 23.14)	167.40	129.46
Repairs and maintenance - Machinery	30.07	36.70
Repairs and maintenance - Others	145.17	314.27
Insurance	58.23	63.50
Rates and taxes	84.95	175.96
Communication expenses	24.63	32.08
Legal and Professional charges	1,087.06	1,010.83
Security and housekeeping expenses	16.42	86.58
Business promotion expenses	50.96	113.64
Travelling & Conveyance Expenses	59.48	108.67
Donations and contributions	28.79	50.79
Expenditure on Corporate social responsibility activities	21.33	-
Loss on Fixed Assets sold/scrapped/written off	11.72	3.28
Provision for doubtful debts and advances	14.95	169.72
Provision for dimunition of investment (Refer Note 23.19)	465.81	-
Marketing Expenses	4.62	6.55
Bad debts written off	1.90	-
Advances written off	188.68	-
Software expenses	16.33	6.95
Directors sitting fees	15.15	5.95
Commission to Directors	31.05	-
Foreign exchange loss (net)	-	38.94
Miscellaneous expenses *	238.49	246.37
Total	2,866.28	2,775.06

*Miscellaneous expenses include security charges, printing and stationery etc.

2014

BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

	As at 31 March, 2015 ₹ in Lacs	As at 31 March, 2014 ₹ in Lacs
23.1 Contingent liabilities and commitments (to the extent not provided for)		
A Contingent Liabilities		
a) In respect of the demands (including interest) raised by Prasar Bharti Broadcasting Corporation of India (Corporation), the Company has arrived at a one-time settlement with the Corporation by making a payment of ₹ 200.00 lacs as telecast fees which has been accounted for as an expense in the current year. As per the terms of the settlement, the balance outstanding of ₹ 557.20 lacs would be settled by way of supply of various old regional television content. The Company has submitted the required content to the Corporation, the approval for which is being received by the Company in a phased manner. As a result, the Company does not expect any charge in the financial statements on receipt of entire approvals from the Corporation for the balance outstanding.	557.20	557.20
b) The Company in earlier years had received notices of demand from the Department of Sales Tax, Government of Maharashtra, aggregating to ₹ 17,107.87 lacs (including interest and penalty) pertaining to the years 2000 to 2004. The Company has appealed against the said orders with the Deputy Commissioner (Appeals) and the same is pending adjudication. Further in the current year, the sales tax authorities have levied an additional sales tax demand (including penalty and interest) under the Bombay Sales Tax Act aggregating of ₹ 515.44 lacs and under Works Contract Act aggregating to ₹ 85.50 lacs for the year 2004-05. The Company is contesting these additional claims by filing appeals with the respective appellate authorities. Further, the Company has also been assessed for the years 2005-06, 2006-07, 2007-08, 2008-09, 2009-2010 and 2010-11 under the above statutes where the matters contained in the aforesaid demand orders have been accepted by the authorities and has been adjudicated in favour of the Company.	17,708.81	17,107.81
c) The Company had received demand notices from the Office of the Commissioner of Service Tax, Mumbai (excluding Interest and penalty) pertaining to Service tax for the period April 2006 to March 2010 on exports made to one of the customers of the Company. On appeal to the Commissioner of Service Tax, the matter pertaining to the period April 2006 to March 2008 was adjudicated in favour of the Company, wherein the demand amount was ₹ 63.48 Crs. The Commissioner has further filed an appeal against the said order with the Customs, Excise & Service Tax Appellate Tribunal. As per the notice of hearing received by us, the matter has been listed for hearing in the tribunal on June 3, 2015. On the same matter, a Show Cause Notice (SCN) for the period April 2008 to March 2010 has been issued with demand amount of ₹ 28.97 Crs. SCN is pending for adjudication with the Commissioner of Service Tax. Company has also received Show Cause Notice from the Office of the Commissioner of service Tax pertaining to service tax for the year 2010 to March 2011 for discharging service tax on export sales made to a customer. Liability in this case is ₹ 0.46 Crs. Company has prepared and submitted reply to the Commissioner of Service tax in the matter, on the same lines as done in earlier years.	9,245.00	9,245.00
B Commitments :		
Future commitments towards capital contribution in Indus Balaji Investor Trust	800.00	800.00

23.2 On April 30, 2013, the Income-tax Department visited the premises of the Company and BMPL and initiated proceedings under Section 132 of the Income-tax Act, 1961. In this connection, the Company has received notices under section 153A of Income-tax Act, 1961 and the Company has complied with the requirements of the said notices. Based on compliance of the requirement under Sec 153A, the Company has now received notices for providing various details to the assessing officers for carrying out assessments. The Company is in the process of complying with the requirements and is submitting required information. Since the proceedings are pending completion, the tax liability, if any, would be ascertained and provided on the completion of the assessments under these proceedings.

23.3 The Finance Act, 2010 had introduced a new taxable service category viz 'Copyright Services', wherein a temporary transfer or permitting the use/enjoyment of copyright has been made liable to service tax. The levy extends to all transactions involving temporary transfer or permitting the use of copyrights in cinematographic films and sound recordings. Pursuant to this, BMPL, as a co-petitioner, along with other companies who are engaged in the business of creation and production of cinematographic films and musical works for distribution, exhibition and communication to the public, via different mediums, had filed a writ petition in the Bombay High Court challenging the vires of the Central Government to levy Service tax under the said entry. Pending disposal of this writ petition, BMPL has collected the service tax on such transactions aggregating to ₹265.80 lacs from their customers and deposited the same 'under protest' with the authorities.

23.4 Payment to Auditors

For Statutory Audit
For Tax Audit
For Taxation matters
For other services - certification etc.
Reimbursement of expenses
For Service Tax
Total

	For the year ended 31 March, 2015 ₹ in Lacs	For the year ended 31 March, 2014 ₹ in Lacs
	34.95	27.45
	2.50	2.50
	5.00	5.00
	10.30	7.30
	1.12	0.60
	6.66	5.30
Total	60.53	48.15

DLR/A

BALAJI TELEFILMS LIMITED**Notes forming part of the consolidated financial statements**

23.5 As per information available with the Company, none of the creditors have confirmed that they are registered under the Micro, Small and Medium enterprises Development Act, 2006.

23.6 Details of subsidiary and associate included in Consolidated Financial Statements

Name	Relationship	Country of Incorporation	% of ownership interest and voting power
Balaji Motion Pictures Limited	Subsidiary	India	100%
Bolt Media Ltd	Subsidiary	India	100%
Marinating Films Private Limited	Subsidiary	India	51%
Event Media LLP	Subsidiary	India	51%
IPB Capital Advisors LLP	Associate	India	50%

ASST

BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

23.7 Related Party Transactions

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

Name of the Related Party	Relationship
Balaji Motion Pictures Limited	Subsidiary Company (control exist)
Marinating Films Pvt Ltd	Subsidiary Company (control exist)
Bolt Media Limited	Subsidiary Company (control exist)
Event Media LLP	Subsidiary Body Corporate
IPB Capital Advisors LLP	Associate
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Key management person
Mr. Sameer Nair (from July 15, 2014)	Key management person
Mr. Ramesh Sippy (till June 30, 2014)	Relative of Key management person
Reksha Entertainment Private Limited (till June 30, 2014)	Relative of Key management person having significant influence
M/s. J K Developers	Sole proprietary firm of a Key management person
Balaji Films & Telly Investments Limited	Key management person having significant influence

(b) Details of Transactions with related parties during the year

Nature of Transactions	₹ In Lacs						
	Key Management Person	Relative of Key Management Person	Key management person having significant influence	Company owned by relative of Key Management Person	Sole proprietary firm of Key Management Person	Associate	Total
Directors sitting fees							
Mr. Jeetendra Kapoor	2.85	-	-	-	-	-	2.85
	(1.00)	(-)	(-)	(-)	(-)	(-)	(1.00)
Mr. Tusshar Kapoor	0.90	-	-	-	-	-	0.90
	(0.60)	(-)	(-)	(-)	(-)	(-)	(0.60)
Rent paid							
Mr. Jeetendra Kapoor	46.65	-	-	-	-	-	46.65
	(44.00)	(-)	(-)	(-)	(-)	(-)	(44.00)
Mrs. Shobha Kapoor	1,246.49	-	-	-	-	-	1,246.49
	(723.87)	(-)	(-)	(-)	(-)	(-)	(723.87)
Mr. Tusshar Kapoor	11.69	-	-	-	-	-	11.69
	(12.13)	(-)	(-)	(-)	(-)	(-)	(12.13)
Ms. Ekta Kapoor	146.27	-	-	-	-	-	146.27
	(12.49)	(-)	(-)	(-)	(-)	(-)	(12.49)
Location Hire							
Balaji Films & Telly Investments Limited	-	-	41.00	-	-	-	41.00
	(-)	(-)	(91.24)	(-)	(-)	(-)	(91.24)
Capital Advances given							
M/s. J K Developers	-	-	-	-	-	-	0.00
	(-)	(-)	(-)	(-)	(400.00)	(-)	(400.00)
Capital Advances returned							
M/s. J K Developers	-	-	-	-	400.00	-	400.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Interest received on Capital Advances							
M/s. J K Developers	-	-	-	-	56.27	-	56.27
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Purchase of rights							
Balaji Films & Telly Investments Limited	-	-	101.00	-	-	-	101.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)

ADMP

BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Remuneration							
Mrs. Shobha Kapoor	110.12	-	-	-	-	-	110.12
	(110.12)	(-)	(-)	(-)	(-)	(-)	(110.12)
Ms. Ekta Kapoor	127.19	-	-	-	-	-	127.19
	(132.30)	(-)	(-)	(-)	(-)	(-)	(132.30)
Sameer Nair (from July 15, 2014)	296.09	-	-	-	-	-	296.09
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Artists fees							
Mr. Tusshar Kapoor	50.00	-	-	-	-	-	50.00
	(21.50)	(-)	(-)	(-)	(-)	(-)	(21.50)
Legal and Professional charges							
Mr. Ramesh Sippy	-	1.20	-	-	-	-	1.20
	(-)	(3.20)	(-)	(-)	(-)	(-)	(3.20)
Sale of film rights							
Raksha Entertainment Pvt Ltd	-	-	-	31.39	-	-	31.39
	(-)	(-)	(-)	(116.45)	(-)	(-)	(116.45)
Dividend paid							
Mrs. Shobha Kapoor	36.51	-	-	-	-	-	40.15
	(40.15)	(-)	(-)	(-)	(-)	(-)	(40.15)
Ms. Ekta Kapoor	54.29	-	-	-	-	-	42.67
	(42.67)	(-)	(-)	(-)	(-)	(-)	(42.67)
Mr. Jeetendra Kapoor	13.04	-	-	-	-	-	13.04
	(17.57)	(-)	(-)	(-)	(-)	(-)	(17.57)
Mr. Tusshar Kapoor	8.12	-	-	-	-	-	8.12
	(8.12)	(-)	(-)	(-)	(-)	(-)	(8.12)
Mr. Ramesh Sippy	-	0.01	-	-	-	-	0.01
	(-)	(0.01)	(-)	(-)	(-)	(-)	(0.01)
Amount receivable as at March 31, 2015							
Mrs. Shobha Kapoor *	340.00	-	-	-	-	-	340.00
	(340.00)	(-)	(-)	(-)	(-)	(-)	(340.00)
Mr. Jeetendra Kapoor *	300.00	-	-	-	-	-	300.00
	(300.00)	(-)	(-)	(-)	(-)	(-)	(300.00)
Mr. Tusshar Kapoor *	100.00	-	-	-	-	-	100.00
	(100.00)	(-)	(-)	(-)	(-)	(-)	(100.00)
Mr. Ekta Kapoor *	100.00	-	-	-	-	-	100.00
	(100.00)	(-)	(-)	(-)	(-)	(-)	(100.00)
Raksha Entertainment Pvt Ltd	-	-	-	0.76	-	-	0.76
	(-)	(-)	(-)	(31.45)	(-)	(-)	(31.45)
Amount payable as at March 31, 2015							
Balaj Films & Telly Investments Limited	-	-	-	-	-	-	-
	(-)	(-)	(10.44)	(-)	(-)	(-)	(10.44)
Investment as on March 31, 2015							
IPB Capital Advisors LLP	-	-	-	-	-	0.50	0.50
	(-)	(-)	(-)	(-)	(-)	(0.50)	(0.50)

* - Deposit for leased property

Note

(i) There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties
(ii) Figures in bracket relate to the previous year.

23.8 Income in foreign currency

	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Sale of Film Rights	813.63	10,417.14
Sales of Concept	29.25	-
Sales of services	6.36	7.33

23.9 Expenditure in foreign currency

	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Line production charges	155.96	-
Artists, Directors and other technician fees	36.16	-
Shooting and location expenses	285.34	402.93
Set properties and equipment hire charges	225.10	-
Other production expenses	58.79	-
Travelling and conveyance expenses	41.43	0.97

ADUP

BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

23.10 Amounts remitted in foreign currency during the year on account of

	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Amount of dividend remitted in foreign currency (₹ in Lacs)	67.79	67.79
Total number of non-resident shareholders (to whom the dividends were remitted in foreign)	1.00	1.00
Total number of shares held by them on which dividend was due (Number)	16948194	16948194
Year to which dividend relates	2013-14	2012-13

23.11 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 ₹68.03 Lacs (previous year ₹59.01 Lacs)

b) a) Defined Benefit Plans

i Reconciliation of asset / (liability) recognized in the Balance Sheet (under pre-paid expenses, refer Note 15)

	As at March 31, 2015	As at March 31, 2014
	₹ in Lacs	₹ in Lacs
Fair Value of plan assets as at the end of the year	84.71	72.57
Present Value of Obligation as at the end of the year	(34.91)	(29.89)
Net assets in the Balance Sheet	49.81	42.68

ii Movement in net liability recognized in the Balance Sheet

	As at March 31, 2015	As at March 31, 2014
	₹ in Lacs	₹ in Lacs
Net (assets) as at the beginning of the year	(42.68)	(40.19)
Net expense recognized in the Statement of Profit and Loss	(1.51)	1.67
Contribution during the year	(5.62)	(4.15)
Net (assets) as at the end of the year	(49.81)	(43.64)

iii Expense Recognized in the profit and loss account (Under the head "Employees benefit expenses" refer Note 20)

	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Current Service Cost	0.43	11.34
Interest Cost	0.29	2.24
Expected Return on Plan assets	(3.83)	(5.93)
Actuarial (gains)	(7.38)	(5.97)
Expense charged to the Statement Profit and Loss	(1.50)	1.68

ADUP

BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

IV Return on Plan Assets

	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Expected return on plan assets	6.31	5.93
Actuarial (gains)	(2.05)	(1.62)
Actual return on plan assets	8.36	4.31

V Reconciliation of defined benefits commitments

	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Commitments at beginning of the year	29.88	27.95
Current Service Cost	9.43	11.34
Interest Cost	2.77	2.24
Actuarial (gains)	(7.17)	(5.96)
Benefits paid	-	(5.68)
Settlement cost	-	-
Commitments at year end	34.91	29.89

VI Reconciliation of plan assets

	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Fair Value of plan assets at beginning of the year	72.57	68.14
Expected return on plan assets	6.31	5.93
Actuarial gains/(losses)	2.05	(1.62)
Employer contribution	5.62	4.15
Benefits paid	-	(5.68)
Fair Value of plan assets at year end	86.55	70.92

VII Experience Adjustment

	For the Year 2014-2015	For the Year 2013-2014	For the Year 2012-2013	For the Year 2011-2012	For the Year 2010-2011
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
On Plan liability (gains) / losses	(12.59)	0.54	(37.79)	(3.61)	(0.59)
On Plan assets gains / (losses)	0.21	0.02	0.45	0.43	0.57

VIII Actuarial Assumptions

	For the year ended March 31, 2015	For the year ended March 31, 2014
	₹ in Lacs	₹ in Lacs
Mortality Table (LIC)	1994-96 (Ultimate)	1994-96 (Ultimate)
Discount Rate (per annum)	8.03%	9.31%
Expected Rate of return on Plan assets (per annum)	8.03%	8.70%
Rate of escalation in Salary (per annum)	5.00%	5.00%
Attrition rate	2.00%	2.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Composition of plan assets

	For the year ended March 31, 2015	For the year ended March 31, 2014
Insurer managed funds	100%	100%

23.12 Earning per share

Earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as under :

	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Profit / (Loss) for the year attributable to equity share holders (₹ in Lacs)	562.63	(1,721.24)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	65,210,443	65,210,443
(c) Earnings per share - Basic and diluted (₹)	0.86	(2.64)
(d) Nominal value of shares (₹)	2	2

23.13 Components of Deferred tax Assets / (Liabilities)

	As at 31 March, 2015	As at 31 March, 2014
	₹ in Lacs	₹ in Lacs
Difference between the books and tax written down values of fixed assets	348.63	180.51
Provision for doubtful debts and advances	151.13	72.26
Disallowance under the Income Tax Act, 1961	69.59	-
Deferred tax asset/ (liability)-net	569.35	252.77

23.14 Lease Transactions

Amount of lease rentals charged to the Statement of profit and loss in respect of operating leases is ₹ 1655.12 Lacs (previous year ₹ 934.90 Lacs).

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Note 22 Additional information to the financial statements and disclosure under Accounting Standards (contd.)

Note

23.15 Segment Information

(A) Information about primary segments

The Company has considered business segment as the primary segment for disclosure. The reportable business segments are as under:

- (a) Commissioned Programmes : Income from sale of television serials to channels
(b) Feature Films : Income from business of production and / or distribution of motion pictures and films

	Commissioned Programmes		Feature Films		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue	23,344.79	13,348.06	10,919.28	27,134.33	34,264.07	40,482.39
Add: Inter Segment sale	-	-	-	-	-	-
Total Revenue	23,344.79	13,348.06	10,919.28	27,134.33	34,264.07	40,482.39
Segment result	3,095.86	2,121.43	(623.70)	(2,671.80)	2,472.16	(550.37)
Unallocable expenses (net)					(3,113.76)	(2,643.54)
Operating Income	327.67		57.02	35.01	384.69	275.61
Other Income	1,008.45		97.28	9.31	1,105.73	1,798.40
Profit before tax	4,431.98		(469.40)	(2,627.48)	848.82	(1119.88)
Tax expense			-	-	(286.17)	(599.47)
Profit for the year	4,431.98		(469.40)	(2,627.48)	562.65	(1719.35)
Segment assets	11,189.10	6,900.18	8,934.37	12,056.05	20,123.47	18,956.24
Unallocable assets					22,938.06	24,513.82
Total assets					43,061.53	43,470.06
Segment liabilities	3,335.89	2,257.35	555.81	2,097.25	3,891.70	4,354.60
Unallocated liabilities					992.45	849.50
Total Liabilities					4,884.15	5,204.10
Other Information						
Capital expenditure (allocable)	1,250.79	116.85	304.23	122.24	1,555.02	239.09
Capital expenditure (unallocable)					-	-
Depreciation / Amortisation (allocable)	345.22	403.44	63.62	35.18	408.84	438.62
Depreciation / Amortisation (unallocable)					418.50	164.56

(B) Segment information for secondary segment reporting (by geographical segment)

During the current year, the Company in view of similar risks and rewards, has considered its operations under one geographical segment and hence disclosure relating to geographical segment for current year are not given

The Company in the previous year had two reportable geographical segments based on location of customers:

- i) Revenue from customers within India – Local
ii) Revenue from customers outside India – Export

	Export	Local	Total
	Previous Year	Previous Year	Previous Year
A) Revenue (Turnover)	10,417.14	30,328.87	40,746.01
B) Carrying amount of assets	-	43,470.06	43,470.06
C) Addition to fixed assets	-	178.03	178.03

ADUP

Note 22 Additional information to the financial statements and disclosure under Accounting Standards (contd.)

Note

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

Name of the LLP	As at March 31, 2015			As at March 31, 2014		
	Names of partners in the LLP	Total capital	Share of each partner in the profits of the LLP	Names of partners in the LLP	Total capital	Share of each partner in the profits of the LLP
IPB Capital Advisors LLP	Balaji Telefilms Limited	0.500	50.00%	Balaji Telefilms Limited	0.500	50.00%
	IP Capital Advisors LLP	0.490	49.00%	IP Capital Advisors LLP	0.490	49.00%
	IPM Capital Advisors LLP	0.010	1.00%	IPM Capital Advisors LLP	0.010	1.00%
		1.000	100.00%		1.000	100%
Indus Balaji Education Capital Advisors LLP	Balaji Telefilms Limited	0.375	18.75%	Balaji Telefilms Limited	0.375	18.75%
	IP Capital Advisors LLP	0.375	18.75%	IP Capital Advisors LLP	0.375	18.75%
	IPX Capital Advisors LLP	0.250	12.50%	IPX Capital Advisors LLP	0.250	12.50%
	Mohit Raihan	0.500	25.00%	Mohit Raihan	0.500	25.00%
	IPM Capital Advisors LLP	0.500	25.00%	IPM Capital Advisors LLP	0.500	25.00%
		2.000	100.00%		2.000	100%
Event Media LLP	Balaji Telefilms Limited	0.510	51.00%	-	-	-
	Select Media Holding Limited	0.490	49.00%	-	-	-
		2.000	100.00%			

23.17 The group did not have any long term contracts including derivative contracts for which any provision is required for foreseeable losses

23.18 During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, The group revised the estimated useful life of relevant assets to align the useful life with those specified in Schedule II. Pursuant to the transitional provisions prescribed in Schedule II to the Companies Act, 2013, The group has fully depreciated the carrying value of the assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and adjusted an amount of ₹ 178.97 lacs (net of deferred tax credit of ₹ 85.17 lacs) against the opening balance in the Statement of Profit and Loss under Reserves and Surplus. The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 171.00 lacs and profit after tax for the year is lower by ₹ 119.87 consequent to the change in the useful life of the assets.

23.19 The Company has investments in Optionally Convertible Debentures in Aristo Learning Private Limited and Second School Learning Private Limited aggregating ₹ 465.81 lacs. These investments are strategic and non-current (long-term) in nature. However, considering the current financial position of the respective investee companies, the Company, out of abundant caution, has, during the current year provided for these investments considering the diminution in their respective values.

23.20(a) The Parent Company, during the year, has acquired 51% of the Paid-up Equity Share Capital of Marinating Films Private Limited (MFPL) for ₹ 100 lacs, thereby making MFPL a subsidiary of the Company.

23.20(b) The Company during the year, pursuant to a memorandum of understanding (MOU) with Chhayabani Private Limited (CPL), on Feb 16, 2015 has formed Chhayabani Balaji Entertainment Private Limited (CBEPL). Subsequent to the year end, the Company has completed other formalities related to commencement of business.

23.21 Pursuant to the Shareholders' approval at the Extra Ordinary General Meeting on August 9, 2013, BMPL has paid remuneration to its Managing Director. The Parent Company has received approval from the Central Government for the remuneration paid till March 31, 2014. The remuneration paid for the year ended March 31, 2015 exceeds by ₹ 48.31 lakhs as determined under Section 197 of the Companies Act, 2013 and is subject to Central Government approval for which BMPL has filed an application with the Central Government.

23.22 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

Balaji Telefilms Limited	As % of consolidated net assets	Amount (Rs. Lacs)	Share of profit or loss	
			As % of consolidated profit or loss	Amount (Rs. Lacs)
Subsidiaries				
Balaji Motion Pictures Limited	-11.89%	(4,541.02)	-95.46%	(536.09)
Bolt Media Limited	-0.33%	(127.79)	3.14%	17.62
Event Media LLP	-0.12%	(44.59)	-7.94%	(44.59)
Marinating Films Private Limited	-0.40%	(151.94)	-30.41%	(170.77)
Associates				
IBP Capital Advisors	NA	NA	-0.19%	(1.06)

23.23 The figures of the previous year have been regrouped wherever necessary to correspond with those of the current year.

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

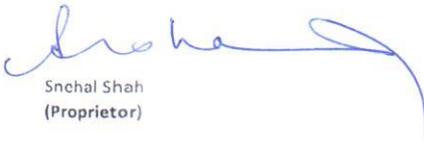
Signatures to notes 1 to 23

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants



A. B. Jani
(Partner)
Place : Mumbai
Date : May 20, 2015

For Snehal & Associates
Chartered Accountants



Snehal Shah
(Proprietor)

Place : Mumbai
Date : May 20, 2015

For and on behalf of the Board of Directors



Jeetendra Kapoor
(Chairman)



Sameer Nair
(Group Chief Executive Officer)



Simmi Singh Bisht
(Company Secretary)

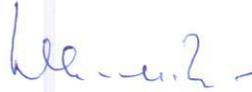
Place : Mumbai
Date : May 20, 2015



Shobha Kapoor
(Managing Director)



Ekta Kapoor
(Director)



D.G. Rajan
(Director)



Sanjay Dwivedi
(Group Chief Financial Officer)

INDEPENDENT AUDITORS' REPORT

**To The Members Of
Balaji Telefilms Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Balaji Telefilms Limited (the Company) which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required under provisions of Section 227(3) of the Act, we report that:
 - (a) We have 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 appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

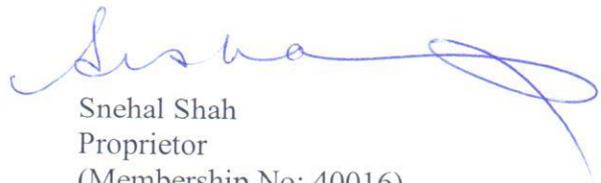
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs);
- (e) On the basis of written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1) (g) of the Act.

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



A.B. Jani
Partner
(Membership No: 46488)
Mumbai, dated: May 15, 2014

For Snehal & Associates
Chartered Accountants
(Firm's Registration No: 110314W)



Snehal Shah
Proprietor
(Membership No: 40016)
Mumbai, dated: May 15, 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Re: Balaji Telefilms Limited

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) The nature of the Company's business/ activities/ results during the year are such that clauses (xiii) and (xiv) of paragraph 4 of the Order are not applicable to the Company.
- (ii)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the management in accordance with the regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii)
 - (a) The inventories (tapes) have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and book records were not material.
- (iv)
 - (a) The Company has granted interest free unsecured loans aggregating Rs. 10,796.09 lakhs to its wholly owned subsidiaries (two) covered in the register maintained under section 301 of the Companies Act, 1956. At the year-end, the outstanding balances of such loans aggregated Rs. 11,418.34 lakhs and the maximum amount involved during the year was Rs. 16,800.29 lakhs.

- (b) In our opinion, the terms and conditions of the loan given are not, *prima facie*, prejudicial to the interests of the Company.
- (c) According to information and explanations given to us, since there are no repayment schedules with regard to the loans given, clause (iii) (c) to (d) of paragraph 4 of Companies (Auditor's Report) Order, 2003 are not applicable to the Company
- (d) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, clause (iii)(e) to (g) of paragraph 4 of Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) Where each of such transaction is in excess of Rs. 5 lakhs in respect of any party, the transactions have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time where such market prices are available with the Company.
- (vii) The Company has not accepted any deposit from the public.
- (viii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the Company and the nature of its business.
- (ix) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and we are of the opinion that

prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records.

- (x) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Value Added Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2014 for a period of more than six months from the date they became payable.
- (c) There were no dues of Income-tax, Value Added Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2014 on account of disputes, except in case of service tax which is as detailed below:

Name of Statute	Forum where dispute is pending	Nature of dues	Amount (Rs. in lakhs)	Financial Year to which amount relates
Sales Tax Act	Department of Sales Tax	VAT	17,708.81	1.4.2000 to 31.3.2004
The Finance Act 1994	Office of the Commissioner of Service Tax	Service Tax	9,245.00	1.4.2006 to 31.3.2010

- (xi) The Company has no accumulated losses as at the end of the year and it has not incurred cash losses in the current year and in the immediately preceding financial year.

ASIP

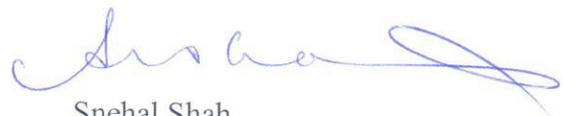
- (xii) According to the information and explanations given to us, the Company does not have any borrowings from any banks, financial institutions and debenture holders.
- (xiii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xv) According to the information and explanations given to us, the Company has not taken term loans during the year.
- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been used during the year for long-term investment.
- (xvii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xviii) According to the information and explanations given to us the Company has not issued any debentures during the year.
- (xix) The Company has not raised any money by way of public issues during the year.
- (xx) 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.

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



A.B. Jani
Partner
(Membership No: 46488)
Mumbai, dated: May 15, 2014

For Snehal & Associates
Chartered Accountants
(Firm's Registration No: 110314W)



Snehal Shah
Proprietor
(Membership No: 40016)
Mumbai, dated: May 15, 2014

BALAJI TELEFILMS LIMITED
Balance Sheet as at March 31, 2014

		Note No.	As at March 31, 2014	As at March 31, 2013
			₹ in Lacs	₹ in Lacs
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	1,304.21	1,304.21
	(b) Reserves and surplus	4	41,115.60	40,418.67
			42,419.81	41,722.88
2	Current liabilities			
	(a) Trade payables	23.5	2,141.65	2,001.39
	(b) Other current liabilities	5	348.73	298.16
	(c) Short-term provisions	6	331.55	314.47
			2,821.93	2,614.02
	TOTAL		45,241.74	44,336.90
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets	7		
	(i) Tangible assets		2,075.23	2,592.73
	(ii) Capital work-in-progress		87.56	3.15
			2,162.79	2,595.88
	(b) Non-current investments	8	6,676.69	6,176.69
	(c) Deferred tax assets (net)	23.13	252.77	149.06
	(d) Long-term loans and advances	9	3,698.00	3,450.23
	(d) Other non-current assets	10	10.59	11.73
			12,800.84	12,383.59
2	Current assets			
	(a) Current investments	11	15,997.59	11,865.78
	(b) Inventories	12	652.09	346.27
	(c) Trade receivables	13	3,151.65	3,640.07
	(d) Cash and cash equivalents	14	84.66	944.72
	(e) Short-term loans and advances	15	11,806.41	15,001.44
	(f) Other current assets	16	748.50	155.04
			32,440.90	31,953.32
	TOTAL		45,241.74	44,336.90
See accompanying notes forming part of financial statements				

ALUP

BALAJI TELEFILMS LIMITED
Balance Sheet as at March 31, 2014

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants



A. B. Jani
(Partner)
Place : Mumbai
Date : May 15, 2014

For and on behalf of the Board of Directors

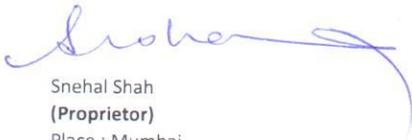


Jeetendra Kapoor
(Chairman)



Shobha Kapoor
(Managing Director)

For Snehal & Associates
Chartered Accountants



Snehal Shah
(Proprietor)
Place : Mumbai
Date : May 15, 2014



Simmi Singh Bisht
(Company Secretary)
Place : Mumbai
Date : May 15, 2014



D.G. Rajan
(Director)



Sanjay Dwivedi
(Chief Financial Officer)

BALAJI TELEFILMS LIMITED

Statement of Profit and Loss for the year ended March 31, 2014

Particulars		Note No.	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
			₹ in Lacs	₹ in Lacs
1	Revenue			
	Revenue from Operations	17	13,153.69	14,085.25
2	Other income	18	1,789.09	1,816.81
3	Total Revenue (1+2)		14,942.78	15,902.06
4	Expenses			
	(a) Cost of Production of television serials	19	10,059.66	10,919.85
	(b) Employee benefits expense	20	721.90	751.78
	(c) Finance costs	21	118.86	8.52
	(d) Depreciation and amortization expense	7	545.38	786.37
	(e) Other expenses	22	1,895.42	1,774.13
	Total Expenses		13,341.22	14,240.65
5	Profit before tax (3-4)		1,601.56	1,661.41
6	Tax expense:			
	(a) Current tax		364.17	376.24
	(b) Less: MAT credit		(70.00)	-
	(c) Deferred tax		(103.70)	(45.82)
	(d) Short/(Excess) provision for tax in respect for earlier years		409.00	(1.97)
			599.47	328.45
7	Profit for the year (5-6)		1,002.09	1,332.96
8	Earnings per share (of ₹ 2/- each):	23.12		
	Basic and diluted earnings per share		1.54	2.04
	See accompanying notes forming part of the financial statements			

AK/10

BALAJI TELEFILMS LIMITED

Statement of Profit and Loss for the year ended March 31, 2014

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



A. B. Jani
(Partner)
Place : Mumbai
Date : May 15, 2014



Jeetendra Kapoor
(Chairman)

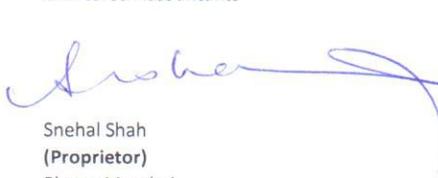


Shobha Kapoor
(Managing Director)

For Snehal & Associates
Chartered Accountants

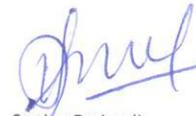


D.G. Rajan
(Director)



Snehal Shah
(Proprietor)
Place : Mumbai
Date : May 15, 2014

Simmi Singh Bisht
(Company Secretary)
Place : Mumbai
Date : May 15, 2014



Sanjay Dwivedi
(Chief Financial Officer)

BALAJI TELEFILMS LIMITED

Cash Flow Statement for the year ended March 31, 2014

Particulars	For the year ended March 31, 2014		For the year ended March 31, 2013	
	₹ in Lacs		₹ in Lacs	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		1,601.56		1,661.41
Adjustments for:				
Depreciation	545.38		786.37	
Bad debts written off	-		95.43	
Provision for doubtful debts and advances	169.72		13.00	
Loss / (Profit) on sale / discard of fixed assets(net)	2.68		(14.49)	
Dividend / profit on sale of long term investments (non-trade) (net)	(1,104.30)		(1,384.68)	
Provision for earlier years written back (net)	-		(241.95)	
Provision for doubtful debts written back	-		(78.69)	
Interest income on Fixed Deposits	(9.00)		(17.38)	
Operating profit before working capital changes	1,206.04		819.03	
Adjustments for:				
(Increase) in trade and other receivable	(372.24)		(74.38)	
(Increase) / Decrease in inventories	(305.82)		338.90	
Increase / (Decrease) in trade payables and other payables	432.79		(116.80)	
Cash generated from operations		960.77		966.74
Income-tax refund received / (paid)		(991.51)		1,212.86
NET CASH (USED IN)/ FROM OPERATING ACTIVITIES (A)		(30.74)		2,179.60
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(116.85)		(147.97)	
Sale of fixed assets	1.87		18.01	
Purchase of current investments	(19,085.17)		(14,934.98)	
Sale of current investments	16,005.75		25,450.10	
Optionally Convertible Debentures allotted	-		(605.85)	
Optionally Convertible Debentures redeemed	-		1,098.84	
Investment in Trust / Limited Liability Partnership	(500.00)		(1,905.38)	
Investment in Subsidiary	-		(5.00)	
Loans given to subsidiaries	(10,796.09)		(13,241.94)	
Loans repaid by subsidiaries	14,022.72		2,661.76	
Bank Balance not considered as cash and cash equivalents (Refer Note 14)	(48.45)		(19.61)	
Interest income	5.21		17.38	
NET CASH (USED IN) INVESTING ACTIVITIES (B)		(511.01)		(1,614.63)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Dividend paid (net of movement of unpaid dividend account)	(260.84)		(130.93)	
Corporate dividend tax paid	(44.33)		(21.16)	
NET CASH FLOW (USED IN) FINANCING ACTIVITIES (C)		(305.17)		(152.09)
Net (decrease)/ increase in cash and cash equivalents (A+B+C)		(846.92)		412.89
Cash and cash equivalents at the beginning of the year		883.13		470.24
Cash and cash equivalents at the end of the year		36.21		883.13
See accompanying notes forming part of the financial statements.				

Note:

(i) Components of cash and cash equivalents include cash and bank balances in current and deposit accounts (Refer note 14).

	₹ in Lacs	₹ in Lacs
(ii) Cash and cash equivalents at the end of the year as per cashflow statement	36.21	883.13
- Unpaid dividend accounts	7.47	7.67
- Fixed deposits kept in lien against bank guarantee	40.98	53.92
Cash and cash equivalents at the end of the year as per Note 14	84.66	944.72

AKUP

BALAJI TELEFILMS LIMITED
Cash Flow Statement for the year ended March 31, 2014

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



A. B. Jani
(Partner)
Place : Mumbai
Date : May 14, 2014

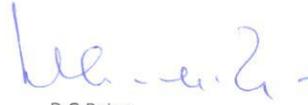


Jeetendra Kapoor
(Chairman)

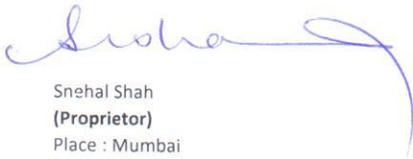


Shobha Kapoor
(Managing Director)

For Snehal & Associates
Chartered Accountants



D.G. Rajan
(Director)



Snehal Shah
(Proprietor)
Place : Mumbai
Date : May 15, 2014



Simmi Singh Bisht
(Company Secretary)
Place : Mumbai
Date : May 15, 2014



Sanjay Dwivedi
(Chief Financial Officer)

BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1

Corporate information

Balaji Telefilms Limited 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.

Note 2

Significant accounting policies

Basis of accounting and preparation of financial statements

The financial statements have been prepared to comply with accounting principles generally accepted in India, the Accounting Standards (AS) notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956.

Use of Estimates

The preparation of financials statements, in conformity with generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of the revenue and expenses during the reported year. Differences between the actual results and the estimates are recognized in the year in which the results are known / materialize.

Fixed assets

Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation / amortisation and impairment loss, if any.

Depreciation / Amortisation

Depreciation on fixed assets is provided on straight line basis in accordance with provisions of the Companies Act, 1956 at the rates and in the manner specified in schedule XIV of this Act except for the following fixed assets which are depreciated as per management estimates of their useful life which are as under:

Studios and Sets @ 33.33%

Leasehold improvements are amortised over the period of lease

Impairment loss

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amounts. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Investments

Current investments are carried at lower of cost and fair value. Long term investments are carried at cost. However, when there is a decline, other than temporary, the carrying amount is reduced to recognise the decline.

2011

BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Inventories

Items of inventory are valued at lower of cost and net realisable value. Cost is determined on the following basis:

Tapes	: First In First Out
Television serials	: Average cost

Revenue recognition

- a) In respect of sponsored programmes, revenue is recognised as and when the relevant episodes of the programmes are telecast.
- b) In respect of commissioned programmes, revenue is recognised as and when the relevant episodes of the programmes are telecast on broadcasting channels.

In all other cases, revenue (income) is recognised when no significant uncertainty as to its determination or realisation exists.

Employee benefits

- a) Post employment benefits and other long term benefits

- i) Defined Contribution Plans:

The Company contributes towards Provident Fund and Family Pension Fund. Liability in respect thereof is determined on the basis of contribution as required under the Statute / Rules.

- ii) Defined Benefit Plans:

The trustees of Balaji Telefilms Limited Employees Group Gratuity Scheme have taken a Group Gratuity cum Life Assurance Policy from the Life Insurance Corporation of India (LIC).

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'. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Gains and losses on changes in actuarial assumptions are accounted in the statement of profit and loss.

- b) Short Term Employee Benefits:

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Foreign currency transactions

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realisation / payment of foreign exchange are accounted in the relevant year as income or expense.

Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

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BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Operating leases

Assets taken on lease under which, all the risks and rewards of the ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognized as expenses in accordance with the respective lease agreements.

Taxes on income

Tax expense comprises of current tax and deferred tax.

Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, using the applicable tax rates.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years / period. Deferred tax assets are recognized only to the extent that there is reasonable certainty, that sufficient future income will be available except that the deferred tax assets, in case there are unabsorbed depreciation and losses, are recognized if there is a virtual certainty that sufficient future taxable income will be available to realize the same.

Provisions and Contingencies

Provision is recognized in the accounts when there is a present obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation. Contingent liabilities, if any, are disclosed in the notes to the financial statements.

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 3 Share capital

Particulars	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
(a) Authorised 75,000,000 Equity Shares of ₹ 2/- each	1,500.00	1,500.00
	1,500.00	1,500.00
(b) Issued, Subscribed and fully paid-up 65,210,443 Equity Shares of ₹ 2/- each	1,304.21	1,304.21
Total	1,304.21	1,304.21

Notes :

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

Name of shareholder	As at March 31, 2014		As at March 31, 2013	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Star Middle East FZ LLC	16,948,194	25.99	16,948,194	25.99
Ekta Kapoor	13,572,704	20.81	10,668,188	16.36
Shobha Kapoor	9,129,462	14.00	10,037,500	15.39
Jeetendra Kapoor	3,260,522	5.00	4,392,000	6.74

(ii) All the above Equity Shares have the same rights to dividend, voting and in case of repayment of Capital.

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 4 Reserves and surplus

Particulars	As at March 31, 2014		As at March 31, 2013	
	₹ in Lacs		₹ in Lacs	
(a) Securities premium account As per last Balance Sheet		14,785.61		14,785.61
(b) General reserve As per last Balance Sheet	4,910.17		4,776.87	
Add: Transferred from surplus in Statement of Profit and Loss	100.21		133.30	
		5,010.38		4,910.17
(c) Surplus in Statement of Profit and Loss				
Opening balance	20,722.90		19,828.40	
Add: Profit for the year	1,002.09		1,332.96	
Less : Dividends proposed to be distributed to equity shareholders (Current year ₹0.40 per share (Previous year ₹0.40 per share))	260.84		260.84	
Tax on dividend	44.33		44.33	
Transferred to General reserve	100.21		133.30	
Closing balance		21,319.61		20,722.90
Total		41,115.60		40,418.67

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 5 Other current liabilities

Particulars	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
(a) Unpaid dividends (Refer Note below)	7.47	7.67
(b) Temporarily overdrawn book balances	167.11	-
(b) Other payables		
(i) Statutory liabilities	93.19	130.87
(ii) Advances from customers	80.96	159.62
Total	348.73	298.16

Note

Appropriate amount shall be transferred to "Investor Education and Protection Fund" if and when due.

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 6 Short-term provisions

Particulars	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
Provision - Others:		
(i) Provision for tax (net of advance tax ₹103.31 (As at March 31, 2013 NIL))	26.38	9.30
(ii) Provision for proposed equity dividend	260.84	260.84
(iii) Provision for tax on proposed dividend	44.33	44.33
Total	331.55	314.47

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 7 Fixed Assets

PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK	
	As at April 01, 2013	Additions	Deductions	As at March 31, 2014	Upto March 31, 2013	For the Year	On Deductions	Upto March 31, 2014	As at March 31, 2014
Tangible assets									
Buildings (refer note a below)	469.36 (469.36)	- (-)	- (-)	469.36 (469.36)	65.44 (57.79)	7.65 (7.65)	- (-)	73.09 (65.44)	396.27 (403.92)
Plant and machinery - Computers	631.54 (610.24)	1.07 (21.50)	- (0.20)	632.61 (631.45)	510.55 (439.00)	58.53 (71.74)	- (0.19)	569.08 (510.55)	63.53 (120.99)
Plant and machinery - Others	2,200.51 (2,191.86)	0.86 (9.10)	- (0.45)	2,201.37 (2,200.51)	1,364.75 (1,212.42)	152.59 (152.68)	- (0.35)	1,517.34 (1,364.75)	684.03 (835.76)
Computers	390.69 (394.41)	6.65 (1.89)	- (5.61)	397.34 (390.69)	344.28 (332.36)	15.31 (15.03)	- (3.11)	359.59 (344.28)	37.75 (46.41)
Studios and sets	4,716.84 (4,639.68)	17.29 (77.16)	- (-)	4,734.13 (4,716.84)	4,471.53 (4,109.21)	169.62 (362.32)	- (-)	4,641.15 (4,471.53)	92.98 (245.31)
Vehicles	822.35 (761.82)	- (100.98)	10.39 (40.45)	811.96 (822.35)	354.47 (322.77)	71.57 (72.15)	6.20 (40.45)	419.84 (354.47)	392.12 (467.88)
Furniture and fixtures	304.23 (303.71)	- (0.52)	0.38 (-)	303.85 (304.23)	156.29 (137.24)	19.06 (19.05)	0.28 (-)	175.07 (156.29)	128.78 (147.94)
Office equipments	327.43 (326.89)	6.56 (1.60)	0.43 (1.06)	333.56 (327.43)	100.49 (85.14)	15.66 (15.58)	0.17 (0.23)	115.98 (100.49)	217.58 (226.94)
Electrical fittings	89.68 (87.70)	- (1.98)	- (-)	89.68 (89.68)	23.32 (19.14)	4.22 (4.18)	- (-)	27.54 (23.32)	62.14 (66.36)
Lease Hold Improvements	386.41 (386.41)	- (-)	- (-)	386.41 (386.41)	355.19 (289.20)	31.17 (65.99)	- (-)	386.36 (355.19)	0.05 (31.22)
Total	10,339.04 (10,172.08)	32.43 (214.73)	11.20 (47.77)	10,360.27 (10,339.05)	7,746.31 (7,004.27)	545.38 (786.37)	6.65 (44.33)	8,285.04 (7,746.31)	2,075.23 (2,592.73)

a. Building includes ₹ 220.86 lacs (previous year ₹ 220.86 lacs), being cost of ownership premises in co-operative society including cost of shares of face value of ₹ 0.01 lac received under Bye-law of the society.
b. Figures in brackets denote previous year figures

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BALAJI TELEFILMS LIMITED

Notes forming part of the financial statements

Note 8 Non-current investments (unquoted)

Particulars	As at March 31, 2014		As at March 31, 2013	
	Unquoted ₹ in Lacs		Unquoted ₹ in Lacs	
(Non-trade) (At cost):				
(a) Investment in fully paid-up Equity Shares of wholly owned subsidiaries (Refer Note 23.6)				
30,000,000 (Previous Year 30,000,000) Equity Shares of ₹10/- each in Balaji Motion Pictures Limited		3,000.00		3,000.00
50,000 (Previous Year 50,000) Equity Shares of ₹10/- each in Bolt Media Limited		5.00		5.00
(b) Investment in optionally convertible debentures (OCDs) of :				
(i) Aristo Learning Private Limited				
Series A 3,000 (Previous year 3,000) Debentures of ₹100 each	3.00		3.00	
Series B 62,810 (Previous year 62,810) Debentures of ₹100 each	62.81		62.81	
(ii) Second School Learning Private Limited				
Series A 1,000 (Previous year 1,000) Debentures of ₹100 each	1.00		1.00	
Series B 399,000 (Previous year 399,000) Debentures of ₹100 each	399.00		399.00	
		465.81		465.81
(c) Investment in Associate (Refer Note 23.16)				
(i) IPB Capital Advisors LLP		0.50		0.50
(d) Investment in Indus Balaji Investor Trust (Refer Note 23.1 B)				
(i) 3,200,000 (Previous year 2,700,000) Class A units of ₹100 each	3,200.00		2,700.00	
(ii) 5,000 (Previous year 5,000) Class B units of ₹100 each	5.00		5.00	
		3,205.00		2,705.00
(e) Investment in Limited Liability Partnership (Refer Note 23.16)				
(i) Indus Balaji Education Capital Advisors LLP		0.38		0.38
Total		6,676.69		6,176.69

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BALAJI TELEFILMS LIMITED

Notes forming part of the financial statements

Note 9 Long term loans and advances (unsecured, considered good unless otherwise treated)

Particulars	As at March 31, 2014		As at March 31, 2013	
	₹ in Lacs		₹ in Lacs	
(a) Capital Advances		-		8.13
(b) Security Deposits				
Considered good	728.02		777.54	
Considered doubtful	46.66		-	
	774.68		777.54	
Less: Provision	46.66	728.02	-	777.54
(c) Loan to Balaji Employees Foundation Trust		1,000.00		1,000.00
(d) Advance income-tax (Net of provisions ₹1,261.24 lacs. (As at March 31,2013 ₹6,12.82 lacs))		1,899.98		1,664.55
(e) MAT credit entitlement		70.00		-
Total		3,698.00		3,450.23

Note: Security Deposits include deposits given to three of the Directors for the properties taken on lease from them (also refer note 23.8 (b))

Particulars	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
Amount outstanding as at the year-end	640.00	640.00
Maximum amount outstanding at any time during the year for the above deposits.	640.00	846.60

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BALAJI TELEFILMS LIMITED

Notes forming part of the financial statements

Note 10 Other non-current assets (unsecured, considered good unless otherwise treated)

Particulars	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
(a) Fixed deposits with banks under lien	9.94	10.61
(b) Interest accrued on fixed deposits with banks under lien	0.65	1.12
Total	10.59	11.73

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 11 Current investments (unquoted)

Particulars	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
(Non trade) (at lower of cost and fair value) : Investment in mutual funds (Refer note below)	15,997.59	11,865.78
Total	15,997.59	11,865.78

Note :

	Face Value	Numbers		Value (₹ in Lacs)	
		As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
IN UNITS OF MUTUAL FUNDS					
Kotak Gilt (Investment Regular)- Growth	10	765,716.33	765,716.33	300.00	300.00
Kotak Floater Long Term- Growth	10	5,127,994.75	-	1,000.00	-
Kotak Floater Long Term - Daily Dividend Reinvestment	10	2,127,114.35	-	215.28	-
Kotak Bond Scheme Plan A- Growth	10	2,433,948.34	2,433,948.34	795.00	795.00
Reliance Liquidity Fund	10	199.55	-	2.00	-
Reliance Dynamic Bond Fund- Growth Plan	10	4,516,358.50	2,655,136.71	700.06	400.00
RELIANCE REGULAR SAVINGS FUND - DEBT PLAN-Growth Plan	10	2,467,323.76	-	400.00	-
SBI Dynamic Bond Fund- Growth	10	3,205,349.38	3,205,349.38	450.00	450.00
SBI Magnum Income Fund- Regular Plan- Growth	10	1,731,667.70	1,731,667.70	500.00	500.00
SBI Magnum Income Fund -FR Savings Plus Bond- Regular Plan-Growth	10	2,607,915.55	-	500.00	-
Templeton India Short term Income Retail Plan Growth	1000	34,180.18	21,584.28	800.00	500.00
Templeton India Ultra Short Bond -Super Institutional	10	2,122,215.27	-	201.98	-
UTI Short Term Income Fund Institutional - Growth Option	10	6,850,451.70	-	1,000.00	-
UTI Floating Rate Fund-STP-Regular Plan	10	50,285.44	-	1,000.00	-
UTI-BOND Fund-Growth	10	834,680.86	-	300.16	-
UTI Short Term Income Fund - Growth Option	10	-	7,913,388.24	-	1,000.00

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 11 Current investments (contd.)
Note :

	Face Value	Numbers		Value (₹ in Lacs)	
		As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
IN UNITS OF MUTUAL FUNDS					
Birla Sunlife Dynamic Bond Fund - Retail	10	682,155.27	11,949,294.76	121.73	2,052.80
Birla Sun Life Fixed Plan Series ED Growth	10	5,025,936.00	5,025,936.00	502.59	502.59
Birla Sunlife Floating Rate Fund	10	408,288.81	-	600.00	-
Birla Sun Life Cash Manager	10	299,373.27	-	300.25	-
Birla Sunlife Income Plus	10	1,433,761.59	-	774.67	-
Birla Sunlife-Short Term Opportunities Fund	10	2,520,351.84	-	500.00	-
DWS Treasury Fund -Invst-Regular Plan- Daily Dividend- Reinvestment	10	543,606.12	-	55.67	-
HDFC Income Fund- Growth	10	2,606,804.51	2,606,804.51	700.00	700.00
HDFC High Interest Fund -Dynamic Plan-Growth	10	2,212,477.05	-	900.00	-
HDFC FMP 371D July 2013-Series 26- Regular-Growth	10	4,000,000.00	-	400.00	-
ICICI Prudential FMP Series 60 - 18 Months Plan G Cummulative	10	-	9,723,877.00	-	972.39
ICICI Prudential Short Term Plan - Institutional Growth	10	-	2,298,634.61	-	500.00
ICICI Prudential FMP Series 61 - 18 Months Plan B - Cummulative	10	-	10,000,000.00	-	1,000.00
ICICI Prudential Gilt Fund Investment Plan PF Option	10	1,131,827.93	1,131,827.93	245.00	245.00
ICICI Prudential Gilt Fund Treasury -Regular Plan- Growth	10	1,723,311.93	1,723,311.93	500.00	500.00
ICICI Prudential Income-Regular Plan- Growth	10	769,546.48	-	287.68	-
ICICI Prudential Ultra Short Term -Regular Plan-Daily Dividend	10	3,985,329.61	-	403.01	-
ICICI Prudential Regular Savings Fund-Regular Plan- Growth	10	1,601,281.03	-	200.00	-
ICICI Prudential Interval Fund QIP Plan B -Regular Plan	10	2,864,317.29	-	300.00	-
ICICI Prudential Fmp Series 68-369 Days Plan I Regular Plan Cummulative	10	4,000,000.00	-	400.00	-
ICICI Prudential Flexible Income-Regular Plan-Weekly dividend	100	6,362.21	-	6.36	-
ICICI Prudential Liquid -Regular Plan-Daily Dividend	100	7,978.25	-	9.93	-
IDFC Banking Debt Fund	10	262,251.01	-	26.22	-
IDFC Dynamic Bond Fund Growth -Regular Plan	10	2,806,807.69	-	400.00	-
IDFC Super Saver Income Fund-Invst Plan- Growth	10	688,482.38	-	200.00	-
IDFC Dynamic Bond Fund Plan B-Growth	10	-	4,082,603.58	-	545.00
IDFC Super Saver Income Fund - Short Term - Plan A Growth	10	-	4,200,978.45	-	903.00
			TOTAL	15,997.59	11,865.78

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 12 Inventories

(At lower of cost and net realisable value)

Particulars	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
a) Serials	652.09	341.98
b) Tapes	-	4.29
Total	652.09	346.27

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BALAJI TELEFILMS LIMITED**Notes forming part of the financial statements****Note 13 Trade receivables (unsecured, considered good unless otherwise treated)**

Particulars	As at March 31, 2014		As at March 31, 2013	
	₹ in Lacs		₹ in Lacs	
Trade receivables outstanding for a period exceeding six months from the date they were due for payment				
Considered good	189.55		284.66	
Considered doubtful	176.06		53.00	
	365.61		337.66	
Less: Provision	176.06		53.00	
		189.55		284.66
Other Trade receivables				
Considered good		2,962.10		3,355.41
Total		3,151.65		3,640.07

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 14 Cash and cash equivalents

Particulars	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
(a) Cash on hand	22.28	20.38
(b) Balances with banks		
(i) In current accounts	13.93	715.52
(ii) In deposit accounts	-	147.23
(iii) In earmarked accounts		
- Unpaid dividend accounts	7.47	7.67
- Fixed deposits kept in lien against bank guarantee	40.98	53.92
Total	84.66	944.72
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements	36.21	883.13

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 15 Short-term loans and advances (unsecured, considered good)

Particulars	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
(a) Loans and advances to subsidiary companies (Refer Note 23.6 and 23.7)	11,418.34	14,644.97
(b) Loans and advances to employees	2.46	4.30
(c) Prepaid expenses	65.30	112.11
(d) Balances with government authorities (VAT, service tax, etc)	193.75	54.37
(e) Advance to vendors	126.56	185.69
Total	11,806.41	15,001.44

Note:

Particulars	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
Maximum amount outstanding for loans and advances given to subsidiary at any time during the year	16,800.29	14,719.05

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 16 Other current assets (unsecured, considered good)

Particulars	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
Unbilled revenue	745.36	140.00
Interest accrued on fixed deposits with banks- under lien	3.14	15.04
Total	748.50	155.04

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 17 Revenue from operations

Particulars	For the Period ended March 31, 2014	For the Year ended March 31, 2013
	₹ in Lacs	₹ in Lacs
(a) Sale of services		
Commissioned Sales	12,913.08	13,124.58
Sponsored Sales	-	374.69
Internet Sales	7.33	1.98
(b) Other operating revenues		
Sale of Scrap	0.27	0.47
Excess provision for earlier years written back	-	217.12
Facilities hire charges	142.35	157.41
Service income	90.66	130.31
Provision for doubtful debts / advances written back	-	78.69
Total	13,153.69	14,085.25

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 18 Other income

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
	₹ in Lacs	₹ in Lacs
(a) Interest income		
On fixed deposits with banks	9.00	17.38
On Income tax Refund	-	320.52
(b) Profit on sale of current investments (non-trade) (net)	1,019.13	1,384.68
(c) Dividend on current investments	85.17	-
(d) Excess provision for gratuity written back	-	24.83
(e) Profit on sale of fixed assets (net)	-	14.49
(f) Insurance claim received (Includes ₹ 673.00 lacs (Previous Year NIL) on maturity of Keyman Insurance	673.60	50.21
(g) Miscellaneous income	2.19	4.70
Total	1,789.09	1,816.81

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BALAJI TELEFILMS LIMITED

Notes forming part of the financial statements

Note 19 Cost of Production of television serials

Particulars	For the Year ended March 31, 2014		For the Year ended March 31, 2013	
	₹ in Lacs		₹ in Lacs	
Opening stock of television serials / tapes		346.27		685.17
<u>Add: Cost of production</u>				
Purchase of costumes and dresses	89.87		111.66	
Purchase of tapes	30.74		45.04	
Artists, Directors and other technicians	6,180.58		6,593.68	
Shooting and location expenses (Refer Note 23.14)	2,111.60		2,152.81	
Telecasting fees / purchase of rights	228.92		224.68	
Uplinking charges	119.76		87.25	
Set properties and equipment hire charges	403.30		459.21	
Other production expenses	1,200.73		906.62	
		10,365.50		10,580.95
		10,711.77		11,266.12
Less: Closing stock of television serials / tapes		652.09		346.27
Total		10,059.66		10,919.85

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 20 Employee Benefits Expense

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
	₹ in Lacs	₹ in Lacs
Salaries and wages	657.36	684.02
Contributions to Provident and Other Funds	35.81	43.80
Staff welfare expenses	28.73	23.96
Total	721.90	751.78

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BALAJI TELEFILMS LIMITED

Notes forming part of the financial statements

Note 21 Finance costs

Particulars	For the Year ended March 31, 2014	For the Year ended March 31, 2013
	₹ in Lacs	₹ in Lacs
Interest expense on delayed payment of taxes etc.	118.86	8.52
Total	118.86	8.52

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note 22 Other expenses

Particulars	For the Year ended	For the Year ended
	March 31, 2014	March 31, 2013
	₹ in Lacs	₹ in Lacs
Power and fuel	156.90	113.91
Rent including lease rentals (Refer Note 23.14)	65.13	93.60
Repairs and maintenance - Machinery	30.40	42.21
Repairs and maintenance - Others	261.94	113.49
Insurance	63.14	134.65
Rates and taxes	90.56	37.23
Communication expenses	22.95	55.00
Legal and professional charges	682.42	552.54
Security and housekeeping expenses	86.58	49.73
Business promotion expenses	20.43	45.96
Travelling and conveyance Expenses	62.84	159.21
Donations and contributions	50.20	8.73
Loss on fixed assets sold/scrapped/written off	2.68	-
Provision for doubtful debts and advances	169.72	13.00
Bad debts written off	-	95.43
Software expenses	6.95	22.31
Foreign exchange (loss) net	-	0.11
Directors sitting fees	3.27	3.30
Brokerage and commission	-	0.18
Marketing Expenses	6.55	18.75
Miscellaneous expenses *	112.76	214.79
Total	1,895.42	1,774.13

* Miscellaneous expenses include security charges, printing and stationery etc.

ASIP

Notes forming part of the financial statements

Note 23 Additional information to the financial statements and disclosure under Accounting Standards

	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
23.1 Contingent liabilities and commitments (to the extent not provided for)		
A Contingent Liabilities		
a) In respect of the demands (including interest) raised by Prasar Bharti Broadcasting Corporation of India (Corporation), the Company has arrived at a one-time settlement with the Corporation by making a payment of ₹ 200.00 lacs as telecast fees which has been accounted for as an expense in the current year. As per the terms of the settlement, the balance outstanding of ₹557.20 lacs would be settled by way of supply of various old regional television content. The Company has submitted the required content to the Corporation, the approval for which is being received by the Company in a phased manner. As a result, the Company does not expect any charge in the financial statements on receipt of entire approvals from the Corporation for the balance outstanding.	557.20	757.20
b) The Company in earlier years had received notices of demand from the Department of Sales Tax, Government of Maharashtra, aggregating to ₹ 17,107.8 lakhs (including interest and penalty) pertaining to the years 2000 to 2004. The Company has appealed against the said orders with the Deputy Commissioner (Appeals) and the same is pending adjudication. Further in the current year, the sales tax authorities have levied an additional sales tax demand (including penalty and interest) under the Bombay Sales Tax Act aggregating of ₹515.44 lacs and under Works Contract Act aggregating to ₹85.50 lacs for the year 2004-05. The Company is contesting these additional claims by filing appeals with the respective appellate authorities. Further, the Company has also been assessed for the years 2006-2007 and 2009-2010 under the above statutes where the matters contained in the aforesaid demand orders have been accepted by the authorities.	17,708.81	17,107.87
c) The Company had received demand notices from the Office of the Commissioner of Service Tax, Mumbai (excluding interest and penalty) pertaining to Service tax for the period April 2006 to March 2010 on exports made to one of the customers of the Company. On appeal to the Commissioner of Service Tax, the matter pertaining to the period April 2006 to March 2008 was adjudicated in favour of the Company, wherein the demand amount was ₹ 63.48 Crs. The Commissioner has further filed an appeal against the said order with the Customs, Excise & Service Tax Appellate Tribunal. The matter is pending hearing. On the same matter, a Show Cause Notice (SCN) for the period April 2008 to March 2010 has been issued with demand amount of ₹ 28.97 Crs. SCN is pending for adjudication with the Commissioner of Service Tax.	9,245.00	9,245.00
d) The Company had received demand notice from the Office of the Commissioner of Service Tax, Mumbai pertaining to Service Tax for the period April 2006 to March 2009 on certain transactions. The Company has contested these claims and a hearing was granted to the Company. However, the Commissioner passed an adverse order confirming the tax demand and levied interest and penalty. The Company had filed an appeal before Customs, Excise and Service Tax Appellate Tribunal (CESTAT) against the demand. The CESTAT has remanded the matter back to the adjudicating authority for consideration of the issue afresh. The adjudicating authority has not granted any hearing yet.	-	92.91
e) The Company has received an order from the Chief Executive Officer (CEO)/Collector towards lease rent and other related charges for use of facilities of Aarey Milk Colony (Aarey). The Company has contested these claims and has also filed a Writ Petition in the Bombay High Court. However, Bombay High Court while admitting the Writ Petition, called upon the Company to pay the amount to Aarey. The Company filed an appeal in the Supreme Court against the Order of the Bombay High Court. However, the Supreme Court directed the Company to pay the entire amount by June 7, 2013 and referred the matter to the Bombay High Court for adjudication. The Company has made a payment of ₹ 213.64 lacs towards the outstanding amount due to Aarey and also carried out the repair works of the godowns amounting to ₹ 35.83 lacs to their full satisfaction. Accordingly, The Chief Executive Officer, Aarey Milk Colony vide a letter dated 28/01/2014 confirmed that no amount is due from the Company.	-	287.35
B Commitments :		
Future commitments towards capital contribution in Indus Balaji Investor Trust	800.00	1,300.00

ANUP

- 23.2 The Company had applied to the Office of the Commissioner of Sales- tax, Mumbai, to ascertain whether the Company's sales are liable to tax under the Sales- tax laws. Since, the Commissioner of Sales Tax did not decide the said application which was filed under the process of Determination of Disputed Questions (DDQ), the Company filed a Writ Petition before Honourable Bombay High Court for necessary direction. The Honorable Bombay High Court passed an Order on July 9, 2013 directing the Department to decide on the DDQ application of the Company. Pursuant to the directions of the Honorable Bombay High Court Order, the Department passed an Order on September 26, 2013. The Order states that since the Company has been already assessed on the subject for these years and the Company had already filed appeals against the said assessment orders, the application for DDQ is not maintainable and the Company is allowed to follow the normal process of appeal against these assessment orders. Refer note 23.1(A)(b).
- 23.3 On April 30, 2013, the Income-tax Department visited the premises of the Company and initiated proceedings under Section 132 of the Income-tax Act, 1961. In this connection, the Company has received notices under section 153A of Income-tax Act,1961 and the company has complied with the requirements of the said notices. Since the proceedings are pending completion, the tax liability, if any, would be ascertained and provided on the completion of the assessments under these proceedings.

23.4 **Auditors Remuneration**

	For the year 2013-2014	For the year 2012-2013
	₹ in Lacs	₹ in Lacs
For Statutory Audit	17.00	17.00
For Tax Audit	1.00	1.00
For Taxation matters	2.50	2.50
For other services	6.30	6.30
Reimbursement of expenses	0.37	0.61
For service tax	3.36	3.39
Total	30.53	30.80

- 23.5 As per information available with the Company, none of the creditors have confirmed that they are registered under the Micro, Small and Medium enterprises Development Act, 2006.
- 23.6 The Company has investments in 30,000,000 and 50,000 equity shares of its 100% subsidiaries, namely Balaji Motion Pictures Limited (BMPL) and Bolt Media Limited (BML) aggregating to ₹ 3,000 lacs and ₹ 5 lacs respectively. Further, the Company has also given loan and advances aggregating to ₹ 10,965.37 Lacs (previous year ₹ 14,571.84 Lacs) to BMPL and ₹ 452.97 Lacs (Previous year ₹ 73.13) to BML. As per the latest audited balance sheet of BMPL and BML for the year ended March 31, 2014, the accumulated losses have fully eroded the net-worth of the respective companies. However, no provision for diminution in the value of the investments is considered necessary as the investments are strategic long term investments and the diminution in the value is temporary in nature.

23.7 **Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges**

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

Name of the party	Relationship	₹ in Lacs	
		Amount outstanding as at March 31, 2014	Maximum balance outstanding during the year
Balaji Motion Pictures Limited	100% Subsidiary	10,965.37 (14,571.84)	16,347.32 (14,645.92)
Bolt Media Limited	100% Subsidiary	452.97 (73.13)	452.97 (73.13)
IPB Capital Advisors LLP	Associate	0.50 (0.50)	0.50 (0.50)

Note: Figures in bracket relate to the previous year.

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BALAJI TELEFILMS LIMITED
Notes forming part of the financial statements

Note

23.8 **Related Party Transactions**

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

Name of the Related Party	Relationship
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Key management person
Mr. Ramesh Sippy	Relative of Key management person
Balaji Films & Telly Investments Limited	Key management person having significant influence
IPB Capital Advisors LLP	Associate
Balaji Motion Pictures Limited	Subsidiary Company (control exist)
Bolt Media Limited	Subsidiary Company (control exist)

(b) **Details of Transactions with related parties during the year**

₹ in Lacs

Nature of Transactions	Subsidiary Company	Key Management Person	Relative of Key Management Person	Key management person having significant influence	Associate	Total
Loans given						
Balaji Motion Pictures Limited	10,316.23	-	-	-	-	10,316.23
	(13,241.94)	(-)	(-)	(-)	(-)	(13,241.94)
Bolt Media Ltd	479.86	-	-	-	-	479.86
	(73.13)	(-)	(-)	(-)	(-)	(73.13)
Directors sitting fees						
Mr. Jeetendra Kapoor	-	0.60	-	-	-	0.60
	(-)	(0.60)	(-)	(-)	(-)	(0.60)
Mr. Tusshar Kapoor	-	0.60	-	-	-	0.60
	(-)	(0.45)	(-)	(-)	(-)	(0.45)
Production Expense						
Bolt Media Ltd	40.00	-	-	-	-	40.00
	(-)	(-)	(-)	(-)	(-)	(-)
Rent paid						
Mr. Jeetendra Kapoor	-	29.34	-	-	-	29.34
	(-)	(42.85)	(-)	(-)	(-)	(42.85)
Mrs. Shobha Kapoor	-	723.67	-	-	-	723.67
	(-)	(681.35)	(-)	(-)	(-)	(681.35)
Mr. Tusshar Kapoor	-	12.13	-	-	-	12.13
	(-)	(10.40)	(-)	(-)	(-)	(10.40)
Ms. Ekta Kapoor	-	-	-	-	-	-
	(-)	(8.83)	(-)	(-)	(-)	(8.83)
Location Hire						
Balaji Films & Telly Investments Limited	-	-	-	91.24	-	91.24
	(-)	(-)	(-)	(-)	(-)	(-)
Rent Received						
Balaji Motion Pictures Limited	12.00	-	-	-	-	12.00
	(0.90)	(-)	(-)	(-)	(-)	(0.90)
Loans Recovered/ Adjusted						
Balaji Motion Pictures Limited	13,922.70	-	-	-	-	13,922.70
	(2,661.76)	(-)	(-)	(-)	(-)	(2,661.76)
Bolt Media Ltd	100.02	-	-	-	-	100.02
	(-)	(-)	(-)	(-)	(-)	(-)
Deposit paid						
Mr. Jeetendra Kapoor	-	-	-	-	-	-
	(-)	(100.00)	(-)	(-)	(-)	(100.00)
Ms. Ekta Kapoor	-	-	-	-	-	-
	(-)	(100.00)	(-)	(-)	(-)	(100.00)
Balaji Motion Pictures Limited	1.00	-	-	-	-	1.00
	(-)	(-)	(-)	(-)	(-)	(-)
Remuneration						
Mrs. Shobha Kapoor	-	110.12	-	-	-	110.12
	(-)	(110.12)	(-)	(-)	(-)	(110.12)
Ms. Ekta Kapoor (upto August 31, 2013)	-	51.25	-	-	-	51.25
	(-)	(132.31)	(-)	(-)	(-)	(132.31)
Dividend paid						
Mrs. Shobha Kapoor	-	40.15	-	-	-	40.15
	(-)	(20.08)	(-)	(-)	(-)	(20.08)
Ms. Ekta Kapoor	-	42.67	-	-	-	42.67
	(-)	(21.00)	(-)	(-)	(-)	(21.00)
Mr. Jeetendra Kapoor	-	17.57	-	-	-	17.57
	(-)	(8.78)	(-)	(-)	(-)	(8.78)
Mr. Tusshar Kapoor	-	8.12	-	-	-	8.12
	(-)	(4.06)	(-)	(-)	(-)	(4.06)
Mr. Ramesh Sippy	-	-	0.01	-	-	0.01
	(-)	(-)	(0.01)	(-)	(-)	(0.01)
Investment made in Associates						
IPB Capital Advisors LLP	0	-	-	-	-	0
	(-)	(-)	(-)	(-)	(-)	(-)
Investment made in Subsidiary						
Bolt Media Ltd	-	-	-	-	-	-
	(5.00)	(-)	(-)	(-)	(-)	(5.00)

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Amount receivable as at March 31, 2014						
Mrs. Shobha Kapoor *	0	340.00	-	-	-	340.00
	(-)	(340.00)	(-)	(-)	(-)	(340.00)
Mr. Jeetendra Kapoor *	-	200.00	-	-	-	200.00
	(-)	(200.00)	(-)	(-)	(-)	(200.00)
Mr. Tusshar Kapoor *	-	100.00	-	-	-	100.00
	(-)	(100.00)	(-)	(-)	(-)	(100.00)
Balaji Motion Pictures Limited	10,965.37	-	-	-	-	10,965.37
	(14,572.45)	(-)	(-)	(-)	(-)	(14,572.45)
Bolt Media Ltd	452.97	-	-	-	-	452.97
	(73.13)	(-)	(-)	(-)	(-)	(73.13)
Amount payable as at March 31, 2014						
Balaji Motion Pictures Limited	1.00	-	-	-	-	1.00
	(-)	(-)	(-)	(-)	(-)	(-)
Balaji Films & Telly Investments Limited	-	-	-	10.44	-	10.44
	(-)	(-)	(-)	(-)	(-)	(-)
Investment as on March 31, 2014						
IPB Capital Advisors LLP	-	-	-	-	0.50	0.50
	(-)	(-)	(-)	(-)	(0.50)	(0.50)

* - Deposit for leased property

Note

- (i) There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties.
(ii) Figures in bracket relate to the previous year.

23.9 Expenditure in foreign currency

	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
Travelling expenses	-	23.47
Other production expenses	-	22.04

23.10 Amounts remitted in foreign currency during the year on account of

	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
Amount of dividend remitted in foreign currency (₹ in Lacs)	67.79	33.90
Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency) (Number)	1.00	1.00
Total number of shares held by them on which dividend was due (Number)	16,948,194	16,948,194
Year to which dividend relates	2012-13	2011-12

23.11 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 ₹34.62 Lacs (previous year ₹37.41Lacs)

b) a) Defined Benefit Plans

i Reconciliation of asset / (liability) recognized in the Balance Sheet (under pre-paid expenses, refer Note 15)

	For the year 2013-14	For the year 2012-13
	₹ in Lacs	₹ in Lacs
Fair Value of plan assets as at the end of the year	58.32	59.20
Present Value of Obligation as at the end of the year	(19.37)	(17.08)
Net assets / (liability) in the Balance Sheet	38.95	42.12

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II Movement in net liability recognized in the Balance Sheet

	For the year 2013-14	For the year 2012-13
	₹ in Lacs	₹ in Lacs
Net (assets) as at the beginning of the year	(42.12)	(17.28)
Net expense recognized in the statement of profit and loss account	3.17	(24.84)
Contribution during the year	-	-
Net (assets) as at the end of the year	(38.95)	(42.12)

III Expense Recognized in the profit and loss account (Under the head "Employees benefit expenses" refer Note 20)

	For the year 2013-14	For the year 2012-13
	₹ in Lacs	₹ in Lacs
Current Service Cost	4.19	14.30
Interest Cost	1.37	3.14
Expected Return on Plan assets	(5.15)	(4.66)
Actuarial (gains)/losses	2.77	(37.62)
Expense charged to the Statement Profit and Loss	3.18	(24.84)

IV Return on Plan Assets

	For the year 2013-14	For the year 2012-13
	₹ in Lacs	₹ in Lacs
Expected return on plan assets	5.15	4.67
Actuarial (losses)/gains	(0.35)	0.30
Actual return on plan assets	4.80	4.97

V Reconciliation of defined benefits commitments

	For the year 2013-14	For the year 2012-13
	₹ in Lacs	₹ in Lacs
Commitments at beginning of the year	17.08	36.95
Current Service Cost	4.19	14.30
Interest Cost	1.37	3.14
Actuarial (gains)/losses	2.41	(37.31)
Benefits paid	(5.68)	-
Settlement cost	-	-
Commitments at year end	19.37	17.08

VI Reconciliation of plan assets

	For the year 2013-14	For the year 2012-13
	₹ in Lacs	₹ in Lacs
Fair Value of plan assets at beginning of the year	59.20	54.23
Expected return on plan assets	5.15	4.67
Actuarial gains/(losses)	(0.35)	0.30
Employer contribution	-	-
Benefits paid	(5.68)	-
Fair Value of plan assets at year end	58.32	59.20

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VII Experience Adjustment

	For the year 2013-14	For the year 2012-13	For the year 2011-12	For the year 2010-11	For the year 2009-10
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
On Plan liability losses/(gains)	6.38	(37.97)	(3.30)	2.07	6.45
On Plan assets (losses)/ gains	(0.35)	0.30	0.19	0.32	(1.59)

VIII Actuarial Assumptions

	For the year 2013-14	For the year 2012-13
	₹ in Lacs	₹ in Lacs
Mortality Table (LIC)	1994-96 (Ultimate)	1994-96 (Ultimate)
Discount Rate (per annum)	9.31%	8.00%
Expected Rate of return on Plan assets (per annum)	8.70%	8.70%
Rate of escalation in Salary(per annum)	5.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors
Composition of plan assets

	For the year 2013-14	For the year 2012-13
Insurer managed funds	100%	100%

23.12 Earning per share

Earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as under :

	For the year 2013-14	For the year 2012-13
	₹ in Lacs	₹ in Lacs
(a) Profit / (Loss) for the year attributable to equity share holder ₹ in Lacs	1,002.09	1,332.96
(b) Weighted average number of equity shares outstanding during the year (Nos.)	65,210,443	65,210,443
(c) Earnings per share - Basic and diluted (₹)	1.54	2.04
(d) Nominal value of shares (₹)	2	2

23.13 Components of deferred tax Assets / (Liabilities)

	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
Depreciation on fixed assets	180.51	139.37
Provision for doubtful debts and advances	72.26	9.69
Deferred tax asset/ (liability)-net	252.77	149.06

23.14 Lease Transactions

Amount of lease rentals charged to the profit and loss account in respect of operating leases is ₹ 764.35 Lacs (previous year ₹ 93.60 Lacs).

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BALAJI TELEFILMS LIMITED
Notes formina part of the financial statements

Note 23 Additional information to the financial statements amd disclosure under Accountina Standards (contd.)

Note

23.1 Segment Information

(A) Information about primary segments

The Company has considered business segment as the primary segment for disclosure. The reportable business segments are as under:

- (a) Commissioned Programmes : Income from sale of television serials to channels
(b) Sponsored Programmes : Income from telecasting of television serials on channels

	₹ in Lacs					
	Commissioned Programmes		Sponsored		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue	12,913.08	13,519.43	-	399.69	12,913.08	13,919.12
Add: Inter Segment sale						
Total Revenue	12,913.08	13,519.43	-	399.69	12,913.08	13,919.12
Segment result	2,214.84	1,984.21	-	(203.56)	2,214.84	1,780.65
Unallocable expenses (net)					(2,642.98)	(2,102.33)
Operating Income					240.61	166.13
Other Income					1,789.09	1,816.80
Profit before tax					1,601.56	1,661.25
Tax expense					(599.47)	-328.45
Profit for the year					1,002.09	1,332.80
Segment assets	6,301.69	5,913.73	-	112.54	6,301.69	6,026.27
Unallocable assets					38,940.05	38,310.64
Total assets					45,241.74	44,336.90
Segment liabilities	1,971.44	1,493.67	-	10.07	1,971.44	1,503.74
Unallocable liabilities					850.49	1,110.28
Total Liabilities					2,821.93	2,614.02
Other Information						
Capital expenditure (allocable)	116.85	107.77	-	-	116.85	107.77
Capital expenditure (unallocable)					-	110.11
Depreciation / Amortisation (allocable)	380.82	586.73	-	1.80	380.82	588.53
Depreciation / Amortisation (unallocable)					164.56	197.84

(B) Segment information for secondary segment reporting (by geographical segment)

The Company operates under one geographical segment and hence disclosures relating to geographical segment are not given.

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

Name of the LLP	As at March 31, 2014			As at March 31, 2013		
	Names of partners in the LLP	Total capital	Share of each partner in the profits of the LLP	Names of partners in the LLP	Total capital	Share of each partner in the profits of the LLP
	₹ in Lacs			₹ in Lacs		
IPB Capital Advisors LLP	Balaji Telefilms Limited	0.50	50.00%	Balaji Telefilms Limited	0.50	50.00%
	IP Capital Advisors LLP	0.49	49.00%	IP Capital Advisors LLP	0.49	49.00%
	IPM Capital Advisors LLP	0.01	1.00%	IPM Capital Advisors LLP	0.01	1.00%
		1.00	100%		1.00	100%
Indus Balaji Education Capital Advisors LLP	Balaji Telefilms Limited	0.38	18.75%	Balaji Telefilms Limited	0.38	18.75%
	IP Capital Advisors LLP	0.38	18.75%	IP Capital Advisors LLP	0.38	18.75%
	IPX Capital Advisors LLP	0.25	12.50%	IPX Capital Advisors LLP	0.25	12.50%
	Mohit Raihan	0.50	25.00%	Mohit Raihan	0.50	25.00%
	IPM Capital Advisors LLP	0.50	25.00%	IPM Capital Advisors LLP	0.50	25.00%
	2.00	100%		2.00	100%	

23.1 The figures of the previous year have been regrouped wherever necessary to correspond with those of the current year.

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BALAJI TELEFILMS LIMITED

Notes forming part of the financial statements

Signatures to notes 1 to 23

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants



A. B. Jani
(Partner)
Place : Mumbai
Date : May 15, 2014

For and on behalf of the Board of Directors

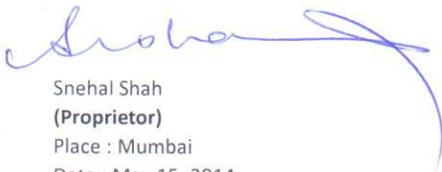


Jeetendra Kapoor
(Chairman)

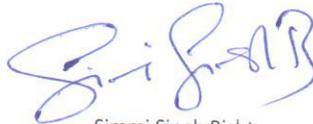


Shobha Kapoor
(Managing Director)

For Snehal & Associates
Chartered Accountants



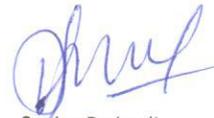
Snehal Shah
(Proprietor)
Place : Mumbai
Date : May 15, 2014



Simmi Singh Bisht
(Company Secretary)
Place : Mumbai
Date : May 15, 2014



D.G. Rajan
(Director)



Sanjay Dwivedi
(Chief Financial Officer)

INDEPENDENT AUDITORS' REPORT

**To The Board of Directors of
Balaji Telefilms Limited**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Balaji Telefilms Limited (the Company) and its subsidiaries (the Company and its subsidiaries constitute 'the Group'), which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control

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relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements of one of the subsidiaries and associates referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

Attention is invited to Note 23.17 of the financial statements regarding remuneration paid to the Managing Director of a subsidiary company, which is in excess of the relevant provisions of the Act by Rs. 58.76 lakhs for which the Central Government approval is awaited, as explained in the note.

Our opinion is not qualified in respect of this matter.

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Other Matter

The consolidated financial statement include the financial statements of a subsidiary which reflect total assets (net) of Rs. 598.49 lacs as at 31st March, 2014, total revenues of Rs. 474.98 lacs and net cash flows amounting to Rs. 17.45 lacs for the year ended on that date, and the Group's share of net loss of Rs. 1.89 lacs for the year ended on that date in respect of one associate. The financial statements of this subsidiary and associate have been audited by Snehal & Associates, Chartered Accountants, one of the joint auditors of the Company.

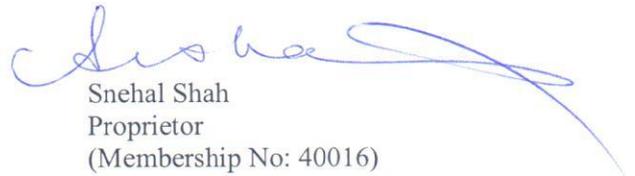
Our opinion is not qualified in respect of this matter.

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



A.B. Jani
Partner
(Membership No: 46488)
Mumbai, dated: May 15, 2014

For Snehal & Associates
Chartered Accountants
(Firm's Registration No: 110314W)



Snehal Shah
Proprietor
(Membership No: 40016)
Mumbai, dated: May 15, 2014

BALAJI TELEFILMS LIMITED
Consolidated Balance Sheet as at March 31, 2014

		Note No.	As at March 31, 2014	As at March 31, 2013
			₹ in Lacs	₹ in Lacs
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	1,304.21	1,304.21
	(b) Reserves and surplus	4	36,961.75	38,988.16
			38,265.96	40,292.37
2	Current liabilities			
	(a) Trade payables	23.5	3,019.81	2,958.66
	(b) Other current liabilities	5	1,852.26	1,347.50
	(c) Short-term provisions	6	332.03	316.40
			5,204.10	4,622.56
	TOTAL		43,470.06	44,914.93
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets	7		
	(i) Tangible assets		2,234.83	2,666.44
	(iii) Capital work-in-progress		87.56	25.65
			2,322.39	2,692.09
	(b) Non-current investments	8	3,669.80	3,172.25
	(c) Deferred tax assets (net)	23.13	252.77	149.06
	(d) Long-term loans and advances	9	6,543.25	5,164.12
	(e) Other non-current assets	10	10.59	11.73
			12,798.80	11,189.25
2	Current assets			
	(a) Current investments	11	15,997.59	11,865.78
	(b) Inventories	12	7,002.11	15,062.33
	(c) Trade receivables	13	3,854.26	3,982.39
	(d) Cash and cash equivalents	14	775.92	1,099.29
	(e) Short-term loans and advances	15	2,143.47	1,575.89
	(f) Other current assets	16	397.91	140.00
			30,671.26	33,725.68
	TOTAL		43,470.06	44,914.93
See accompanying notes forming part of financial statements.				

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BALAJI TELEFILMS LIMITED
Consolidated Balance Sheet as at March 31, 2014

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



A. B. Jani
(Partner)
Place : Mumbai
Date : May 15, 2014



Jeetendra Kapoor
(Chairman)

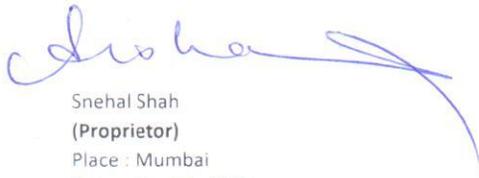


Shobha Kapoor
(Managing Director)

For Snehal & Associates
Chartered Accountants



D.G. Rajan
(Director)



Snehal Shah
(Proprietor)
Place : Mumbai
Date : May 15, 2014



Simmi Singh Bisht
(Company Secretary)

Place : Mumbai
Date : May 15, 2014



Sanjay Dwivedi
(Chief Financial Officer)

BALAJI TELEFILMS LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2014

Particulars		Note No.	For the Year Ended	For the Year Ended
			March 31, 2014	March 31, 2013
			₹ in Lacs	₹ in Lacs
1	REVENUE			
	Revenue from Operations	17	40,746.01	18,597.48
2	Other income	18	1,798.40	1,838.08
3	Total Revenue (1+2)		42,544.41	20,435.56
4	Expenses			
	(a) Cost of Production of television serials	19	38,509.02	14,257.59
	(b) Employee benefits expense	20	1,639.72	1,399.94
	(c) Finance costs	21	137.31	8.52
	(d) Depreciation and amortization expense	7	603.18	801.95
	(e) Other expenses	22	2,775.06	2,136.61
	Total Expenses		43,664.29	18,604.61
5	(Loss) / Profit before tax (3-4)		(1,119.88)	1,830.95
6	Tax expense:			
	(a) Current tax		364.17	420.73
	(b) Less: MAT credit		(70.00)	
	(c) Deferred tax	23.13	(103.70)	(45.82)
	(d) Short/(Excess) provision for tax in respect for earlier years		409.00	(1.97)
			599.47	372.94
7	(Loss) / Profit for the year (5-6)		(1,719.35)	1,458.01
8	Share in the profit of associates		(1.89)	0.17
9	(Loss) / Profit for the year (7+8)		(1,721.24)	1,458.18
10	Earnings per share (of ₹ 2/- each): (refer note 23.12)			
	Basic and diluted earnings per share		(2.64)	2.24
	See accompanying notes forming part of the financial statements			

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BALAJI TELEFILMS LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2014

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



A. B. Jani
(Partner)
Place : Mumbai
Date : May 15, 2014



Jeetendra Kapoor
(Chairman)

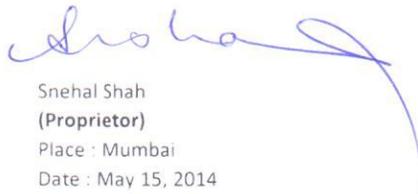


Shobha Kapoor
(Managing Director)

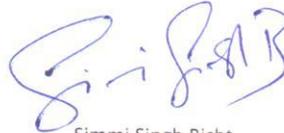
For Snehal & Associates
Chartered Accountants



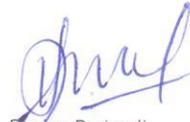
D.G. Rajan
(Director)



Snehal Shah
(Proprietor)
Place : Mumbai
Date : May 15, 2014



Simmi Singh Bisht
(Company Secretary)
Place : Mumbai
Date : May 15, 2014



Sanjay Dwivedi
(Chief Financial Officer)

BALAJI TELEFILMS LIMITED
Consolidated Cash Flow Statement for the year ended March 31, 2014

Particulars	For the year ended March 31, 2014		For the year ended March 31, 2013	
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES				
(Loss) / Profit for the year		(1,119.88)		1,830.95
Adjustments for:				
Depreciation	603.18		801.95	
Bad debts written off	-		95.43	
Provision for doubtful debts and advances	169.72		13.00	
Loss / (Profit) on sale / discard of fixed assets(net)	3.28		(14.49)	
Dividend / Profit on sale of long term investments (non-trade) (net)	(1,104.30)		(1,384.68)	
Provision for earlier years written back (net)	(3.14)		(241.95)	
Provision for doubtful debt written back	-		(78.69)	
Interest income on Fixed Deposits	(15.17)		(17.78)	
Operating (loss) /profit before working capital changes	(1,466.31)		1,003.75	
Adjustments for:				
(Increase) in trade and other receivable	(2,522.44)		(1,067.07)	
Decrease / (Increase) in inventories	8,060.22		(10,759.45)	
Increase in trade payables and other payables	809.14		1,376.69	
Cash used in operations		4,880.61		(9,446.09)
Income-tax (paid) / refund received		(1,017.36)		1,216.47
NET CASH FROM / (USED IN) OPERATING ACTIVITIES (A)		3,863.25		(8,229.64)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(239.95)		(248.27)	
Sale of fixed assets	3.17		18.01	
Purchase of investments	(19,085.17)		(14,934.98)	
Sale of investments	16,005.75		25,450.10	
Optionally Convertible Debentures allotted	-		(605.85)	
Optionally Convertible Debentures redeemed	-		1,098.84	
Investment in Trust / Limited Liability Partnership	(500.00)		(1,905.38)	
Bank Balance not considered as cash and cash equivalents (Refer Note 14)	(63.49)		(4.58)	
Interest income	11.38		17.78	
NET CASH FLOW (USED IN) / FROM INVESTING ACTIVITIES (B)		(3,868.31)		8,885.67
C. CASH FLOW FROM FINANCING ACTIVITIES				
Dividend paid	(260.84)		(130.93)	
Corporate dividend tax paid	(44.33)		(21.16)	
NET CASH FLOW (USED IN) FINANCING ACTIVITIES (C)		(305.17)		(152.09)
Net (decrease) / increase in cash and cash equivalents (A+B+C)		(310.23)		503.94
Cash and cash equivalents at the beginning of the year		1,037.70		533.73
Cash and cash equivalents at the end of the year		727.47		1,037.70
Notes:				
(i) Components of cash and cash equivalents include cash and bank balances in current and deposit accounts (Refer note 14).				
		₹ in Lacs		₹ in Lacs
(ii) Cash and cash equivalents at the end of the year as per cashflow statement		727.47		1,037.70
- Unpaid dividend accounts		7.47		7.67
- Fixed deposits kept in lien against bank guarantee		40.98		53.92
Cash and cash equivalents at the end of the year as per Note 14		775.92		1,099.29

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BALAJI TELEFILMS LIMITED
Consolidated Cash Flow Statement for the year ended March 31, 2014

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors



A. B. Jani
(Partner)
Place : Mumbai
Date : May 15, 2014



Jeetendra Kapoor
(Chairman)

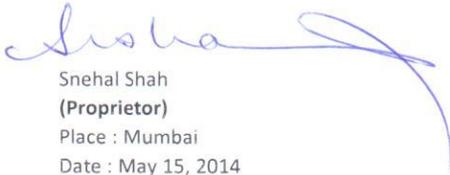


Shobha Kapoor
(Managing Director)

For Snehal & Associates
Chartered Accountants



D.G. Rajan
(Director)



Snehal Shah
(Proprietor)
Place : Mumbai
Date : May 15, 2014



Simmi Singh Bisht
(Company Secretary)
Place : Mumbai
Date : May 15, 2014



Sanjay Dwivedi
(Chief Financial Officer)

BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF CONSOLIDATED THE FINANCIAL STATEMENTS

Note 1

Corporate information

Balaji Telefilms Limited 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.

Balaji Motion Pictures Limited was incorporated on March 9, 2007 under the Companies Act, 1956 and is in the business of production of films. The Company is a wholly owned subsidiary of Balaji Telefilms Limited

Incorporated on November 19, 2012, BOLT Media Limited is a wholly owned subsidiary of Balaji Telefilms Limited and is involved in production of non-fiction/fiction/reality/factual television shows, events management, branded entertainment, digital content, consultancy and creative services related to it.

Note 2

Significant accounting policies and notes on accounts

Basis of preparation of financial statements

The accompanying Consolidated Financial Statements of the Balaji Telefilms Limited (BTL/Parent Company/ Company) and its Balaji Motion Pictures Limited and Bolt Media Limited (Subsidiaries) as aforesaid (hereinafter together referred as "the group"), have been prepared to comply with accounting principles generally accepted in India, the Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956.

Principles of Consolidation

The financial statements of the Parent Company and its subsidiary have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income, expenses, after eliminating intra-group transactions and any unrealized gain or losses on the balances remaining within the group in accordance with the Accounting Standard 21 on "Consolidated Financial Statements" (AS-21).

The financial statements of the Parent Company and its subsidiary have been consolidated using uniform accounting policies for like transaction and other events in similar circumstances.

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BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF CONSOLIDATED THE FINANCIAL STATEMENTS

Use of Estimates

The preparation of financials statements, in conformity with generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of the revenue and expenses during the reported year. Differences between the actual results and the estimates are recognized in the year in which the results are known / materialized.

Fixed assets

Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation / amortisation and impairment loss, if any.

Depreciation / Amortisation

Depreciation on fixed assets is provided on straight line basis in accordance with provisions of the Companies Act, 1956 at the rates and in the manner specified in schedule XIV of this Act except for the following fixed assets where higher rates of depreciation have been applied:

Studios and Sets @ 33.33%

Leasehold improvements are amortised over the period of lease

Impairment loss

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amounts. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

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BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF CONSOLIDATED THE FINANCIAL STATEMENTS

Investments

Current investments are carried at lower of cost and fair value. Long term investments are carried at cost. However, when there is a decline, other than temporary, the carrying amount is reduced to recognise the decline.

Inventories

Items of inventory are valued at lower of cost and net realisable value. Cost is determined on the following basis :

Tapes	: First In First Out
Television serials	: Average cost
Feature films	: Actual cost
Unamortised cost of feature films	: The cost of feature films 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.

Revenue recognition

- a) In respect of sponsored programmes, revenue is recognised as and when the relevant episodes of the programmes are telecast.
- b) In respect of commissioned programmes, revenue is recognised as and when the relevant episodes of the programmes are telecasted on broadcasting channels.
- c) In respect of films, produced / co-produced / acquired, revenue is recognised in accordance with the terms and conditions of the agreements on or after the first theatrical release of the films.

In all other cases, revenue (income) is recognised when no significant uncertainty as to its determination or realisation exists.

Employee benefits

- a) Post employment benefits and other long term benefits
- i) Defined Contribution Plan:

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BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF CONSOLIDATED THE FINANCIAL STATEMENTS

The Group contributes towards Provident Fund and Family Pension Fund. Liability in respect thereof is determined on the basis of contribution as required under the Statute / Rules.

ii) Defined Benefit Plans:

The trustees of Balaji Telefilms Limited and Balaji Motion Pictures Limited Employees Group Gratuity Scheme have taken a Group Gratuity cum Life Assurance Policy from the Life Insurance Corporation of India (LIC).

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' Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Gains and losses on changes in actuarial assumptions are accounted in the profit and loss account.

b) Short Term Employee Benefits:

Short term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

Foreign currency transactions

Transactions in foreign currency, including in respect of foreign operations integral in nature, are recorded at the original rates of exchange in force at the time the transactions are effected. At the year end, monetary items, including those of foreign operations integral in nature, denominated in foreign currency are reported using the closing rates of exchange. Exchange differences arising thereon and on realization/ payment of foreign exchange are accounted for in the relevant year as income or expense.

Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

Operating leases

Assets taken on lease under which, all the risks and rewards of the ownership are effectively retained by the lessor are classified as operating lease. Lease payments

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BALAJI TELEFILMS LIMITED

NOTES FORMING PART OF CONSOLIDATED THE FINANCIAL STATEMENTS

under operating leases are recognized as expenses in accordance with the respective lease agreements.

Taxes on income

Tax expense comprises of current tax and deferred tax.

Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, using the applicable tax rates.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years / period. Deferred tax assets are recognized only to the extent that there is reasonable certainty, that sufficient future income will be available except that the deferred tax assets, in case there are unabsorbed depreciation and losses, are recognized if there is a virtual certainty that sufficient future taxable income will be available to realize the same.

Provisions and Contingencies

Provisions are recognized in the accounts when there is a present obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation. Contingent liabilities, if any, are disclosed in the notes to the financial statements.

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 3 Share capital

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹ in Lacs	₹ in Lacs
(a) Authorised 75,000,000 Equity Shares of ₹ 2/- each	1,500.00	1,500.00
	1,500.00	1,500.00
(b) Issued, Subscribed and fully paid-up 65,210,443 Equity Shares of ₹ 2/- each	1,304.21	1,304.21
Total	1,304.21	1,304.21

Note:

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

Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Star Middle East FZ LLC	16,948,194	25.99	16,948,194	25.99
Eka Kapoor	13,572,704	20.81	10,668,188	16.36
Shobha Kapoor	9,129,462	14.00	10,037,500	15.39
Jeetendra Kapoor	3,260,522	5.00	4,392,000	6.74

(ii) All the above Equity Shares have the same rights to dividend, voting and in case of repayment of Capital.

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Note 4 Reserves and surplus

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	₹ in Lacs		₹ in Lacs	
(a) Securities premium account As per last Balance Sheet		14,785.61		14,785.61
(b) General reserve				
As per last Balance Sheet	4,910.17		4,776.87	
Add: Transferred from surplus in Statement of Profit and Loss	100.21		133.30	
		5,010.38		4,910.17
(c) Surplus in Statement of Profit and Loss				
Opening balance	19,292.38		18,272.67	
Add: Profit for the year	(1,721.24)		1,458.18	
Less : Dividends proposed to be distributed to equity shareholders (₹0.40 per share)	260.84		260.84	
Tax on dividend	44.33		44.33	
Transferred to General reserve	100.21		133.30	
Closing balance		17,165.76		19,292.38
Total		36,961.75		38,988.16

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 5 Other current liabilities

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹ in Lacs	₹ in Lacs
(a) Unpaid dividends (Refer Note below)	7.47	7.67
(b) Temporarily overdrawn book balances	392.47	-
(c) Other payables		
(i) Statutory liabilities	200.06	137.77
(ii) Advances from customers	1,252.26	1,202.06
Total	1,852.26	1,347.50

Note

Appropriate amount shall be transferred to "Investor Education and Protection Fund" if and when due.

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BALAJI TELEFILMS LIMITED**Notes forming part of the consolidated financial statements****Note 6 Short-term provisions**

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹ in Lacs	₹ in Lacs
Provision for Employee benefits (i) Provision for gratuity	0.48	1.93
Provision - Others:		
(i) Provision for tax (net of advance tax ₹ 103.31 (As at March 31, 2013 ₹ NIL))	26.38	9.30
(ii) Provision for proposed equity dividend	260.84	260.84
(iii) Provision for tax on proposed dividend	44.33	44.33
Total	332.03	316.40

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Note 7 Fixed Assets

PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK		
	As at April 01, 2013	Additions	Deductions	As at March 31, 2014	As at April 01, 2013	For the Year	On Deductions	Upto March 31, 2014	As at March 31, 2014
Tangible assets									
Buildings (refer note a below)	469.36 (469.36)	- (-)	- (-)	469.36 (469.36)	65.44 (57.79)	7.65 (7.65)	- (-)	73.09 (65.44)	396.27 (403.92)
Plant and machinery - Computers	648.60 (627.60)	1.07 (21.50)	0.06 (0.50)	649.61 (648.60)	523.78 (449.42)	61.37 (74.55)	0.03 (0.19)	585.12 (523.78)	64.49 (124.82)
Plant and machinery - Others	2,200.51 (2,191.86)	70.05 (9.10)	- (0.45)	2,270.56 (2,200.51)	1,364.75 (1,212.42)	158.77 (152.68)	- (0.35)	1,523.52 (1,364.75)	747.04 (835.76)
Computers	398.16 (401.21)	20.48 (2.36)	0.37 (5.32)	418.27 (398.16)	349.04 (336.01)	17.49 (16.14)	0.37 (3.11)	366.16 (349.04)	52.11 (49.12)
Studios and sets	4,716.84 (4,639.68)	39.79 (77.16)	- (-)	4,756.63 (4,716.84)	4,471.53 (4,109.21)	192.12 (362.32)	- (-)	4,663.65 (4,471.53)	92.98 (245.31)
Vehicles	822.35 (761.82)	1.52 (100.98)	10.39 (40.45)	813.48 (822.35)	354.47 (322.77)	71.71 (72.15)	6.20 (40.45)	419.98 (354.47)	393.50 (467.88)
Furniture and fixtures	305.88 (303.71)	6.78 (2.17)	0.96 (-)	311.70 (305.88)	156.34 (137.24)	19.24 (19.10)	0.43 (-)	175.15 (156.34)	136.55 (149.54)
Office equipments	336.61 (328.68)	38.34 (8.99)	1.90 (1.06)	373.05 (336.61)	101.04 (85.43)	16.68 (15.84)	0.19 (0.23)	117.53 (101.04)	255.52 (235.57)
Electrical fittings	89.68 (87.70)	- (1.98)	- (-)	89.68 (89.68)	23.32 (19.14)	4.22 (4.18)	- (-)	27.54 (23.32)	62.14 (66.36)
Lease Hold Improvements	454.70 (386.41)	- (68.29)	- (-)	454.70 (454.70)	366.54 (289.20)	53.93 (77.34)	- (-)	420.47 (366.54)	34.23 (88.16)
Total	10,442.69 (10,197.94)	178.03 (292.53)	13.68 (47.78)	10,607.04 (10,442.69)	7,776.25 (7,018.63)	603.18 (801.95)	7.22 (44.33)	8,372.21 (7,776.25)	2,234.83 (2,666.44)

Note

- a. Building includes ₹ 220.86 lacs (previous year ₹ 220.86 lacs), being cost of ownership premises in co-operative society including cost of shares of face value of ₹ 0.01 lac received under Bye-law of the society.
b. Figures in brackets denote previous year figures

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Note 8 Non-current investments

Particulars	As at March 31, 2014		As at March 31, 2013	
	Unquoted ₹ in Lacs		Unquoted ₹ in Lacs	
(At cost): (non-trade)				
(a) Investment in optionally convertible debentures (OCDs) of :				
(i) Aristo Learning Private Limited				
Series A 3,000 (Previous year 3,000) Debentures of ₹100 each	3.00		3.00	
Series B 62,810 (Previous year 62,810) Debentures of ₹100 each	62.81		62.81	
(ii) Second School Learning Private Limited				
Series A 1,000 (Previous year 1,000) Debentures of ₹100 each	1.00		1.00	
Series B 399,000 (Previous year 399,000) Debentures of ₹100 each	399.00		399.00	
		465.81		465.81
(b) Investment in Associate (Refer Note 23.7)				
(i) IPB Capital Advisors LLP	0.50		0.89	
Add : Share in (loss)/profit of associate	(1.89)		0.17	
		(1.39)		1.06
(c) Investment in Indus Balaji Investor Trust (Refer Note 23.1 B)				
(i) 3,200,000 (Previous year 2,700,000) Class A units of ₹100 each	3,200.00		2,700.00	
(ii) 5,000 (Previous year 5,000) Class B units of ₹100 each	5.00		5.00	
		3,205.00		2,705.00
(d) Investment in Limited Liability Partnership				
(i) Indus Balaji Education Capital Advisors LLP		0.38		0.38
Total		3,669.80		3,172.25

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 9 Long term loans and advances (unsecured, considered good unless otherwise treated)

Particulars	As at 31 March 2014		As at March 31 2013	
	₹ in Lacs		₹ in Lacs	
(a) Capital Advances		400.00		9.80
(b) Security Deposits (Refer Note below)				
Considered good	967.27		993.48	
Considered doubtful	46.66		-	
	1,013.93		993.48	
Less: Provision	46.66	967.27	-	993.48
(c) Loan to Balaji Employees Foundation Trust		1,000.00		1,000.00
(d) Advance to vendors		1,239.40		1,037.46
(e) Advance income -tax (Net of provisions ₹ 1,363.18 lacs (As at March 31,2013, ₹ 652.26 lacs))		2,866.58		2,123.38
(f) MAT credit entitlement		70.00		-
Total		6,543.25		5,164.12

Note: Security Deposit include deposits given to Directors for the properties taken on lease from them (also refer note 23.8(b))

Particulars	As at March 31,2014	As at March 31,2013
	₹ in Lacs	₹ in Lacs
Directors	840.00	840.00
Maximum amount outstanding at any time during the year for the above deposits.	840.00	846.60

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BALAJI TELEFILMS LIMITED

Notes forming part of the financial statements

Note 10 Other non-current assets (unsecured, considered good unless otherwise treated)

Particulars	As at March 31, 2014	As at March 31, 2013
	₹ in Lacs	₹ in Lacs
(a) Fixed deposits with banks under lien	9.94	10.61
(b) Interest accrued on fixed deposits with banks under lien	0.65	1.12
Total	10.59	11.73

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Note 11 Current investments (Unquoted)

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹ in Lacs	₹ in Lacs
(Non trade) (at lower of cost and fair value) Investment in mutual funds (Refer note below)	15,997.59	11,865.78
Total	15,997.59	11,865.78

Note:

	Numbers			Value (₹ in Lacs)	
	Face Value	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
IN UNITS OF MUTUAL FUNDS					
Kotak Gilt (Investment Regular)- Growth	10	765,716	765,716.33	300.00	300.00
Kotak Floater Long Term- Growth	10	5,127,995	-	1,000.00	-
Kotak Floater Long Term - Daily Dividend Reinvestment	10	2,127,114	-	215.28	-
Kotak Bond Scheme Plan A- Growth	10	2,433,948	2,433,948.34	795.00	795.00
Reliance Liquidity Fund	10	200	-	2.00	-
Reliance Dynamic Bond Fund- Growth Plan	10	4,516,359	2,655,136.71	700.06	400.00
RELIANCE REGULAR SAVINGS FUND - DEBT PLAN-Growth Plan	10	2,467,324	-	400.00	-
SBI Dynamic Bond Fund- Growth	10	3,205,349	3,205,349.38	450.00	450.00
SBI Magnum Income Fund- Regular Plan- Growth	10	1,731,668	1,731,667.70	500.00	500.00
SBI Magnum Income Fund -FR Savings Plus Bond- Regular Plan-Growth	10	2,607,916	-	500.00	-
Templeton India Short term Income Retail Plan Growth	1,000	34,180	21,584.28	800.00	500.00
Templeton India Ultra Short Bond -Super Institutional	10	2,122,215	-	201.98	-
UTI Short Term Income Fund Institutional - Growth Option	10	6,850,452	-	1,000.00	-
UTI Floating Rate Fund-STP-Regular Plan	10	50,285	-	1,000.00	-
UTI-BOND Fund-Growth	10	834,681	-	300.16	-
UTI Short Term Income Fund - Growth Option	10	-	7,913,388.24	-	1,000.00
Birla Sunlife Dynamic Bond Fund - Retail	10	682,155	11,949,294.76	121.73	2,052.80
Birla Sun Life Fixed Plan Series ED Growth	10	5,025,936	5,025,936.00	502.59	502.59

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BALAJI TELEFILMS LIMITED

Notes forming part of the financial statements

Note 11 Current investments (Contd)

	Face Value ₹	Numbers		Value (₹ in Lacs)	
		As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Birla Sunlife Floating Rate Fund	10.00	408,289	-	600.00	-
Birla Sun Life Cash Manager	10.00	299,373	-	300.25	-
Birla Sunlife Income Plus	10.00	1,433,762	-	774.67	-
Birla Sunlife-Short Term Opportunities Fund	10.00	2,520,352	-	500.00	-
DWS Treasury Fund -Inv-Regular Plan- Daily Dividend- Reinvestment	10.00	543,606	-	55.67	-
HDFC Income Fund- Growth	10.00	2,606,805	2,606,805	700.00	700.00
HDFC High Interest Fund -Dynamic Plan-Growth	10.00	2,212,477	-	900.00	-
HDFC FMP 371D July 2013-Series 26- Regular-Growth	10.00	4,000,000	-	400.00	-
ICICI Prudential FMP Series 60 - 18 Months Plan G Cummulative	10.00	-	9,723,877	-	972.39
ICICI Prudential Short Term Plan - Institutional Growth	10.00	-	2,298,635	-	500.00
ICICI Prudential FMP Series 61 - 18 Months Plan B - Cummulative	10.00	-	10,000,000	-	1,000.00
ICICI Prudential FMP Series 62 - 1 Year Plan A - Cummulative	10.00	-	-	-	-
ICICI Prudential Gilt Fund Investment Plan PF Option	10.00	1,131,828	1,131,828	245.00	245.00
ICICI Prudential Gilt Fund Treasury -Regular Plan- Growth	10.00	1,723,312	1,723,312	500.00	500.00
ICICI Prudential Income-Regular Plan- Growth	10.00	769,546	-	287.68	-
ICICI Prudential Ultra Short Term -Regular Plan-Daily Dividend	10.00	3,985,330	-	403.01	-
ICICI Prudential Regular Savings Fund-Regular Plan- Growth	10.00	1,601,281	-	200.00	-
ICICI Prudential Interval Fund QIP Plan B -Regular Plan	10.00	2,864,317	-	300.00	-
ICICI Prudential Fmp Series 68-369 Days Plan I Regular Plan Cummulative	10.00	4,000,000	-	400.00	-
ICICI Prudential Flexible Income-Regular Plan-Weekly dividend	10.00	6,362	-	6.36	-
ICICI Prudential Liquid -Regular Plan-Daily Dividend	10.00	7,978	-	9.93	-
IDFC Banking Debt Fund	10.00	262,251	-	26.22	-
IDFC Dynamic Bond Fund Growth -Regular Plan	10.00	2,806,808	-	400.00	-
IDFC Super Saver Income Fund-Inv-Plan- Growth	10.00	688,482	-	200.00	-
IDFC Dynamic Bond Fund Plan B-Growth	10.00	-	4,082,604	-	545.00
IDFC Super Saver Income Fund - Short Term - Plan A Growth	10.00	-	4,200,978	-	903.00
TOTAL				15,997.59	11,865.78

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 12 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2013	As at 31 March, 2014
	₹ in Lacs	₹ in Lacs
a) Serials	1,130.35	379.97
b) Tapes	-	4.29
c) Films	5,871.76	14,678.07
Total	7,002.11	15,062.33

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BALAJI TELEFILMS LIMITED**Notes forming part of the consolidated financial statements****Note 13 Trade receivables (unsecured, considered good unless otherwise treated)**

Particulars	As at 31 March 2014		As at 31 March 2013	
	₹ in Lacs		₹ in Lacs	
Trade receivables outstanding for a period exceeding six months from the date they were due for payment				
Considered good	246.73		295.57	
Considered doubtful	176.06		53.00	
	422.79		348.57	
Less: Provision	176.06		53.00	
		246.73		295.57
Other Trade receivables				
Considered good		3,607.53		3,686.82
Total		3,854.26		3,982.39

BALAJI TELEFILMS LIMITED**Notes forming part of the consolidated financial statements****Note 14 Cash and cash equivalents**

Particulars	As at 31 March 2014	As at 31 March 2013
	₹ in Lacs	₹ in Lacs
(a) Cash on hand	23.62	27.12
(b) Balances with banks		
(i) In current accounts	695.85	826.06
(ii) In deposit accounts	8.00	184.52
(iii) In earmarked accounts	-	-
- Unpaid dividend accounts	7.47	7.67
- Fixed deposits kept in lien against bank guarantee	40.98	53.92
Total	775.92	1,099.29
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i> is	727.47	1,037.70

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 15 Short-term loans and advances (unsecured, considered good unless other wise stated)

Particulars	As at 31 March 2014	As at 31 March 2013
	₹ in Lacs	₹ in Lacs
(a) Loans and advances to employees	8.23	25.18
(b) Prepaid expenses	77.57	117.23
(c) Balances with government authorities (VAT, service tax etc.)	764.75	144.14
(d) Advance to vendors	1,292.87	1,284.34
(e) Security Deposit	0.05	5.00
Total	2,143.47	1,575.89

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 16 Other current assets

Particulars	As at 31 March 2014	As at 31 March 2013
	₹ in Lacs	₹ in Lacs
Unbilled revenue	894.75	140.00
Interest accrued on fixed deposits with banks- under lien	3.16	-
Total	897.91	140.00

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 17 Revenue from operations

Particulars	For the year ended	For the year ended
	31 March, 2014	31 March, 2013
	₹ in Lacs	₹ in Lacs
(a) Sale of services		
Commissioned Sales	13,342.56	13,169.59
Sponsored Sales	-	374.69
Internet Sales	7.33	1.98
Sale of film rights	27,134.33	4,427.88
Service Income	5.50	4.50
(b) Other operating revenues		
Sale of Scrap	0.27	0.47
Excess provision for earlier years written back	35.01	217.12
Facilities hire charges	130.35	156.51
Service income	90.66	130.31
Other Income	-	35.74
Provision for doubtful debts / advances written back	-	78.69
Total	40,746.01	18,597.48

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BALAJI TELEFILMS LIMITED**Notes forming part of the consolidated financial statements****Note 18 Other income**

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	₹ in Lacs	₹ in Lacs
(a) Interest income		
On fixed deposits with banks	15.17	17.78
On Income tax Refund	-	332.78
(b) Profit on sale of current investments (non-trade) (net)	1,019.13	1,384.68
(c) Profit on sale of fixed assets (net)	-	14.49
(d) Insurance claim received (Includes ₹ 673.00 lacs (Previous Year ₹ Nil) on maturity of Keyman Insurance policy)	673.60	50.21
(e) Dividend on current investments	85.17	-
(f) Excess Provision for earlier years written back (net)	3.14	24.83
(g) Miscellaneous income	2.19	13.31
Total	1,798.40	1,838.08

AKUP

BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 19 Cost of Production of television serials / films

Particulars	For the year ended 31 March, 2014		For the year ended 31 March, 2013	
	₹ in Lacs		₹ in Lacs	
Opening stock of television serials / tapes / films		15,062.32		4,302.87
Less: Service tax credit availed*		73.50		
		14,988.82		
<u>Add: Cost of production</u>				
Acquisition Cost	431.07		484.49	
Purchase of costumes and dresses	245.76		267.15	
Purchase of tapes / raw stock / negative	321.06		196.39	
Artists, Directors and other technicians fees	11,567.64		10,790.17	
Shooting and location expenses (Refer Note 23.14)	3,676.01		3,411.89	
Telecasting fees / Purchase rights	228.92		224.68	
Uplinking charges	119.76		87.25	
Set properties and equipment hire charges	1,361.16		1,092.46	
Insurance	107.14		45.09	
Line Production cost	2,547.93		5,608.30	
Marketing and Distribution Expense	7,617.55		1,238.25	
Other production expenses	2,298.33		1,570.93	
		30,522.33		25,017.05
		45,511.15		29,319.92
Less: Closing stock of television serials / tapes / films		7,002.13		15,062.33
Total		38,509.02		14,257.59

*pertains to service tax credit availed in current year in respect of cost of film produced/acquired and included in inventory

AKUP

BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 20 Employee Benefit Expense

Particulars	For the year ended 31 March, 2014	For the year ended 31 March 2013
	₹ in Lacs	₹ in Lacs
Salaries and wages	1,536.06	1,303.29
Contributions to Provident and Other Funds	67.51	70.91
Staff welfare expenses	36.15	25.74
Total	1,639.72	1,399.94

11/14

BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

Note 21 Finance costs

Particulars	For the year ended 31 March, 2014	For the year ended 31 March 2013
	₹ in Lacs	₹ in Lacs
Interest expense on delayed payment of taxes etc.	137.31	8.52
Total	137.31	8.52

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BALAJI TELEFILMS LIMITED**Notes forming part of the consolidated financial statements****Note 22 Other expenses**

Particulars	For the year ended 31 March, 2014	For the year ended 31 March 2013
	₹ in Lacs	₹ in Lacs
Power and fuel	174.82	115.37
Rent including lease rentals (Refer Note 23.14)	129.46	102.35
Repairs and maintenance - Machinery	36.70	42.68
Repairs and maintenance - Others	314.27	116.89
Insurance	63.50	134.65
Rates and taxes	175.96	37.88
Communication expenses	32.08	63.45
Legal and Professional charges	1,010.83	705.56
Security and housekeeping expenses	86.58	49.73
Business promotion expenses	113.64	94.93
Travelling & Conveyance Expenses	108.67	176.42
Donations and contributions	50.79	21.70
Loss on Fixed Assets sold/scrapped/written off	3.28	-
Provision for doubtful debts and advances	169.72	13.00
Marketing Expenses	6.55	19.52
Bad debts written off	-	95.43
Software expenses	6.95	22.31
Directors sitting fees	5.95	5.57
Brokerage and commission	-	0.18
Foreign exchange (loss) net	38.94	0.72
Miscellaneous expenses *	246.37	318.28
Total	2,775.06	2,136.61

*Miscellaneous expenses include security charges, printing and stationery etc.

AS-14

BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

		As at 31 March, 2014	As at 31 March, 2013
		₹ in Lacs	₹ in Lacs
23.1	Contingent liabilities and commitments (to the extent not provided for)		
A	Contingent Liabilities		
a)	In respect of the demands (including interest) raised by Prasar Bharti Broadcasting Corporation of India (Corporation), the Company has arrived at a one-time settlement with the Corporation by making a payment of ₹ 200.00 lacs as telecast fees which has been accounted for as an expense in the current year. As per the terms of the settlement, the balance outstanding of ₹557.20 lacs would be settled by way of supply of various old regional television content. The Company has submitted the required content to the Corporation, the approval for which is being received by the Company in a phased manner. As a result, the Company does not expect any charge in the financial statements on receipt of entire approvals from the Corporation for the balance outstanding.	557.20	757.20
b)	The Company in earlier years had received notices of demand from the Department of Sales Tax, Government of Maharashtra, aggregating to ₹17,107.87 lakhs (including interest and penalty) pertaining to the years 2000 to 2004. The Company has appealed against the said orders with the Deputy Commissioner (Appeals) and the same is pending adjudication. Further in the current year, the sales tax authorities have levied an additional sales tax demand (including penalty and interest) under the Bombay Sales Tax Act aggregating of ₹515.44 lacs and under Works Contract Act aggregating to ₹85.50 lacs for the year 2004-05. The Company is contesting these additional claims by filing appeals with the respective appellate authorities. Further, the Company has also been assessed for the years 2006-2007 and 2009-2010 under the above statutes where the matters contained in the aforesaid demand orders have been accepted by the authorities.	17,708.81	17,107.87
c)	The Company had received demand notices from the Office of the Commissioner of Service Tax, Mumbai (excluding Interest and penalty) pertaining to Service tax for the period April 2006 to March 2010 on exports made to one of the customers of the Company. On appeal to the Commissioner of Service Tax, the matter pertaining to the period April 2006 to March 2008 was adjudicated in favour of the Company, wherein the demand amount was ₹ 63.48 Crs. The Commissioner has further filed an appeal against the said order with the Customs, Excise & Service Tax Appellate Tribunal. The matter is pending hearing. On the same matter, a Show Cause Notice (SCN) for the period April 2008 to March 2010 has been issued with demand amount of ₹ 28.97 Crs. SCN is pending for adjudication with the Commissioner of Service Tax.	9,245.00	9,245.00
d)	The Company had received demand notice from the Office of the Commissioner of Service Tax, Mumbai pertaining to Service Tax for the period April 2006 to March 2009 on certain transactions. The Company has contested these claims and a hearing was granted to the Company. However, the Commissioner passed an adverse order confirming the tax demand and levied interest and penalty. The Company had filed an appeal before Customs, Excise and Service Tax Appellate Tribunal (CESTAT) against the demand. The CESTAT has remanded the matter back to the adjudicating authority for consideration of the issue afresh. The adjudicating authority has not granted any hearing yet.	-	92.91
e)	The Company has received an order from the Chief Executive Officer (CEO)/Collector towards lease rent and other related charges for use of facilities of Aarey Milk Colony (Aarey). The Company has contested these claims and has also filed a Writ Petition in the Bombay High Court. However, Bombay High Court while admitting the Writ Petition, called upon the Company to pay the amount to Aarey. The Company filed an appeal in the Supreme Court against the Order of the Bombay High Court. However, the Supreme Court directed the Company to pay the entire amount by June 7, 2013 and referred the matter to the Bombay High Court for adjudication. The Company has made a payment of ₹ 213.64 lacs towards the outstanding amount due to Aarey and also carried out the repair works of the godowns amounting to ₹ 35.83 lacs to their full satisfaction. Accordingly, The Chief Executive Officer, Aarey Milk Colony vide a letter dated 28/01/2014 confirmed that no amount is due from the Company.	-	287.35
B	Commitments :		
	Future commitments towards capital contribution in Indus Balaji Investor Trust	800.00	1,300.00

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

23.2.a The Company had applied to the Office of the Commissioner of Sales- tax, Mumbai, to ascertain whether the Company's sales are liable to tax under the Sales- tax laws. Since, the Commissioner of Sales Tax did not decide the said application which was filed under the process of Determination of Disputed Questions (DDQ), the Company filed a Writ Petition before Honourable Bombay High Court for necessary direction. The Honorable Bombay High Court passed an Order on July 9, 2013 directing the Department to decide on the DDQ application of the Company. Pursuant to the directions of the Honorable Bombay High Court Order, the Department passed an Order on September 26, 2013. The Order states that since the Company has been already assessed on the subject for these years and the Company had already filed appeals against the said assessment orders, the application for DDQ is not maintainable and the Company is allowed to follow the normal process of appeal against these assessment orders. Refer note 23.1(A)(b).

23.2.b The Finance Act, 2010 had introduced a new taxable service category viz 'Copyright Services', wherein a temporary transfer or permitting the use/enjoyment of copyright has been made liable to service tax. The levy extends to all transactions involving temporary transfer or permitting the use of copyrights in cinematographic films and sound recordings. Pursuant to this, the Company, as a co-petitioner, along with other companies who are engaged in the business of creation and production of cinematographic films and musical works for distribution, exhibition and communication to the public, via different mediums, had filed a writ petition in the Bombay High Court challenging the vires of the Central Government to levy Service tax under the said entry. Pending disposal of this writ petition, the Company has collected the service tax on such transactions aggregating to ₹265.80 lacs from their customers and deposited the same 'under protest' with the authorities.

23.3 On April 30, 2013, the Income-tax Department visited the premises of the Company and initiated proceedings under Section 132 of the Income-tax Act, 1961. In this connection, the Company has received notices under section 153A of Income-tax Act, 1961 and the company has complied with the requirements of the said notices. Since the proceedings are pending completion, the tax liability, if any, would be ascertained and provided on the completion of the assessments under these proceedings.

23.4 Payment to Auditors

	As at 31 March, 2014	As at 31 March, 2013
	₹ in Lacs	₹ in Lacs
For Statutory Audit	27.45	27.45
For Tax Audit	2.50	2.50
For Taxation matters	5.00	5.00
For other services	7.30	8.00
Reimbursement of expenses	0.60	0.87
For Service Tax	5.30	5.42
Total	48.15	49.24

23.5 As per information available with the Company, none of the creditors have confirmed that they are registered under the Micro, Small and Medium enterprises Development Act, 2006.

23.6 Details of subsidiary and associate included in Consolidated Financial Statements

Name	Relationship	Country of incorporation	% of ownership interest and voting power
Balaji Motion Pictures Limited	Subsidiary	India	100%
Bolt Media Ltd	Subsidiary	India	100%
IPB Capital Advisors LLP	Associate	India	50%

23.7 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

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

Name of the party	Relationship	Amount outstanding as at March 31, 2014	₹ in Lacs
			Maximum balance outstanding during the year
IPB Capital Advisors LLP	Associate	0.50 (0.50)	0.50 (0.50)

Note: Figures in bracket relate to the previous year.

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

23.8 **Related Party Transactions**

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

Name of the Related Party	Relationship
Mr. Jeetendra Kapoor	Key management person
Mrs. Shobha Kapoor	Key management person
Ms. Ekta Kapoor	Key management person
Mr. Tusshar Kapoor	Key management person
Mr. Ramesh Sippy	Relative of Key management person
M/s. J K Developers	Sole proprietary firm of a Key management person
Raksha Entertainment Private Limited	Company owned by relative of Key management person
Balaji Films & Telly Investments Limited	Key management person having significant influence
IPB Capital Advisors LLP	Associate
Balaji Motion Pictures Limited	Subsidiary Company (control exist)
Bolt Media Limited	Subsidiary Company (control exist)

(b) **Details of Transactions with related parties during the year**

₹ in Lacs

Nature of Transactions	Key Management Person	Relative of Key Management Person	Key management person having significant influence	Company owned by relative of Key Management Person	Sole proprietary firm of Key Management Person	Associate	Total
Directors sitting fees							
Mr. Jeetendra Kapoor	1.00 (1.01)	- (-)	- (-)	- (-)	- (-)	- (-)	1.00 (1.01)
Mr. Tusshar Kapoor	0.60 (0.45)	- (-)	- (-)	- (-)	- (-)	- (-)	0.60 (0.45)
Rent paid							
Mr. Jeetendra Kapoor	44.00 (46.74)	- (-)	- (-)	- (-)	- (-)	- (-)	44.00 (46.74)
Mrs. Shobha Kapoor	723.67 (681.35)	- (-)	- (-)	- (-)	- (-)	- (-)	723.67 (681.35)
Mr. Tusshar Kapoor	12.13 (10.40)	- (-)	- (-)	- (-)	- (-)	- (-)	12.13 (10.40)
Ms. Ekta Kapoor	12.49 (12.14)	- (-)	- (-)	- (-)	- (-)	- (-)	12.49 (12.14)
Location Hire							
Balaji Films & Telly Investments Limited	- (-)	- (-)	91.24 (-)	- (-)	- (-)	- (-)	91.24 (-)
Capital Advances							
M/s. J K Developers	- (-)	- (-)	- (-)	- (-)	400.00 (-)	- (-)	400.00 (-)
Lease deposit							
Mr. Jeetendra Kapoor	- (200.00)	- (-)	- (-)	- (-)	- (-)	- (-)	- (200.00)
Ms. Ekta Kapoor	- (100.00)	- (-)	- (-)	- (-)	- (-)	- (-)	- (100.00)
Remuneration							
Mrs. Shobha Kapoor	110.12 (110.12)	- (-)	- (-)	- (-)	- (-)	- (-)	110.12 (110.12)
Ms. Ekta Kapoor	132.30 (132.31)	- (-)	- (-)	- (-)	- (-)	- (-)	132.30 (132.31)
Artist fees							
Mr. Tusshar Kapoor	21.50 (103.90)	- (-)	- (-)	- (-)	- (-)	- (-)	21.50 (103.90)
Legal and Professional charges							
Mr. Ramesh Sippy	- (-)	3.20 (14.75)	- (-)	- (-)	- (-)	- (-)	3.20 (14.75)
Sale of film rights							
Raksha Entertainment Pvt Ltd	- (-)	- (-)	- (-)	116.45 (-)	- (-)	- (-)	116.45 (-)
Dividend paid							
Mrs. Shobha Kapoor	40.15 (20.08)	- (-)	- (-)	- (-)	- (-)	- (-)	40.15 (20.08)
Ms. Ekta Kapoor	42.67 (21.00)	- (-)	- (-)	- (-)	- (-)	- (-)	42.67 (21.00)
Mr. Jeetendra Kapoor	17.57 (8.78)	- (-)	- (-)	- (-)	- (-)	- (-)	17.57 (8.78)
Mr. Tusshar Kapoor	8.12 (4.06)	- (-)	- (-)	- (-)	- (-)	- (-)	8.12 (4.06)
Mr. Ramesh Sippy	- (-)	0.01 (0.01)	- (-)	- (-)	- (-)	- (-)	0.01 (0.01)

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Investment made in Associates							
IPB Capital Advisors LLP	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Amount receivable as at March 31, 2014							
Mrs. Shobha Kapoor *	340.00	-	-	-	-	-	340.00
	(340.00)	(-)	(-)	(-)	(-)	(-)	(340.00)
Mr. Jeetendra Kapoor *	300.00	-	-	-	-	-	300.00
	(300.00)	(-)	(-)	(-)	(-)	(-)	(300.00)
Mr. Tusshar Kapoor *	100.00	-	-	-	-	-	100.00
	(100.00)	(-)	(-)	(-)	(-)	(-)	(100.00)
Mr. Ekta Kapoor *	100.00	-	-	-	-	-	100.00
	(100.00)	(-)	(-)	(-)	(-)	(-)	(100.00)
Raksha Entertainment Pvt Ltd	-	-	-	31.45	-	-	31.45
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Amount payable as at March 31, 2014							
Balaji Films & Telly Investments Limited	-	-	10.44	-	-	-	10.44
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Investment as on March 31, 2014							
IPB Capital Advisors LLP	-	-	-	-	-	0.50	0.50
	(-)	(-)	(-)	(-)	(-)	(0.50)	(0.50)

* - Deposit for leased property

Note

- (i) There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties.
(ii) Figures in bracket relate to the previous year.

23.9 Expenditure in foreign currency

	As at March 31,	As at March 31,
	2014	2013
	₹ in Lacs	₹ in Lacs
Shooting and location expenses	402.93	148.13
Travelling and conveyance expenses	0.97	22.04

23.10 Amounts remitted in foreign currency during the year on account of

	As at March 31,	As at March 31,
	2014	2013
	₹ in Lacs	₹ in Lacs
Amount of dividend remitted in foreign currency (₹ in Lacs)	67.79	33.90
Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency)	1.00	1.00
Total number of shares held by them on which dividend was due (Number)	16948194	16948194
Year to which dividend relates	2012-13	2011-12

23.11 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 ₹68.63 Lacs (previous year ₹59.61 Lacs)

b) a) Defined Benefit Plans

i Reconciliation of asset / (liability) recognized in the Balance Sheet (under pre-paid expenses, refer Note 15)

	For the Year 2013-	For the Year
	2014	2012-2013
	₹ in Lacs	₹ in Lacs
Fair Value of plan assets as at the end of the year	72.57	68.14
Present Value of Obligation as at the end of the year	(29.89)	(27.94)
Net assets / (liability) in the Balance Sheet	42.68	40.19

ii Movement in net liability recognized in the Balance Sheet

	For the Year 2013-	For the Year
	2014	2012-2013
	₹ in Lacs	₹ in Lacs
Net (assets) as at the beginning of the year	(40.19)	(19.26)
Net expense recognized in the Statement of Profit and Loss	1.67	(19.95)
Contribution during the year	(4.15)	(0.99)
Net (assets) as at the end of the year	(43.64)	(40.19)

iii Expense Recognized in the profit and loss account (Under the head "Employees benefit expenses" refer Note 20)

	For the Year 2013-	For the Year
	2014	2012-2013
	₹ in Lacs	₹ in Lacs
Current Service Cost	11.34	18.93
Interest Cost	2.24	3.58
Expected Return on Plan assets	(5.93)	(5.24)
Actuarial (gains)/losses	(5.97)	(37.21)
Expense charged to the Statement Profit and Loss	1.68	(19.95)

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BALAJI TELEFILMS LIMITED

Notes forming part of the consolidated financial statements

IV Return on Plan Assets

	For the Year 2013-	For the Year 2012
	2014	2013
	₹ in Lacs	₹ in Lacs
Expected return on plan assets	5.93	5.24
Actuarial (gains) / losses	(1.62)	0.49
Actual return on plan assets	4.31	5.74

V Reconciliation of defined benefits commitments

	For the Year 2013-	For the Year 2012
	2014	2013
	₹ in Lacs	₹ in Lacs
Commitments at beginning of the year	27.95	42.19
Current Service Cost	11.34	18.93
Interest Cost	2.24	3.58
Actuarial (gains)/losses	(5.96)	(36.75)
Benefits paid	(5.68)	-
Settlement cost	-	-
Commitments at year end	29.89	27.94

VI Reconciliation of plan assets

	For the Year 2013-	For the Year 2012
	2014	2013
	₹ in Lacs	₹ in Lacs
Fair Value of plan assets at beginning of the year	68.14	42.19
Expected return on plan assets	5.93	5.24
Actuarial gains/(losses)	(1.62)	0.41
Employer contribution	4.15	0.99
Benefits paid	(5.68)	-
Fair Value of plan assets at year end	70.92	68.10

VII Experience Adjustment

	For the Year 2013-	For the Year 2012-	For the Year 2011-	For the Year	For the Year
	2014	2013	2012	2010-2011	2009-2010
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
On Plan liability (gains) / losses	0.54	(37.79)	(3.61)	(0.59)	6.50
On Plan assets gains / (losses)	0.02	0.45	0.43	0.57	(1.58)

VIII Actuarial Assumptions

	For the Year 2013-	For the Year 2012
	2014	2013
	₹ in Lacs	₹ in Lacs
Mortality Table (LIC)	1994-96 (Ultimate)	1994-96 (Ultimate)
Discount Rate (per annum)	9.31%	8.00%
Expected Rate of return on Plan assets (per annum)	8.70%	8.70%
Rate of escalation in Salary(per annum)	5.00%	5.00%
Attrition rate	2.00%	2.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Composition of plan assets

	For the Year 2013-	For the Year 2012
	2014	2013
	₹ in Lacs	₹ in Lacs
Insurer managed funds	100%	100%

23.12 Earning per share

Earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as under :

	For the Year 2013-	For the Year 2012
	2014	2013
	₹ in Lacs	₹ in Lacs
(a) Profit / (Loss) for the year attributable to equity share holders		
(₹ in Lacs)	(1,721.24)	1,458.01
(b) Weighted average number of equity shares outstanding during the year (Nos.)	65,210,443	65,210,443
(c) Earnings per share - Basic and diluted (₹)	(2.64)	2.24
(d) Nominal value of shares (₹)	2	2

23.13 Components of deferred tax Assets / (Liabilities)

	As at 31 March,	As at 31 March,
	2014	2013
	₹ in Lacs	₹ in Lacs
Difference between the books and tax written down values of fixed assets	180.51	139.37
Provision for doubtful debts and advances	72.26	9.69
Disallowance under the Income Tax Act, 1961	-	-
Deferred tax asset/ (liability)-net	Total	149.06

23.14 Lease Transactions

Amount of lease rentals charged to the profit and loss account in respect of operating leases is ₹ 934.90 Lacs (previous year ₹ 107.18 Lacs).

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Note 22 Additional information to the financial statements and disclosure under Accounting Standards (contd.)

Note

23.15 Segment Information
(A) Information about primary segments

The Company has considered business segment as the primary segment for disclosure. The reportable business segments are as under:

- (a) Commissioned Programmes : Income from sale of television serials to channels
(b) Sponsored Programmes : Income from telecasting of television serials on channels

	Commissioned Programmes		Sponsored Programmes		Feature Films		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	₹ in Lacs							
Revenue	13,348.06	13,568.94	-	399.69	27,134.33	4,463.62	40,482.39	18,432.25
Add: Inter Segment sale	-	-	-	-	-	-	-	-
Total Revenue	13,348.06	13,568.94	-	399.69	27,134.33	4,463.62	40,482.39	18,432.25
Segment result	2,121.43	1,932.22	-	(203.56)	(2,671.80)	200.22	(550.37)	1,928.88
Unallocable expenses (net)	-	-	-	-	-	-	(2,643.54)	(2,102.33)
Operating Income	-	-	-	-	35.01	-	275.61	166.31
Other Income	-	-	-	-	9.31	21.28	1,798.40	1,838.08
Profit before tax	-	-	-	-	(2,627.48)	221.50	(1,119.88)	1,830.94
Tax expense	-	-	-	-	-	(44.49)	(599.47)	(372.94)
Profit for the year	-	-	-	-	(2,627.48)	177.01	(1,719.35)	1,458.01
Segment assets	6,900.18	6,059.28	-	112.54	12,056.05	18,081.89	18,956.24	24,253.71
Unallocable assets	-	-	-	-	-	-	24,513.82	20,661.22
Total assets	-	-	-	-	-	-	43,470.06	44,914.93
Segment liabilities	2,257.35	1,613.08	-	10.07	2,097.25	1,889.14	4,354.60	3,512.29
Unallocable liabilities	-	-	-	-	-	-	849.50	1,110.27
Total Liabilities	-	-	-	-	-	-	5,204.10	4,622.56
Other Information								
Capital expenditure (allocable)	116.85	130.27	-	-	122.24	77.80	239.09	208.07
Capital expenditure (unallocable)	-	-	-	-	-	-	-	40.20
Depreciation / Amortisation (allocable)	403.44	586.73	-	1.80	35.18	15.58	438.62	604.11
Depreciation / Amortisation (unallocable)	-	-	-	-	-	-	164.56	197.84

(B) Segment information for secondary segment reporting (by geographical segment)

The Company has two reportable geographical segments based on location of customers:

- i) Revenue from customers within India – local
ii) Revenue from customers Outside India – export

	Export		Local		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	₹ in Lacs					
A) Revenue (Turnover)	10417.14	84.85	30,328.87	18,512.63	40,746.01	18,597.48
B) Carrying amount of assets	-	0.53	43,470.06	44,914.40	43,470.06	44,914.93
C) Addition to fixed assets	-	-	178.03	292.53	178.03	292.53

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

Name of the LLP	As at 31 March, 2014			As at 31 March, 2013		
	Names of partners in the LLP	Total capital	Share of each partner in the profits of the LLP	Names of partners in the LLP	Total capital	Share of each partner in the profits of the LLP
IPB Capital Advisors LLP	Balaji Telefilms Limited	0.50	50%	Balaji Telefilms Limited	0.50	50%
	IP Capital Advisors LLP	0.49	49%	IP Capital Advisors LLP	0.49	49%
	IPM Capital Advisors LLP	0.01	1%	IPM Capital Advisors LLP	0.01	1%
		1.00	100%		1.00	100%
Indus Balaji Education Capital Advisors LLP	Balaji Telefilms Limited	0.38	18.75%	Balaji Telefilms Limited	0.38	18.75%
	IP Capital Advisors LLP	0.38	18.75%	IP Capital Advisors LLP	0.38	18.75%
	IPX Capital Advisors LLP	0.25	12.50%	IPX Capital Advisors LLP	0.25	12.50%
	Mohit Raihan	0.50	25.00%	Mohit Raihan	0.50	25.00%
	IPM Capital Advisors LLP	0.50	25.00%	IPM Capital Advisors LLP	0.50	25.00%
		2.00	100%		2.00	100%

23.17 Pursuant to the Shareholders' approval at the Annual General Meeting on July 29, 2013, the Subsidiary Company has paid remuneration to the Managing Director. Though the remuneration for the year is as per the shareholders' approval, it exceeds by ₹ 58.76 lakhs as determined under Section 349 of the Companies Act, 1956 for which the Subsidiary Company has already filed an application with the Central Government for approval. The said approval is under process.

23.18 Earnings in foreign currency

	As at 31 March, 2014	As at 31 March, 2013
	₹ in Lacs	₹ in Lacs
Sale of Film Rights	10,417.14	84.85

23.19 The figures of the previous year have been regrouped wherever necessary to correspond with those of the current year.

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BALAJI TELEFILMS LIMITED
Notes forming part of the consolidated financial statements

Signatures to notes 1 to 23

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants



A. B. Jani
(Partner)
Place : Mumbai
Date : May 15, 2014

For and on behalf of the Board of Directors



Jeetendra Kapoor
(Chairman)

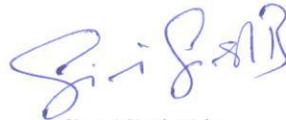


Shobha Kapoor
(Managing Director)

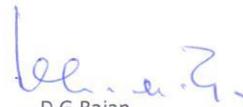
For Snehal & Associates
Chartered Accountants



Snehal Shah
(Proprietor)
Place : Mumbai
Date : May 15, 2014



Simmi Singh Bisht
(Company Secretary)
Place : Mumbai
Date : May 15, 2014



D.G. Rajan
(Director)



Sanjay Dwivedi
(Chief Financial Officer)