

BALAJI TELEFILMS LIMITED

Results for the Quarter ended March 31, 2011

A. Financial Highlights

1. Results comparison of Quarter IV ended March 31, 2011 with December 31, 2010

- Income from operations increased by 13% from Rs. 3904 Lacs to Rs. 4412 Lacs;
- In the present quarter the company has reported a operating loss of Rs.38 Lacs as against operating loss of Rs. 43 lacs in the previous quarter ;
- Profit after tax decreased from a profit of Rs. 121 lacs to a loss of Rs. 115 lacs on account of,
 - reduction in income from investments from Rs.315 lacs to Rs.249 lacs,
 - increase in depreciation from Rs.193 lacs to Rs. 257 lacs on account of increase in investment in Fixed assets for the education division,
 - increase in provision for deferred tax of Rs. 69 lacs for the present quarter.

2. Results comparison of quarter ended March 31, 2011 with quarter ended March 31, 2010

- Income from operations increased by 32% from Rs. 3352 lacs to Rs.4412 lacs;
- In the present quarter the company suffered an operating loss of Rs.38 lacs from an Operating profit of Rs. 988 lacs in Q4 ended March 31, 2010. This is due to settlement of dues to be received from the INX Media resulting in write back of provisions for doubtful debts to the tune of Rs.1119 lacs during Q4, 2010.
- Profit after tax reduced from a profit of Rs 339 lacs to a loss of Rs. 115 lacs.

3. Results for the Quarter ended March 31, 2011

(Rupees in Lacs except per share data)

Particulars	Quarter ended		Growth wrt prev Qtr	Quarter ended		Growth wrt prev Yr Qtr
	Mar 31,11	Dec 31,10		Mar 31,11	Mar 31,10	
NET SALES	4,412	3,904	13%	4,412	3,352	32%
OTHER OPERATING INCOME	39	46	-15%	39	1,119	-97%
TOTAL EXPENDITURE	4,488	3,993	12%	4,488	3,484	29%
EBIDTA	(38)	(43)	-12%	(38)	988	-104%
Depreciation	257	193	33%	257	243	6%
OPERATING PROFIT AFTER DEPRECIATION	(295)	(236)	25%	(295)	745	-140%
Other Income	249	315	-21%	249	339	-26%
PROFIT BEFORE TAX	(46)	80	-157%	(46)	1,084	-104%
Provision for Taxation	69	(42)	-265%	69	745	-91%
COMBINED PROFIT AFTER TAX	(115)	121	-194%	(115)	339	-134%
- Profit From Continued Operations	97	301	-68%	97	541	-82%
- (Loss) From Discontinued Operations	(211)	(180)	18%	(211)	(202)	5%
EARNINGS PER SHARE (FV Rupees 2)	(0.18)	0.19	-197%	(0.18)	0.52	-135%
KEY RATIOS						
Operating Margin (%)	-0.85%	-1.09%	-21.95%	-0.85%	29.05%	-102.93%
Net Profit Margin (%)	-2.60%	3.11%	-183.63%	-2.60%	12.89%	-120.18%

A) For Quarter Ended March 31, 2011 V/s Quarter ended December 31, 2010

- Realization per hour from Commissioned programming (HSM) reduced to Rs. 18 lacs v/s Rs.19 lacs as in the previous quarter,
- Realization per hour from Sponsored programming remained constant at Rs. 3.5 lacs as in the previous quarter,
- Hours of Commissioned programs reduced by 7.5% from 162 hours in previous qtr to 150 hours,
- Hours of Sponsored programs increased marginally from 187 hours in previous qtr to 190 hours.

B) For Quarter Ended March 31, 2011 V/s Quarter ended March 31, 2010

- Realization per hour from Commissioned programming (HSM) increased from Rs. 16.7 lacs in Q4'10 to Rs. 18 lacs Q4,11,
- Realization per hour from Sponsored programming reduced from Rs. 3.8 lacs in Q4'10 to Rs. 3.5 lacs Q4,11,;
- Hours of Commissioned programs (HSM) reduced from 164 hours in Q4 2010 to 150 hours in Q4 2011,
- Hours of Sponsored programs increased marginally from 144 hours in Q4 2010 to 190 hours in Q4 2011.

C) SHOW REPORT FOR THE QUARTER ENDED March 31, 2011
A: EXISTING SHOWS
1 Hindi Speaking Market - Commissioned

SERIAL	CHANNEL	TIME	DURATION (In Mins)	SCHEDULE
Pavitra Rishtaa	Zee Tv	9.00pm - 9.30pm	0:30	5 times a Week
Bandini	Imagine	10.30pm - 11.00pm	0:30	5 times a Week
Tere Liye	Star Plus	10.00pm - 10.30pm	0:30	5 times a Week
Pyaar Kii Ye Ek Kahaani	Star One	8.30pm-9.00pm	0:30	5 times a Week
Kitani Mohabbat Hai	Imagine TV	8.00pm-8.30pm	0:30	5 times a Week

2 Marathi Speaking Market - Commissioned

SERIAL	CHANNEL	TIME	DURATION (In Mins)	SCHEDULE
Maziya Priyala Prit Kalena	Zee Marathi	8.00pm-8.30pm	0:30	6 times a Week
Bandha Reshamache	Star Pravah	8.30pm-9.00pm	0:30	6 times a Week

b) South Market - Sponsored

SERIAL	CHANNEL	TIME	DURATION (In Mins)	SCHEDULE
Kalyani	Udaya TV	6.00pm-6.30pm	0:30	5 times a Week
Kasturi	Sun TV	11.30am-12.00pm	0:30	5 times a Week
Kotha Bangaram	Gemini	7.00pm-7.30pm	0:30	5 times a Week

B: CHANGES DURING THE QUARTER

SERIAL	CHANNEL	TIME	DURATION (In Mins)	SCHEDULE	
Bandini	Imagine	10.30pm - 11.00pm	0:30	5 times a Week	Off Air
Tere Liye	Star Plus	10.00pm - 10.30pm	0:30	5 times a Week	Off Air
Samudram	Gemini	6.00pm-6.30pm	0:30	5 times a Week	Off Air
Kadiruve Ninagagi ey	Udaya TV	10.00am-10.30pm	0:30	2 times a Week	Off Air
Adagaka Ichhina Manasu	Gemini	10.00 pm-10.30pm	0:30	5 times a Week	Off Air

C: NEW UPCOMING SHOWS

SERIAL	CHANNEL	LANGUAGE	DURATION	SCHEDULE
1 Ghar Mera Mandir	Colors	Hindi	0:30	5 times a Week
2 Bade Achhe Lagte Hai	Sony TV	Hindi	0:30	5 times a Week
3 Gandhari	Zee TV	Marathi	0:30	6 times a Week

D) Other Highlights

1. The Company successfully hosted the Global Indian Film & TV Honours (GIFTH) – the nation's first joint film & television award event in the month of February 2011, wherein for the 1st time TV and Filmes entertainment industry were sync with each other and were felicitated jointly at the same forum.

2. The Company has obtained shareholders approval via resolution passed through postal ballot on 18th February, 2011 to sell and transfer as a going concern, on slump sale basis on such terms and conditions as are negotiated by the Board and/or the Managing Director its Mobile, Internet and Education division (Collectively the "Undertakings") at not less than fair value determined by an independent firm of Chartered Accountants or any other professional valuer and with effect from such date and in such manner as may be determined by the Board and/ or the Managing Director. Accordingly, the above undertakings are considered as 'discontinuing operations' in terms of Accounting Standard 24 on 'Discontinuing Operations' (AS 24).

Pursuant to this, the Net Loss after tax for the year ended March 31, 2011 i.e. Rs. 340.38 lacs would be split into two:

- Net Profit after tax from Continuing Operations - Rs. 494.77 lacs and
- Net Loss after tax from Discontinuing Operations - Rs. 835.16 lacs.

Particulars	2011			2010		
	Continuing Operation	Discontinuing Operation	Total	Continuing Operation	Discontinuing Operation	Total
Turnover (net)	14,931.75	262.40	15,194.14	15,273.22	9.19	15,282.41
Sale of services	-			-		
Other Income	1,654.42	0.20	1,654.62	3,317.16	-	3,317.16
Total Income	16,586.17	262.60	16,848.77	18,590.38	9.19	18,599.57
Total Expenditure	16,181.75	1,099.03	17,280.78	15,960.52	413.78	16,374.30
Profit / (Loss) before tax	404.42	(836.43)	(432.01)	2,629.86	(404.59)	2,225.27
Provision for taxation	(90.33)	(1.28)	(91.60)	706.08	0.11	706.19
Profit / (Loss) after tax	494.75	(835.16)	(340.41)	1,923.78	(404.70)	1,519.09
Assets	21,300.35	430.61	21,730.96	21,882.36	64.57	21,946.93
Liabilities	(2,439.41)	(219.10)	(2,658.51)	(2,621.72)	(34.59)	(2,656.31)

Management Discussion and Analysis on Financial Results of the Company for the Quarter ended March 31, 2011

1. Revenues

The Company recorded income from operations in the quarter of Rs. 4412 lacs as compared to Rs. 3904 lacs for the quarter ended December 31, 2010. Revenue contribution from Commissioned programming (HSM) was Rs.2711 lacs against Rs. 3007 lacs for quarter ended December 31 2010, while that of Sponsored programming was Rs. 585 lacs as against Rs. 667 lacs in the same period. The share of commissioned programming in revenues during the quarter was 80% while that of sponsored programming was 20%.

The revenue-wise distribution between commissioned and sponsored programming during the quarter ended March 31, 2011, is as follows:

Show Type	Revenue for Q Ending (Rupees in Lacs)			Percentage		
	Mar-11	Dec-10	Mar-10	Mar-11	Dec-10	Mar-10
Commissioned*	2,711	3,007	2,800	80%	84%	84%
Sponsored	667	585	552	20%	16%	16%
Total	3,378	3,592	3,352	100%	100%	100%

(* Excl regional segment which contributed Rs.221 lacs and Event business contributed Rs. 694 lacs in the present quarter)

2. Operational

A. Content for TV Channel - Programming Mix

Commissioned & Sponsored Programs

The hour-wise programming distribution during the quarters ended March 31, 2011 as compared to previous year and quarter is as follows:

Show Type	Hours for Q Ending			Percentage		
	Mar-11	Dec-10	Mar-10	Mar-11	Dec-10	Mar-10
Commissioned*	150	162	158	44%	46%	52%
Sponsored	190	187	146	56%	54%	48%
Total	340	349	304	100%	100%	100%

(* Excl 56 hrs of regional segment and two events programmed in the present quarter)

3. Other Income

The Other Income during the quarter decreased from Rs. 315 lacs in Q3 to Rs.249 lacs in Q4 and Rs. 339 lacs in the previous year quarter ended March 31,2010.

4. Gross Block

The Company's fixed assets stood at Rs. 8577 Lacs as on March 31, 2011, This includes investment in,

- a state-of-the art studios, cameras & equipments,
- land at Mira Road

5. Investments

As on Mar 31, 2011, the Company's total investments were at Rs. 20979 lacs including Rs.3000 lacs invested in wholly owned subsidiary – Balaji Motion Pictures Ltd. Out of the above, Rs.17979 lacs was invested in units of mutual funds as compared to Rs. 18882 lacs as on December, 31 2010.

6. Debtors

The Company's debtors (in days of income) are at 126 days as on March 31, 2011 as compared to 117 days as on December 31, 2010.

7. Loans and advances

Loans and advances have increased from Rs.7222 lacs to Rs.7026 lacs as on December 31, 2010 as compared to the previous quarter. The Company's principal loans and advances comprised,

- a) Loan to the Subsidiary Balaji Motion Pictures Ltd. of Rs.2531 lacs,
- b) Loan to the Balaji Employees foundation of Rs.1000 lacs, &
- c) Lease deposits for offices / studios Rs.1007 lacs.
- d) Advance Tax of Rs.2344 lacs

8. Operations of the Subsidiary – Balaji Motion Pictures Ltd.

This year has been extremely eventful for Balaji Motion Pictures, '*Once Upon A Time in Mumbai*', our home production had a successful release and a number of projects getting approved and ready for production, under production films getting completed or nearing completion. BMPL is positioned to be a forward-looking business and is operating under a motion pictures studio model that will function seamlessly across the value chain.

A) Releases during the Year:

'*Once Upon A Time in Mumbai*' a home production had a successful release across India and abroad on 30th July, 2010. Film got a tremendous response from the Box office.

Releases in the Present Fiscal Year

1) "*Shor*", by DK & Raj, directors of the very successful "99", was released in 1st quarter of the present fiscal year. It is an international crossover film, with Tusshar Kapoor & Sendhil Ramamurthy, star of the hit NBC show Heroes. Film has been highly critically acclaimed and is currently running in the box office.

2) After the success of "*Love Sex aur Dhokha*" the youth centric brand of the company "*Alt*", released "*Ragini MMS*" a paranormal romantic thriller directed by Pawan Kriplani and has been filmed simultaneously in Hindi & Telugu. The film has received a tremendous response and is currently running in the box office.

3) Company has also forayed into regional cinema with its maiden Marathi film "*Tarayanchi Bait*" released in the 1st quarter of the present fiscal year. Film has been highly critically acclaimed and is currently running in the box office.

The team has also forayed into a number of other projects and collaborated with renowned directors in the quarter, and films are slated to go for production in the year 2011-12.

Audited Financials of BMPL for the year March 31, 2011 are as below;

Particulars	March 31	
	2011	2010
	Rs in Lacs	Rs in Lacs
a) Income from Operations	4,170	591
b) Other Operating Income	8	(0)
Total	4,178	591
Expenditure		
a) Cost of Film Produced / acquired	2,642	646
b) Staff Cost	378	250
c) Depreciation	4	4
d) Other Expenditure	890	581
Total	3,915	1,481
Profit / (Loss) from Operation Before Other Income and Interest (1-2)	263	(890)
Other Income	26	(0)
Profit / (Loss) before Interest (3+4)	289	(890)
Interest	-	-
Profit / (Loss) from Ordinary Activities Before Tax	289	(890)
Tax Expenses	57	0
Net Profit / (Loss) After Tax	232	(890)
(Short) Provision for Tax in respect of earlier years	-	(0)
Net Profit / (Loss) for the Period / Year	232	(890)

For further information on results, please contact us on following nos:

Srinivasa Shenoy, Chief Financial Officer, Balaji Telefilms Limited, Tel: 91 22 40698000

Fax: 91 22 40698288/2, E-mail: srinivasa.shenoy@balajitelefilms.com

Safe Harbor

Certain statements in this update concerning our future growth prospects are forward looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The achievement of such results is subject to risks, uncertainties and even inaccurate assumptions. Readers may please take a note of this.