



## **Results for the year ended March 31, 2008 compared to previous year ended March 31, 2007**

### **Financial Highlights**

#### **Year ended March 31, 2008 vs. Year ended March 31, 2007**

- Income from operations up from Rs. 3,174.67 Mn to Rs. 3,289.69 Mn, an increase of 3.62%;
- Operating profit up from Rs. 1,195.79 Mn to Rs. 1,239.04 Mn, an increase of 3.62%;
- Profit after tax up from Rs. 794.28 Mn to Rs. 879.33 Mn, an increase of 10.71%

#### **Quarter ended March 31, 2008 vs. Quarter ended March 31, 2007**

- Income from operations up from Rs. 773.85 Mn to Rs. 965.18 Mn, an increase of 24.72%;
- Operating profit up from Rs. 304.33 Mn to Rs. 347.78 Mn an increase of 14.28%;
- Profit after tax up from Rs. 212.78 Mn to Rs. 244.00 Mn, an increase of 14.67%.

#### **Operational highlights during the year ended March 31, 2008**

- Balaji's programming continues to dominate the ratings charts. For the week ended March 29, 2008, out of the Top 50 shows, 19 shows were from Balaji (Source TAM ratings Hindi Speaking Market, MF4+ (C&S));
- Realization per hour from Commissioned Program increased from Rs. 2.76 Mn to Rs. 3.27 Mn;
- Realization per hour from Sponsored Program increased from Rs. 0.32 Mn to Rs. 0.43 Mn;
- Average realisation per hour increased from Rs.1.74 Mn to Rs. 2.09 Mn;
- 1,571 hours of total programming during the year;
- Successfully replaced 'Kasauti Zindagi Kay' by 'Kis Desh Mein Hai Meraa Dil' on Star Plus;
- Started new division "Interactive Media Group" with the objective of exploring more avenues in media space. The first such initiative "The Global Indian T.V Honours" received overwhelming response;
- Cash and Cash Equivalents of Rs. 2,273.21 Mn as on March 31, 2008;
- The Board has recommended dividend of Rs. 3.50 per share (175% on face value of Rs. 2 per share) as final dividend.

#### **Operational Highlights of Subsidiaries:**

- Balaji Motion Pictures Ltd., a wholly owned subsidiary of the Company, released 3 movies during the year. Four new film projects i.e. Sarkar Raj, EMI, C Kkompany and Mission Istanbul, are ready for release in next 4 months. The Company achieved turnover of Rs. 365.32 Mn. and Profit after tax of Rs. 54.91 Mn. in its first full year of operation.
- Balaji Telefilms FZE, a wholly owned overseas subsidiary, has moved production of "Khwaish" to Mumbai from December 2007.

### Results for the year ended March 31, 2008

The audited financial results for the year ended March 31, 2008 were taken on record by the Board at its meeting held on May 22, 2008.

The profit and loss account is summarized below: (Rs. in Mn except per share data)

Particulars	Year ended March 31,		Growth%
	2008	2007	
INCOME FROM OPERATIONS	3,289.69	3,174.67	3.62%
TOTAL EXPENDITURE	2,050.65	1,978.88	3.63%
OPERATING PROFIT	1,239.04	1,195.79	3.62%
Interest	0.00	0.04	
Depreciation	127.01	112.48	12.91%
OPERATING PROFIT AFTER INTEREST & DEPRECIATION	1,112.03	1,083.27	2.66%
Other Income	172.81	94.11	83.62%
PROFIT BEFORE TAX	1,284.84	1,177.38	9.13%
Provision for Taxation	405.51	383.10	5.85%
NET PROFIT AFTER TAX	879.33	794.28	10.71%
EARNINGS PER SHARE (Face Value is Rs. 2)	13.40	12.23	9.57%
DIVIDEND PER SHARE (Face Value is Rs. 2)	3.50	3.50	-
Dividend declared as a % of Face Value	175%	175%	
KEY RATIOS			
Operating Profit Margin (%)	37.66%	37.67%	
Net Profit Margin (%)	26.73%	25.02%	

### Results for the quarter ended March 31, 2008

The audited financial results for the quarter ended March 31, 2008 were taken on record by the Board at its meeting held on May 22, 2008.

The profit and loss account is summarized below: (in Rs. Mn except per share data)

Particulars	Quarter ended March 31,		Growth%	Quarter ended December 31, 2007	Growth % in Q4 FY0708 over Q3FY0708
	2008	2007			
INCOME FROM OPERATIONS	965.18	773.85	24.72%	799.71	20.69%
TOTAL EXPENDITURE	617.40	469.52	31.50%	533.93	15.63%
OPERATING PROFIT	347.78	304.33	14.28%	265.78	30.85%
Interest	0.00	0.00		0.00	
Depreciation	34.04	28.02	21.47%	29.77	14.33%
OPERATING PROFIT AFTER INTEREST & DEPRECIATION	313.74	276.31	13.55%	236.01	32.94%
Other Income	47.32	37.05	27.71%	36.86	28.37%
PROFIT BEFORE TAX	361.06	313.36	15.22%	272.87	32.32%
Provision for Taxation	117.06	100.58	16.38%	84.70	38.20%
NET PROFIT AFTER TAX	244.00	212.78	14.67%	188.17	29.67%
EARNINGS PER SHARE (Face Value is Rs. 2 per Share)	3.66	3.26	12.27%	2.88	26.64%
DIVIDEND PER SHARE (Face Value is Rs. 2 per Share)	3.50	3.50	-		
Dividend declared as a % of par value	175%	175%	-		
KEY RATIOS					
Operating Profit Margin (%)	36.03%	39.33%		33.23%	
Net Profit Margin (%)	25.28%	27.50%		23.53%	



Balaji Telefilms

**Management discussion and analysis on Audited Financial Results of the Company for the Quarter and Year ended March 31, 2008**

**Revenues**

The Company recorded income from operations of Rs. 965.18 Mn during the quarter, up 24.72% y-o-y. Revenue contribution from commissioned programming was at Rs.859.14 Mn, up 20.90% y-o-y, while that of sponsored programming was Rs. 106.04 Mn. The share of commissioned programming in the revenues during the quarter was 89%, while that of sponsored programming was 11%.

The revenue-wise distribution between commissioned and sponsored programming during the quarter ended March 31, 2008, March 31, 2007 and December 31, 2007, is as follows:

Programming	Rs. in Mn			Percentage		
	Q4FY08	Q4FY07	Q3FY08	Q4FY08	Q4FY07	Q3FY08
Commissioned	859.14	710.58	741.86	89.01	92.02	92.76
Sponsored	106.04	61.58	57.84	10.99	7.98	7.24
Total	965.18	772.16	799.70	100.00	100.00	100.00

**Channel Wise Revenue**

The Channel wise Revenue distribution during the quarter ended March 31, 2008, March 31, 2007 and December 31, 2007, is as follows:

Channels	Rs. in Mn			Percentage		
	Q4FY08	Q4FY07	Q3FY08	Q4FY08	Q4FY07	Q3FY08
Star, Zee, Sony & 9X	859.14	710.58	741.87	89.01	92.03	92.77
Sun	19.52	17.02	18.13	2.02	2.20	2.27
Gemini	23.04	19.01	20.99	2.39	2.46	2.62
Udaya	13.07	18.12	12.89	1.35	2.35	1.61
DD/Others	45.00	0.14	-	4.67	0.02	-
Surya	5.41	7.29	5.83	0.56	0.94	0.73
Total	965.18	772.16	850.29	100.00	100.00	100.00

**Programming Mix**

Commissioned & Sponsored Programs

The hour wise programming distribution during the quarter ended March 31, 2008, March 31, 2007 and December 31, 2007, is as follows:

Programming	No. of Hours			Percentage		
	Q4FY08	Q4FY07	Q3FY08	Q4FY08	Q4FY07	Q3FY08
Commissioned	289.50	201.00	233.50	66.63	55.37	64.24
Sponsored	145.00	162.00	130.00	33.37	44.63	35.76
Total	434.50	363.00	363.50	100.00	100.00	100.00



### **Other Income**

The Other Income during the quarter was Rs. 47.32 Mn against Rs. 37.05 Mn in the corresponding quarter in the previous year.

### **Dividend**

The Board has recommended the dividend of Rs. 3.50 per share (175% on par value of Rs. 2 per share) on fully paid-up equity shares of Rs.2 each, aggregating to Rs. 267.02 Mn including dividend distribution tax, as the final dividend.

### **Gross Block**

The Company's gross block increased from Rs. 776.79 Mn in March 31, 2007 to Rs. 947.72 Mn as on March 31, 2008.

### **Investments**

As on March 31, 2008, the Company's investments in mutual fund units and bonds were at Rs. 2,197.04 Mn. The Company invested surplus funds in liquid/floating rate funds and Fixed Maturity Plans with the principal aim of safety. The market value of such investments as on March 31, 2008 was Rs. 2252.92 Mn.

### **Debtors**

The Company's average collection period (in days of income) have decreased from 80 days in FY07 to 74 days in FY08.

### **Inventories**

The Company's inventories (in days of turnover) increased from 8 days in FY07 to 10 days in FY07.

### **Loans and advances**

Loans and advances decreased from Rs. 429.95 Mn in FY07 to Rs. 404.74 Mn in FY08. The Company's principal loans and advances comprised lease deposits for offices / studios, advances to subsidiaries and refund/ input credits receivable on account of Income Tax and Service Tax.

### **Change in Programming during the quarter**

- The Company launched following serial during the quarter ended March 31, 2008:

<b>Serial</b>	<b>Channel</b>	<b>Frequency</b>
Kish Desh Mein Hai Meraa Dil	Star Plus	4 Days

- The following serial of the Company went off air during the quarter ended March 31, 2008:

<b>Serial</b>	<b>Channel</b>	<b>Frequency</b>
Kasautii Zindagi Kay	Star Plus	4 Days



Balaji Telefilms

### Serials on air

- As on March 31, 2008 the following 15 serials of the Company were on air on various channels:

Serial	Channel	Frequency	TRPs	Top TRPs on the same channel
<b>Sponsored Serials (20 Shows)</b> {(Source – TAM Ratings for the week ended March 29, 2008, Fe 15+ABC (C&S))}				
Kalyani	Gemini TV	5 Days	11.03	14.23
Kadambarii	Udaya TV	5 Days	10.33	13.54
Kasthuri	Sun TV	5 Days	15.86	24.85
Kalyani	Surya TV	5 Days	6.05	12.04
<b>Commissioned Serials (43 Shows)</b> {(Source – TAM Ratings for the week ended March 29, 2008, HSM, MF 4 + (C&S))}				
Kyunki Saas Bhi Kabhi Bahu Thi Kahaani Ghar Ghar Kii Kis Desh Mein Hai Meraa Dil Karam Apnaa Apnaa Kayamath Kasturi	Star Plus	4 Days 4 Days 4 Days 5 Days 4 Days 4 Days	5.72 4.56 3.13 1.72 3.67 3.85	6.07
Kasamh Se	Zee TV	4 Days	4.30	5.89
Kya Dill Mein Hai (1 hr. show) Kahe Naa Kahe	9X	2 Days 4 Days	1.00 0.37	1.35
Kuchh Is Tara Khwaish	SET	4 Days 4 Days	1.09 0.27	3.79

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

- Sandeep Jain, Chief Financial Officer, Balaji Telefilms Limited, Tel: +91-22- 40698000, Fax:+91-22-40698181, E-Mail: [sandeep.jain@balajitelefilms.com](mailto:sandeep.jain@balajitelefilms.com), Web Site: [www.balajitelefilms.com](http://www.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.