

# Balaji Telefilms Ltd.

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Website : [www.balajitelefilms.com](http://www.balajitelefilms.com)  
CIN No. : L99999MH1994PLC082802



August 10, 2022

To,

**BSE Limited**  
Corporate Services Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001  
**Stock Code: 532382**

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

**Sub: Outcome of Board Meeting**

Dear Sir/Madam,

This is further to our letter dated August 10, 2022 intimating the outcome of Board Meeting for consideration and approval of Unaudited Financial Results for the quarter ended June 30, 2022. We are hereby submitting Quarterly Performance Report and Press Release in this regard.

The above information will also be made available on the Company's website, [www.balajitelefilms.com](http://www.balajitelefilms.com)

You are requested to take the aforementioned information on your record.

Thanking you,

Yours Faithfully,

**For Balaji Telefilms Limited**

**Tannu Sharma**  
**Company Secretary and Compliance Officer**

Encl: a/a



*Balaji Telefilms Ltd.*

# Quarterly Performance Update

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Q1 FY23

# BTL – Consolidated Financials Q1 FY 2023 - Snapshot



Consolidated Financials (In ₹ Cr)	Q1 FY23	Q4 FY22	Q1 FY22	FY22
<b>Total Income from operations</b>	<b>118.8</b>	<b>119.1</b>	<b>64.8</b>	<b>336.9</b>
Cost of Production	115.1	117.9	57.4	327.4
<b>Gross Margin</b>	<b>3.7</b>	<b>1.2</b>	<b>7.4</b>	<b>9.4</b>
<i>Gross Margin %</i>	<b>3%</b>	<b>1%</b>	<b>11%</b>	<b>3%</b>
<b>EBITDA Loss</b>	<b>-20.4</b>	<b>-31.4</b>	<b>-30.4</b>	<b>-121.7</b>
<i>EBITDA Margin %</i>	<b>-17%</b>	<b>-26 %</b>	<b>-47%</b>	<b>-36%</b>
<b>Loss Before Tax</b>	<b>-23.3</b>	<b>-32.3</b>	<b>-33.4</b>	<b>-131.2</b>
<b>Loss After Tax</b>	<b>-24.5</b>	<b>-33.4</b>	<b>-33.9</b>	<b>-133.2</b>

## ALTBalaji

- Successfully completed top rated first season of our hit show 'Lock Upp' which garnered more than 500+million views. Significant long-term IP generated due to niche concept. Potential to be made as multi-lingual
- ALTBalaji sold 3.1 lakh subscriptions (including 1.62 renewals) in Q1 FY23, direct subscription revenues at ₹ 6 crore with 6.91 lakh active subscriptions at end of Q1 FY23
- Shooting completed for 4 shows. Strategic collaborations with leading players in progress for monetization
- 'Apharan 2' launched in Q1 and has performed well. Additionally, 1 more exciting show 'Code M' soon to be launched in August

## TV

- TV business performed well resulting in 246.5 hours of production in Q1 with 8 shows across channels and strong pipeline for the year ahead with 2 new shows coming up next quarter. 'Apnapan' was launched in Q1 FY23 generating good audience response

## Movies

- Current movie pipeline includes 6 exciting projects. 'Ek Villain Returns' headlined by a strong star cast recently released to positive reviews on 29<sup>th</sup> July, with 51Cr+ Net Box Office Collection (NBOC) till date

# Content on track for expansion



## ALTBalaji remains focused on Hindi Originals

- ALTBalaji's direct subscription revenue witnessed a degrowth i.e. ₹ 6 cr in Q1 FY23 vs ₹ 7.3 cr in Q4 FY22. Expected to achieve an upward growth for the balance 9 months considering robust pipeline of content across genres
- Continue to build our content library on ALTBalaji with 93 shows and 18 movies which includes multiple seasons of hit shows
- Remain focused on high quality of content with strong narratives for younger audiences
- Consumer engagement remains high, focus remains to minimize consumer churn
- Pricing remains at ₹ 300 a year (less than ₹ 1 a day making it affordable to mass audiences)
- Overall revenue for Q1 FY23 at ₹ 36.82cr, however additional 7.08 cr of revenue to be accounted in next 4 quarters as deferred revenue
- Alt Balaji was able to achieve reduction in cash burn in Q1 FY23 ~ 6.4 cr (excluding Lock Upp) vs Q1 FY22 ~ 25 cr . Focus remains on further reducing cash burn going forward.

## TV business now fully returned to normal levels, very robust pipeline of new shows across genres

- TV business continued at normal production with 246.5 hours of production across 8 shows in Q1 FY23. This also includes newly launched show 'Apnapan' on Sony. Strong pipeline for the year ahead
- 8 shows were on air
  - Kumkum Bhagya, Kundali Bhagya, Bhagya Lakshmi on Zee, Yeh Hai Chahatein on Star, Naagin 6, Parineeti on Colors and Bade Acche Lagte Hain 2 and Apnapan on Sony
  - Hourly realizations remain muted at ₹ 29.88 lakhs per hr
  - 2 new exciting shows lined up which would further drive our volume growth

## Movies – 6 projects lined up for release in Fy23

- Theatres commenced operating at 100% capacity since second half of previous year
- 'Ek Villain Returns' released on 29th July with NBOC collection of 51cr+ still counting
- 6 Movies to be released in FY23, out of which 2 films in ready to release stage, 3 films in post-production stage and 1 film under production
- Pre-locked exciting revenue deals on movies, covered ~80% cost of production through pre-sales thereby de-risking our movie business segment
- Theatrical release date has been locked for 2 films, 'Dobaara' (starring Taapsee Pannu) on 19<sup>th</sup> Aug and 'Goodbye' (starring Amitabh Bachchan) on 5<sup>th</sup> Oct



# CONTENT - NEW LAUNCHES



- Apharan 2 Launched in May 2022
- Garnered more than a million views within 3 weeks of launch



- Code M – Season 2 launching on 12 Aug 2022





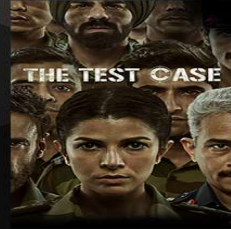
**IMDb**



8.7 ★



8.6 ★



8.4 ★



8.4 ★



8.2 ★

**TOP IMDb SHOWS**



7.9 ★



7.9 ★



7.6 ★



7.5 ★



7.1 ★

ALTBalaji critically acclaimed shows on IMDb

- Bose
- Broken But Beautiful
- The Test Case
- Apharan
- Haq Se
- Cartel
- Baarish
- Code M
- His Story
- Bicchu Ka Khel

# TV and Movies return to normal, strong pipeline in FY23



- Overall demand for TV content remains strong with our shows continuing to generate good margins in Q1 FY23
- 8 shows contributed to increase in hours of production in current quarter, 246.5 hours against 174.5 hours in Q1 FY22
- Strong pipeline with 2 new exciting shows. Volume growth to drive revenues and pricing remains soft
  - 1 show on DD
  - 1 show on Colors Rishtey
- Shows on Air :

Broadcaster	Show
Zee	<ul style="list-style-type: none"> <li>• Kumkum Bhagya</li> <li>• Kundali Bhagya</li> <li>• Bhagya Lakshmi</li> </ul>
Star	<ul style="list-style-type: none"> <li>• Yeh Hai Chahatein</li> </ul>
Colors	<ul style="list-style-type: none"> <li>• Naagin 6</li> <li>• Parineeti</li> </ul>
Sony	<ul style="list-style-type: none"> <li>• Bade Acche Lagte Hain 2</li> <li>• Apnapan</li> </ul>

## Status of current projects expected to release in FY23

- **Dobaara** directed by Anurag Kashyap and starring Taapsee Pannu to release on 19<sup>th</sup> Aug
- **Goodbye** directed by Vikas Bahl and starring Amitabh Bachchan to release on 5<sup>th</sup> Oct
- **U Turn** starring Alaya F, remake of hit Kannada movie, shoot completed, now under post production
- **Freddy** with Kartik Aryan, shoot completed, now under post production
- **Kathal** starring Sanya Malhotra, shoot completed, now under post production
- **Thankyou for Coming** starring Bhumi Pednekar, shoot nearing completion

## Exciting upcoming projects:

- **Dream Girl 2** (Starring Ayushmann Khurrana)
- **Buckingham Murder** (Starring Kareena Kapoor & Director Hansal Mehta)
- **Sabarmati** (Starring Yami Gautam)



## Financials

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# BTL Consolidated Financial Performance



In ₹ Cr	Q1 FY23	Q4 FY22	Q1 FY22	FY22
<b>Total Income from operations</b>	<b>118.8</b>	<b>119.1</b>	<b>64.8</b>	<b>336.9</b>
Cost of Production	115.1	117.9	57.4	327.4
<b>Gross Margin</b>	<b>3.7</b>	<b>1.2</b>	<b>7.4</b>	<b>9.4</b>
<i>Gross Margin %</i>	3%	1%	11%	3%
Marketing and Distribution	3.5	6.3	15.8	34.4
Employee Benefits Expense	3.0	8.8	6.4	30.1
Other Expenses	17.5	17.3	15.6	66.6
<b>EBITDA</b>	<b>-20.4</b>	<b>-31.4</b>	<b>-30.4</b>	<b>-121.7</b>
<i>EBITDA Margin %</i>	-17%	-26%	-47%	-36%
Finance Cost	1.1	1.3	0.1	1.8
Depreciation and amortisation	3.3	3.6	4.1	15.0
Other Income	1.5	3.9	1.2	7.3
<b>Profit / Loss Before Tax</b>	<b>-23.3</b>	<b>-32.3</b>	<b>-33.4</b>	<b>-131.2</b>
Tax Expenses	1.2	1.0	0.5	2.0
<b>Net Profit After Tax</b>	<b>-24.5</b>	<b>-33.4</b>	<b>-33.9</b>	<b>-133.2</b>

Note : Numbers may not add up due to rounding

# Legal Entity Wise Performance : Q1 FY23



Particulars (In ₹ cr)	BTL (TV + Movie Production)	BMPL (Movie Distribution)	ALTBalaji	Ding	Elimination	Consol
Net Sales / Income from Operations	76.7	-	36.8	5.3	-	118.8
Other Operating Income	0.9	-	-	-	0.9	-
<b>Total Income</b>	<b>77.6</b>	<b>-</b>	<b>36.8</b>	<b>5.3</b>	<b>1.0</b>	<b>118.8</b>
Cost of Production	62.0	-	49.7	5.2	1.8	115.1
Marketing and Distribution Expenses	0.1	-	3.4	-	-	3.5
Staff Cost	2.1	0.9	1.3	0.2	1.5	3.0
Other Expenditure	7.2	0.1	8.3	0.4	-1.5	17.5
<b>EBITDA</b>	<b>6.2</b>	<b>-1.0</b>	<b>-25.9</b>	<b>-0.5</b>	<b>-0.9</b>	<b>-20.4</b>
Finance Cost	1.1	0.1	0.6	0.0	0.7	1.1
Depreciation	2.9	-	0.3	0.1	-	3.3
<b>Profit / (Loss) from Operation Before Other Income</b>	<b>2.3</b>	<b>-1.2</b>	<b>-26.8</b>	<b>-0.6</b>	<b>-1.5</b>	<b>-24.7</b>
Other Income	1.9	-	-0.1	0.1	0.7	1.5
<b>Profit / (Loss) from Ordinary Activities Before Tax</b>	<b>4.3</b>	<b>-1.2</b>	<b>-26.8</b>	<b>-0.5</b>	<b>-0.9</b>	<b>-23.3</b>
Tax Expenses	1.2	-	-	-	-	1.2
<b>Net Profit / (Loss) from continuing operations</b>	<b>3.0</b>	<b>-1.2</b>	<b>-26.8</b>	<b>-0.5</b>	<b>-0.9</b>	<b>-24.5</b>

Note : numbers may not add up due to rounding

# Notes And Policies



## Accounting Policies for Amortization on Inventory

### **Movies**

- Items of inventory are carried at lower of cost and net realisable value. Cost is determined on the following basis:
  - Films: Actual Cost
  - Unamortised cost of films: The cost of films is amortised in the ratio of current revenue to the expected total revenue. At the end of each accounting period, balance unamortised cost is compared with the net expected revenue. If the net expected revenue is less than unamortised cost, the same is written down to the net expected revenue
- Marketing and distribution expenses are charged to revenue in the period in which they are incurred and are not added to inventory

### **Digital**

- Original content amortised over 3 years, 65% of the cost in the first year and 25% in the second year and 10% in third year
- Acquired content is amortised over license period



# Thank You

**Balaji Telefilms Limited**

**CIN : L99999MH1994PLC082802**

<http://www.balajitelefilms.com>

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**Email:**

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## **Balaji's consolidated three-month revenue at Rs 119cr ALT Content library at 93+**

**August 10<sup>th</sup> 2022:** Balaji Telefilms announced its financial results for the first quarter and three-months ended 30<sup>th</sup> June 2022.

ALTBalaji continues to produce content driven shows and we are confident that it will be regarded as one of the leading Indian OTT players in the near future as we have a strong content library catering to classes and masses alike with consistent hit shows across genres. This quarter we released Apharan- Season 2 which garnered more than a million views within a short span of time.

Some of our shows continue to be highly rated and popular amongst our audiences especially the youth and also includes our immensely popular niche reality competition show (that released last quarter) 'Lock Up' which was live streamed, garnering immense popularity and in the process went on to become the highest watched reality show in OTT space, crossing 500+ million views. As a result, the Company generated a significant long-term IP as this format was never seen before in the Indian entertainment domain. The Company sold 3.1 lakh subscriptions (including 1.62 renewals) during three months ending 30<sup>th</sup> June 2022. This excludes subscribers on partner apps where the content continues to do well. The Company continues its strategy to drive deeper audience engagement by creating quality and content driven shows that is targeted at mass India seeking differentiated stories. Currently, the engagement time stands at 62+ mins, with watch time at 16.19 billion in minutes. Video views stand at 1.37 billion cumulative till date.

During the three months, TV business produced 246.5 hours of production across 8 shows for 4 broadcasters vs. 174.5 hours in Q1 FY22. 'Apanan' was launched in Q1 FY23 which generated good audience response. 2 new exciting shows have been lined up and should commence telecast shortly in the next quarter.

As regards our movie business, 'Ek Villain Returns' starring John Abraham and Arjun Kapoor released on 29th July to positive reviews with 51 crores+ Net Box Office Collection till date. Considering that theatres are now operating at 100% capacity, we are confident that our movie business will be back on track given that we have 6 more movies up for release in FY23, out of which 2 films are in ready to release stage, 3 films in post-production stage and 1 film under production. We have pre-locked exciting revenue deals on our movies slate, thereby de-risking our movie business segment.

**Mrs. Shobha Kapoor, Managing Director, Balaji Telefilms Limited** said, "Our content has always resonated with audiences at large as is deeply ingrained in India's socio-cultural fabric and this quarter has been no different given that we have continued to provide content driven

and quality entertainment while simultaneously focusing on sustainable growth for our investors. We are elated that theatres are now fully operational, and that cine-goers have welcomed this move with open arms. We released 'Ek Villain Returns' in theatres in July to a positive audience response which also reflected in its box office collection amounting to 51+crores till date. Additionally, we have a robust pipeline of 6 more movies to be released this year. As regards our digital business ALTBalaji, we have inked some exciting deals with some of the leading content creators of our industry as well as continue to produce niche content driven shows in order to create a strong footprint in the OTT segment. We continue to have strong controls on the cash spend while driving overall profitability including some strong strategic content sharing deals which allows us to further our growth.

Our TV business continues to perform well in terms of production hours and we hope to improve this momentum as 2 new shows will commence telecast next quarter in addition to the 8 shows that we currently have on air across channels and genres. As always, we are confident that our content will strike a chord with audiences as our storytelling is backed by strong creative capabilities which drives our business growth”

### **OPERATIONAL and FINANCIAL HIGHLIGHTS**

- ALTBalaji total subscriptions sold in Q1 FY23 were 3.1 lakh. Direct subscription revenues stood at Rs 6Cr in Q1 FY23 cr vs Rs7.3 cr in Q4 FY22
- ALTBalaji 93+ shows live on the platform
- TV business continued at normal in three months with 246.5+ hours of production across 8 shows and a strong pipeline with two more exciting shows across genres for the next quarter. 'Apnapan' released on Sony to good audience response
- 'Ek Villain Returns' released on 29<sup>th</sup> July garnering positive reviews, with 51 cr+ Net Box Office Collection till date. Current pipeline includes 6 more exciting projects with some of the top leading actors and directors of the country. Majority of our projects are already in post-production stage with two more release dates blocked for upcoming quarters.
- Overall financial performance for the three months
  - Group revenues at Rs 118.8 cr of which ALTBalaji contributed Rs 36.8 cr
  - Group EBITDA loss at Rs 20.4 cr and Loss after tax at Rs 24.5 cr

### **About Balaji Telefilms Limited:**

Balaji Telefilms is amongst India's leading entertainment companies operating across television, movie and digital content production. The Company, under the stewardship of Mrs. Shobha Kapoor and Ms. Ekta Kapoor, enjoys market leadership in the television content industry for over two decades with an exemplary track record for content creation across genres and target groups.

Balaji Telefilms is a household name which has produced some of the best television serials in the country including the famous K Series of daily soaps such as Kyunki Saas Bhi Kabhi Bahu Thi and Kahaani Ghar Ghar Ki. More recently it has created an extremely successful mystical fantasy series of Naagin 1 to Naagin 6, paving the way for weekend fiction-based programming.

Over the years the Company through its movies business has also demonstrated success in pioneering the production of a differentiated cinematic content across different genres. The Company has been involved in creating a number of commercial as well as critically acclaimed movies such as The Dirty Picture, LSD, Once Upon a Time, Ek Villain, Udta Punjab Veere Di Wedding, Dream Girl and recently Ek Villain Returns.

Balaji Telefilms' foray into original shows on digital platforms, ALT Digital Media Entertainment Limited is a wholly owned subsidiary of the production house. Serving as a multi-device subscription Video on Demand (SVOD) Platform, ALTBalaji's offerings include premium, disruptive content and original series across genres, that audiences can watch at their convenience. With originality, courage and relentlessness at its core, ALTBalaji's content stands out for being non-conformist and inclusive. ALTBalaji is here to set new standards and benchmarks in giving digitally-first audiences an alternate content platform.

**For further queries please contact:**

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