



# BALAJI

*Balaji Telefilms Ltd.*  
ANNUAL REPORT 2014 -15

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1. Ms. Ekta Kapoor  
2. Mr. Sameer Nair  
3. Ms. Tanusri Dasgupta  
4. Mr. Shubhodip Pal  
5. Mr. Ketan Gupta  
6. Mr. Tushar Hiranandani  
7. Ms. Coralie Ansari  
8. Mrs. Simmi Singh Bisht  
9. Mr. Tanveer Bookwala  
10. Ms. Ruchikaa Kapoor  
11. Mr. Sanjay Dwivedi  
12. Mr. Vimal Doshi  
13. Mr. Ayan Roy Chowdhury



# BEING INSTITUTIONAL

A transformational change is currently underway at the Balaji House. As a promoter driven company, Balaji has travelled a great journey of growth, stature and maturity. Thanks to the love, passion and hard work of the Kapoor family, Balaji now stands at the forefront of the entertainment industry and has the opportunity to travel into new orbits of growth. This will require them to place more focus on the big picture and strategic initiatives for the company.

For this to happen, we are taking the organisation beyond our promoters. We are doing this by ensuring the Balaji machinery works meticulously without their involvement in day-to-day operations. We are making sure the organisation gains muscle memory to deliver consistently without needing to reinvent established processes. We are enabling our promoters with more breathing space to manage the "Big Picture", to drive greater value creation for its stakeholders. We call this change "Being Institutional".

By "Being Institutional", we are inculcating our organisation with strong management leaders and refined systems with strong

operational processes. In this way, we are enabling order and predictability. We are empowering our human capital through value-based leaderships and entrepreneurship. We are building strategic alliances to accelerate our growth process.

We are committed towards innovative and engaging change. We are developing a new language around the "Balaji" brand, establishing a fresher perspective in the marketplace. Our key objective is to make the organisation sustainable and scalable. We are determined to build a respectable, inspirational and enduring institution.



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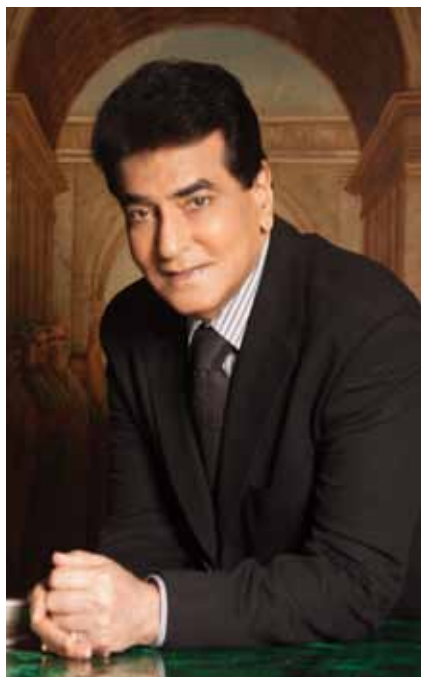
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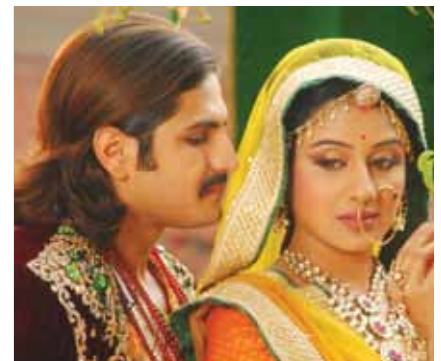
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# AT A GLANCE

We have firmly established our identity as a game-changer and a harbinger of innovation in the Media & Entertainment (M&E) industry.

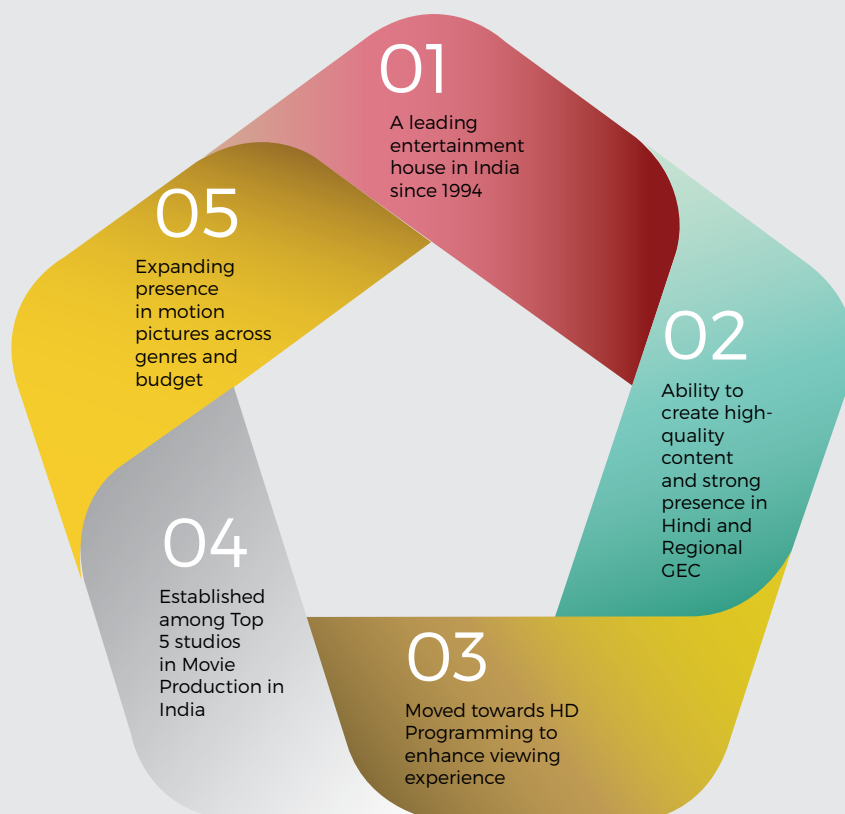
We are one of India's leading Television and Movies production companies, with differentiated strengths across television and motion pictures. We are the providers of entertainment in India and one of the first companies to venture into Hindi and regional General Entertainment Channel (GEC) space. We have established a benchmark in television

programming and successfully evolved from being a pure-play TV content provider, into one that produces content for the small and big screen and the Internet.

We have firmly established our identity as a game-changer and a harbinger of innovation in the Media & Entertainment (M&E)

Industry. Our pioneering vision has resulted in continuous innovations, which then enabled us to attain leadership and make a significant contribution to the industry.

With a strong track record of producing quality content for Hindi GECs and an ability to create high-quality content, we are creating new entertainment paradigms in the M&E space.



## OUR VISION

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

## OUR VALUES

### Storytelling

We always delight audiences with our content and the way we deliver it to them.

### Passion

We go that extra mile because we love what we do.

### Integrity

We are honest and ethical in all our dealings.

### Compassion

We care about our people, we listen, we take the initiative to understand what each one of us wants and work together as a team.

### Excellence

We push the bar and never settle for second-best.

16,000  
Hours of Television  
Content across Genres

150

Strong Library of  
TV Shows

25  
Movies Produced so  
far (approx.)

8-10

Movies in  
the Pipeline

4  
Releases in FY2016  
(approx.)

19

Modern  
Studios

31  
Editing Suites





# WHAT DIFFERENTIATES US

We are well positioned to capitalise on the high-growth Indian domestic Media and Entertainment (M&E) industry with a structural upside. We are consistently delivering value through our distribution and marketing capabilities and maintaining a leadership position in the TV & Movie space.

**A**cross our dual delivery platforms of television and movies, we have built significant and diverse capabilities in generating superior content for mass viewers, optimising our slate and reaping the benefits of digitisation.

In our television business, we have established capabilities to create new and diverse storylines through our TV shows. We are swiftly ramping up our scale and leveraging every monetising opportunity that comes our way. We are providing stable and

recurring cash flows to strengthen our net worth each year.

In the Movies segment, Balaji Motion Pictures Limited (BMPL) is today established amongst the Top 5 studios in Movie production within India. With original content creation capabilities, BMPL is expanding its presence across budgets and genres to gradually emerge as a serious player in the Movie production and distribution space.

## OUR KEY CAPABILITIES

- A 150 strong library of TV shows
- Creating valuable content
- Generating diverse content to attract increased viewership
- Moving to a high-revenue model of commissioned programmes
- De-risking the business model through co-production
- Increasing non-theatre revenues by pre-selling music, satellite and overseas rights
- Selectively expanding our Movies distribution network
- Leveraging a multi-platform delivery of content
- Tapping innovative marketing strategies for effective monetisation
- Establishing a niche market position through a healthy project pipeline in TV and Movies





# CORPORATE INFORMATION

## Board of Directors

**Mr. Jeetendra Kapoor**, Chairman  
(DIN: 00005345)

**Mrs. Shobha Kapoor**, Managing Director  
(DIN: 00005124)

**Ms. Ekta Kapoor**, Joint Managing Director  
(DIN: 00005093)

**Mr. Tusshar Kapoor**, Non-Executive & Non-Independent Director  
(DIN: 00005088)

**Mr. Arun Kumar Purwar**, Independent Director  
(DIN: 00026383)

**Mr. Ashutosh Khanna**, Independent Director  
(DIN: 03153990)

**Mr. D. G. Rajan**, Independent Director  
(DIN: 00303060)

**Mr. D. K. Vasal**, Independent Director  
(DIN: 06858991)

**Mr. Pradeep Sardar**, Independent Director  
(DIN: 00021405)

**Mr. V. B. Dalal**, Independent Director  
(DIN: 00247971)

## Group Chief Executive Officer

**Mr. Sameer Nair**

## Group Chief Financial Officer

**Mr. Sanjay Dwivedi**

## Company Secretary

**Mrs. Simmi Singh Bisht**

## Senior Management

**Mr. Ketan Gupta**, Chief Operating Officer (Television)

**Ms. Tanusri Dasgupta**, Creative Director (Television)

**Mr. Shubhodip Pal**, Chief Executive Officer (Motion Pictures)

**Mr. Tanveer Bookwala**, Chief Creative Officer (Motion Pictures)

**Mr. Tushar Hiranandani**, Head of Development (Motion Pictures)

**Ms. Ruchikaa Kapoor**, Head - Marketing & Branding (Motion Pictures)

**Mr. Vimal Doshi**, Head-Distribution (Motion Pictures)

**Mr. Ayan Roy Chowdhury**, General Counsel - Legal

**Ms. Coralie Ansari**, Group Head - HR

## Registered Office

C13, Balaji House, Dalia Industrial Estate,  
Opposite Laxmi Industrial Estate,  
New Link Road, Andheri (West),  
Mumbai - 400 053.

**Tel:** +91-22-4069 8000,

**Fax:** +91-22-4069 8181/82

**Website:** www.balajitelefilms.com

**CIN:** L99999MH1994PLC082802

**Email:** investor@balajitelefilms.com

## Statutory Auditors

Deloitte Haskins & Sells (LLP)  
Snehal & Associates

## Registrar & Share Transfer Agent

Karvy Computershare Private Limited,  
Unit: Balaji Telefilms Limited,  
Karvy Selenium Tower B, Plot No 31  
& 32 Gachibowli, Financial District,  
Nanakramguda, Serilingampally  
Hyderabad - 500 032, Telangana.

**Tel:** +91 - 40 - 67161500, 33211000

**Fax:** +91 - 40 -23420814, 23001153

**Toll Free No.:** 1800-345-4001

**E-mail:** einward.ris@karvy.com

**Website:** www.karvy.com

## Bankers

Yes Bank Limited

ICICI Bank Limited

HDFC Bank Limited

# OPERATIONAL HIGHLIGHTS

## OUR TV BUSINESS:

### NEW SHOWS:

- Produced and Broadcast 7 new shows – Ajeeb Daastaan Hai Ye, KumKum Bhagya, Meri Ashiqui Tum Se Hi, Itna Karo Na Mujhe Pyaar, Gumraah Season – 5, Kalash - Ek Vishwaas and Nach Baliye – 7
- 3 TV shows were off the air after their successful run on different TV channels – Pavitra Rishta, Bade Achhe Lagte Hain and Ajeeb Daastaan Hai Ye
- 6 new shows in pipeline during FY2016 for Sony, Colors, Life Ok, Star Plus and other TV Channels

### TOP RATED SHOWS:

- Ye Hai Mohhabatein emerged as the top-rated show on Star Plus
- Jodha Akbar and Kumkum Bhagya are the top-rated shows on Zee TV
- Meri Ashiqui Tumse Hi is the No 2 show on Colors

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## OUR MOVIES BUSINESS:

- Produced and released 3 Movies – Kuku Mathur Ki Jhand Ho Gai, Main Tera Hero and Ek Villain in FY2015
- Ek Villain emerged as the best revenue-generating asset, generating box office collection of over ₹ 100 crore
- At an advanced stages of releasing X.X.X, Kya Kool Hain Hum 3, Grand Masti 3 and Udta Punjab
- Currently, work under progress on an exciting pipeline of over 8-10 Movies, namely: Azhar, A Flying Jatt, Suspect X, Naatak, and Bhool Se Naam Na Lo Pyaar Ka, among others
- In process of creating our own IP and genuine B2C content to tap the digital platform

### BOLT MEDIA:

- Produced and Broadcast a 100-part web series “Kelloggs Wale Guptaji ki Family” in March, 2015. This show received 5 million views in a month.
- Produced and Broadcast a two-part documentary series for National Geographic Channel based on 1990s
- Broadcast Ye Jawaani Tara Riri on Channel V, Dharmakshetra and Rakht on Epic Channel
- Produced a digital and print campaign for Sonata Watches In pipeline Season 2 of Love by Chance

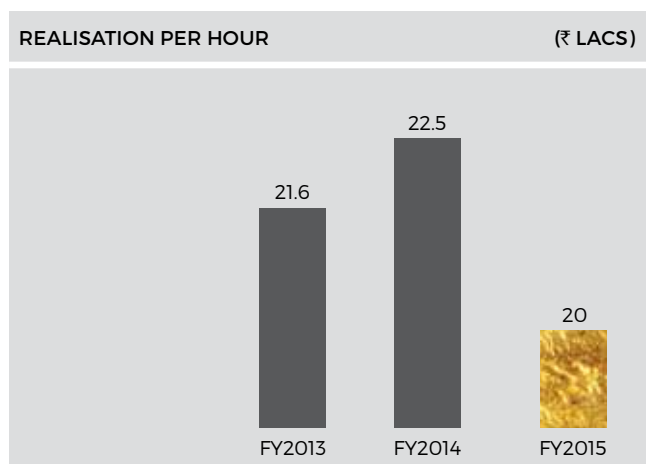
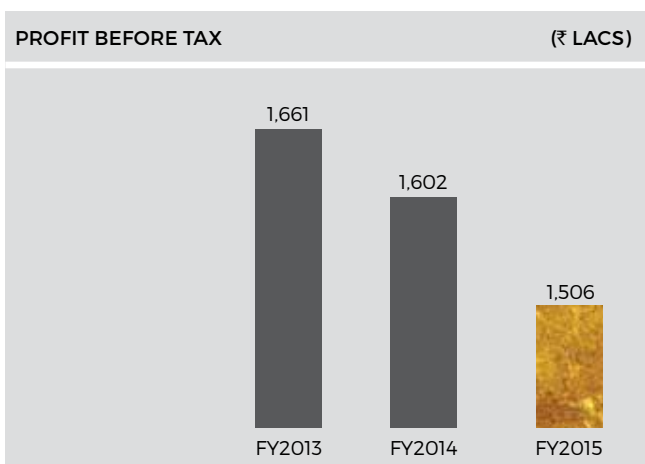
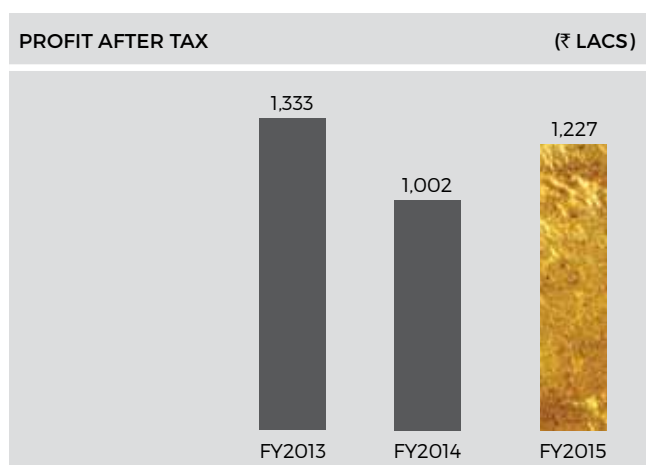
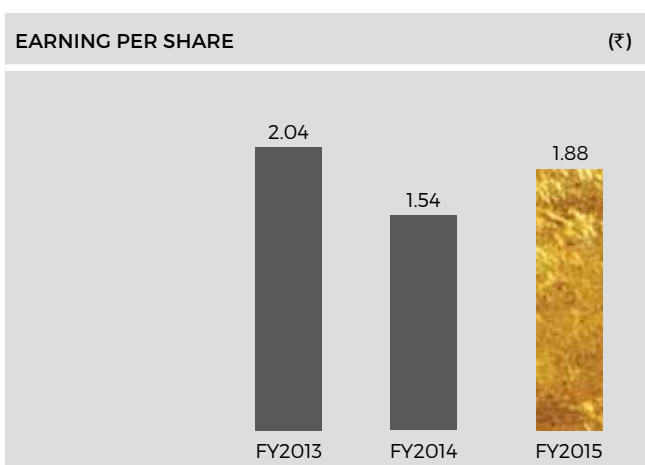
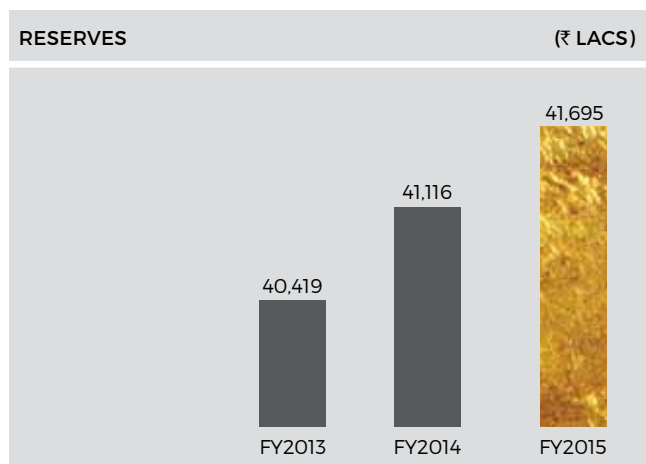
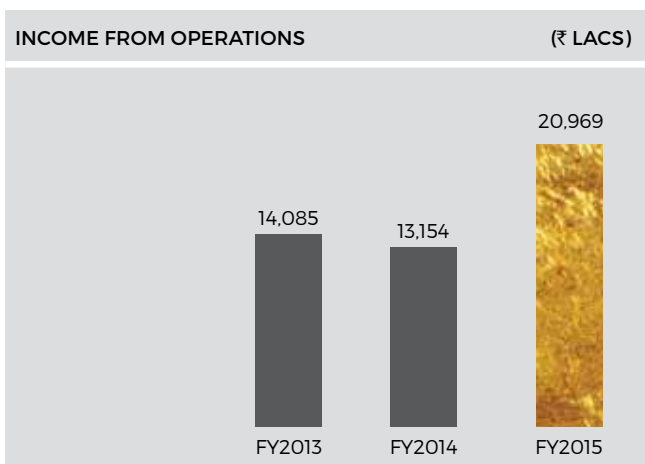
### NEW BUSINESS INITIATIVES:

- Acquired 51% stake in Marinating Films Private Limited (MFPL), which owns the Intellectual Property Rights (IPRs) for Television Style Awards (TV awards), Box Cricket League, and Tele Calendar with TV actors
- Formed Event Media Limited Liability Partnership Firm (LLP) with Select Media Holdings Private Limited with a majority stake. Event Media LLP owns the IPR for Box Office Awards and plans to add more IPRs relating to events/shows to its existing portfolio
- Floated a subsidiary with Chhayabani Private Limited to form Chhayabani Balaji Entertainment Private Limited (with a board and management control) to produce fresh content in Bangla languages

### OPERATIONAL PERFORMANCE:

- Revenue Per Hour during FY2015 was ₹ 21.39 Lacs, compared to ₹ 22.55 Lacs in the previous year
- Revenue from Commissioned Programmes was ₹ 20,569 Lacs, in comparison with ₹ 12,913 Lacs in FY2014
- Hours for Hindi Commissioned Programmes almost doubled to 962 Hours, compared to 554 Hours in FY2014

# FINANCIAL HIGHLIGHTS





# AWARDS & ACCOLADES

## TELEVISION STYLE AWARDS 2015

- **Most Stylish Beta Award:**  
Shabbir Ahluwalia received the '**MOST STYLISH BETA**' award for Kumkum Bhagya
- **Most Stylish Beti Award:**  
Sriti Jha and Nia Sharma received the '**MOST STYLISH BETI**' Award for Kumkum Bhagya and Jamai Raja (TV series)
- **Most Stylish Couple Award:**  
Shakti Arora and Radhika Madan received the '**MOST STYLISH COUPLE**' award for Meri Aashiqui Tumse Hi
- **Style Icon of the Year (Male):**  
Ronit Roy received the '**STYLE ICON OF THE YEAR (MALE)**' award for Itna Karo Na Mujhe Pyaar
- **Style Icon of the Year (Female):**  
Paridhi Sharma received the '**STYLE ICON OF THE YEAR (FEMALE)**' award for Jodha Akbar
- **Best Parivaar:**  
Kumkum Bhagya





## STAR PARIVAAR AWARDS

### **Favourite Jodi**

- RAMAN AND ISHITA

### **Favourite Chota Sadasya**

- RUHI

### **Favourite Pita**

- RAMAN

### **Favourite Digital Sadasya (Male)**

- RAMAN

### **Favourite Jodi International**

- RAMAN AND ISHITA

### **Favourite Digital Sadasya (Female)**

- ISHITA

### **Scroll of Honour**

- PRODUCERS / PRODUCTION HOUSE

# CHAIRMAN'S MESSAGE

Amidst changing consumer preferences and the backdrop of an uncertain macro-economic environment, we continued to deliver game-changing content across multiple segments.

Dear Friends,

FY2015 will be recorded as a highly eventful and remarkable year in the history of Balaji Telefilms Limited (BTL). During the year, we endeavoured to usher innovative, exciting and fresh content. This has enabled us to maintain our leadership position in the television space and move ahead in the Movies space too. Amidst changing consumer preferences and the backdrop of an uncertain macro-economic environment, we continued to deliver game-changing content across multiple segments. It is this ability of BTL to continuously introspect and rapidly execute the requisite changes, pertaining to the external and internal environment, that truly makes it a pioneer in its own right.

## Cusp of Growth

The Indian Media & Entertainment (M&E) Industry is at the cusp of a strong phase of growth, backed by rising consumer payments and advertising revenues across all sectors. Making high growth strides, it is indeed a sunrise sector for the Indian economy. It is projected to grow by 13% in 2015 over the previous year, according to the FICCI-KPMG Indian Media & Entertainment Industry Report, 2015. This growth is largely backed by the television segment which is expected to grow at a robust 14.46%. On the other hand print media is seen rising at 8%. The television industry, the largest segment in the entertainment sector, continued its strong growth momentum led by subscription revenues.

The M&E industry, including print, television, radio, outdoor, digital, animation, gaming and music, is expected to touch ₹ 1.16 trillion in 2015, as per the FICCI-KPMG Report, 2015. According to this report, 2014 has been a turning point for the sector as it witnessed the building blocks for future growth being laid, including new spectrum for mobile; ongoing digitisation in cable; consolidation in Movies exhibition business; and the announcement of Phase III auctions for Private FM Radio. 2015 is expected to ensure flawless and timely execution of these promoting policy initiatives, making it a landmark year for the industry.

## Growth of Digitisation

Digital was the big story of the year. In 2014, digital media threw up a positive surprise with a better than expected 44.5% growth, as per the FICCI Report. Digital advertising, which stood at ₹ 4,350 crore in 2014, is projected to touch ₹ 6,250 crore in 2015. We expect the digital story to continue as it will grow at a compounded annual growth

rate of over 30% for the next five years. With the potential of being the second-largest digital TV home country, India has ushered in an age of digitisation. The easy accessibility has led to a drastic change in the architecture of the entertainment industry in terms of investment, distribution and scalability. Identifying the potential in digitisation of mass media, we are leveraging the opportunity and creating strong content across the digital space. Our efforts towards the creation of a large digital library Television and Movie content within a short span of time is quite commendable.

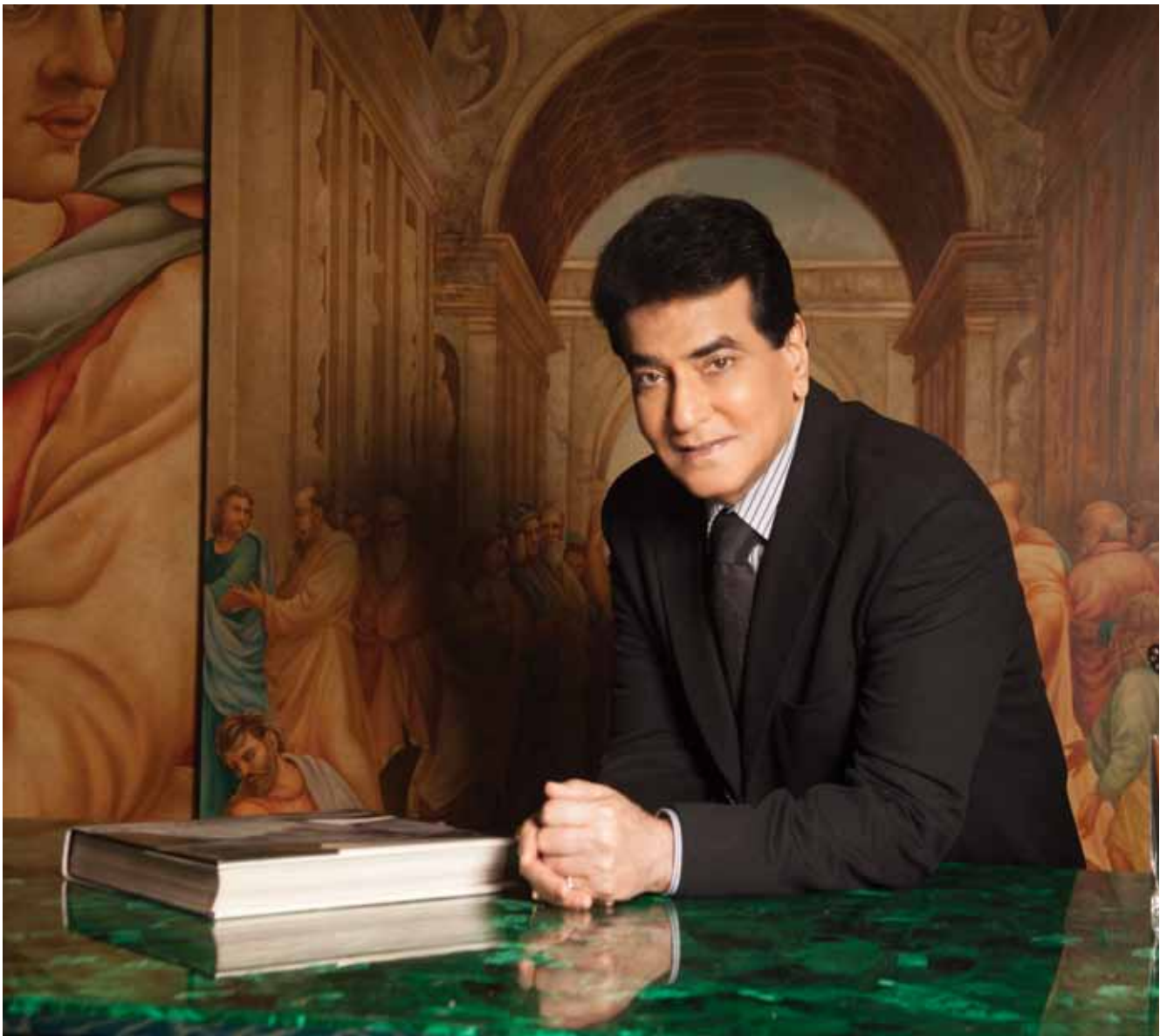
## Reinforcing our Position

Being clearly focused on our differentiating strengths across television and motion pictures, we are expanding our internal capabilities and further strengthening our market position by creating new entertainment paradigms. In addition to this, we are expanding our existing areas of core competencies, whilst

**Our ability to push boundaries in pursuit of excellence is what is enabling us engage with loyal audiences, besides winning our shareholders' confidence.**







exploring uncharted territories. Our ability to push boundaries in pursuit of excellence is what is enabling us engage with loyal audiences, besides winning our shareholders' confidence. We remain highly motivated to keep our audiences engaged and entertained with new concepts and formats. We aim to do this by also delivering our content across multiple platforms.

As we go ahead, we remain committed to our strong production values, focusing on original and premium content.

### Way Forward

We are uniquely positioned to lead in these areas given the depth of our portfolios, strategic partners and the ever-rising audience base. It truly is a new era of incredible opportunity for content producers, our collaborators and strategic partners, and most importantly, for our audiences and consumers to reach their full potential.

Going forward, what I see in our pipeline for the next two years gives me great confidence and excitement. And when I pause to reflect on how far we've come over

the past few years, and how much further we'll go in the next couple of years, the journey ahead of us will indeed be rivetting.

We remain committed to the interests of our shareholders. We thank you all for your unflinching support.

Warm Regards,

**Jeetendra Kapoor**  
Chairman



## MANAGING DIRECTOR'S MESSAGE

We are institutionalising Balaji by putting in place a strong and capable management team – people with relevant industry experience and understanding.

Dear Shareholders,

A milestone of twenty years is a defining moment in any organisation's life span. Seeing the dream we envisioned two decades ago blossom to what it is today, gives us reason to celebrate, while keeping in mind there are several more milestones to cross. We have built an unparalleled franchisee at

Balaji Group build on brand equity by creating strong content within the Television and Movies segment. We now stand at an inflection point – a position from where we wish to generate year on year healthy growth and value creation.

Our key focus is to effectively monetise our assets, strengthen distribution capabilities, better leverage the digital platform and move ahead through strategic partnerships.



## Institutionalising Balaji

We are institutionalising BTL by putting in place a strong and capable management team – people with relevant industry experience and understanding. By adding strategic bandwidth, we are defining the next growth stage. Our leadership team thrives on challenges in staying relevant in today's dynamic industry. We are delighted to have with us the media veteran Mr. Sameer Nair as the Group CEO at BTL, who possesses the same passion for entertainment as we do. Being a creative strategist, he brings with him diverse industry experience, besides an acknowledged track record of content innovation and business leadership and is also an excellent resource unifier. The early shoots of his leadership are already being felt in terms of becoming more process-driven and with the organisation gaining muscle memory.

We also have a new leadership team which is actively contributing to expand our audience base and explore the untapped potential for new revenue streams. Our team is reinforcing Balaji's inherent strengths in the dual segments of TV & Movies, unlocking value and driving our expansion strategies maintain a healthy growth momentum.

## Inculcating Systems and Processes

BTL is already a super-efficient organisation. We are now moving a step forward and becoming even more productive by understanding the systems and streamlining the organisation. From analytical feedback forms on screenplays to streamlining casting processes with casting directors, readings with actors, advanced rehearsals, dynamic cloud-based budgets and schedules, systematic script labs, music banks and amortising infrastructure – there's a lot happening here at BTL. The primary idea behind all this is to work in creative sync at Studio standards.

## Our TV Business

Our aim is to explore how best we can leverage Balaji's competitive strengths to create exciting entertainment presentations across TV content. Thus, as we progress from the current stage of producing TV content and establishing a strong foothold amongst audiences and broadcasters, we will intensely explore Movies and other creative avenues.

We intend to further solidify our leadership on the small screen and plan to add more large format shows on air by the next year. TV shows will remain Balaji's mainstay as it keeps the business financially buoyant and gives us sustained profitability. Our incentive-based commission model helped us improve our realisation and the total revenue we made in the past year. During FY2015, we produced more contemporary shows such as Yeh Hai Mohabbatein, Kumkum Bhagya and historical shows like Jodha Akbar.

## Movies – Our Key Focus Area

Even as the TV shows keep our cash registers ringing, we wish to deepen our IP well through our Movies business. Ek Villain was our biggest revenue generator grossing over ₹ 100 crore at the Box Office. Most of our Movies in FY2015 were operationally profitable. Our Movie slate has been well-architected with a combination of modest budget, high-concept Movies as well as high-profile big star-cast films. We are gaining better understanding of the most productive ticket size per investment appropriate for us. As a strategy, we are aiming to mainly focus on a on a average ticket size of ₹ 40-50 crore Movies, unless there is a great script to back a big budget and stellar star-cast.

## Building Intellectual Property

Balaji has a growing library of Television and Movie content, which we aim to leverage. We are considering to add programming in Bengali and a few southern languages. With regional intellectual property resting with it, we are open to collaborating with regional broadcasters. Another segment we are aggressively tapping is the events space. We have acquired a 51% stake in Marinating Films Private Limited (MFPL). The entity owns Intellectual Property Rights (IPR) for Television Style Awards (TV Awards), Box Cricket League, and Tele Calendar with TV actors. We have also formed a Limited Liability Partnership (LLP) with Select Media Holdings Private Limited to form Event Media LLP, in which BTL owns a majority stake. Event Media LLP owns the IPR for Box Office Awards and will own other awards in future.

## The Year Ahead

A key *mantra* across all segments of our business and all rungs of leadership will be to constantly improve our bottom line and ensure sustainability, growth and wealth creation in FY2016. Our focus will be to effectively monetise the assets, strengthen our distribution capabilities and better leverage the digital platform. We wish to move ahead through strategic partnerships, cost optimisation and by aiming at early break-even for each project.

I take this opportunity to thank our shareholders and our employees for their support in this journey. We are aiming to drive innovation in the media & entertainment space.

We stand firm in our commitment to build a sustainable business and deliver value to our stakeholders.

Thank you.

**Shobha Kapoor**  
Managing Director



# JOINT MANAGING DIRECTOR'S MESSAGE

Fresh thinking within Balaji is helping us build a better enterprise, implement strategic imperatives, unlock the untapped potential and identify new revenue streams for scaleable growth.



Dear Shareholders,

Last year, I attended the Owners/President Management programme at the Harvard University designed for family-run businesses. It taught me important lessons on professionalising to survive in the long run. Case studies after case studies taught us the importance of a capable Board and Leadership Team. We have never been more serious about making Balaji Telefilms Limited (BTL) institutional, as we are now. Our first step towards this has been to appoint a Group CEO outside of BTL to run the production house. That's the story behind Mr. Sameer Nair's entry into the Balaji House in July 2014 as the Group CEO.

## Taking Balaji beyond Promoters

Our key achievement in FY2015 has been the institutionalisation of our internal management and taking BTL beyond the promoters. We are enabling this by creating a clear distinction between the ownership and a professional management. We are doing this for achieving long-term sustainability and growth multiplication. We want to be less dependent on individuals by changing the internal culture towards well run systems and processes. We wish to make the organisation run on a philosophy that is driven by individuals. The talent joining the organisation will deliver value based on the evolving culture and also carry forward the Balaji legacy successfully.

**Our aim is to constantly work on our strengths, innovate, adapt and present exciting, entertainment-packed themes to our audiences.**



BTL thrives both on teamwork and individual thinking. This work will build the business further, plan the way forward and allow us to implement key strategies. The new leadership is expected to unlock untapped potential, besides identifying new revenue streams for scalable growth. The sum total of all this will be a calculated and predictable action plan. Our key objective behind this overall attitudinal change is to match our cash flows with energy levels and to ensure we are able to deliver optimal results for each IPR released. We want our shareholders to gain confidence that they are investing in a corporate strategy that is backed by a proficient management team led by capable people.

## Our Strategic Tie-ups

Enhancing our expansion drive further, we entered into strategic tie-ups in the between marketplace and get into the next growth trajectory. We acquired a 51% stake in Marinating Films Private Limited (MFPL), which owns Intellectual Property Rights (IPR) for Television Style Awards (TV Awards), Box Cricket League and Tele Calendar with TV actors. Another key joint venture during the year has been with Select Media Holdings Private Limited to create Events Media LLP. This entity will co-host and produce the Star Box Office Awards and other related events, awards and Intellectual Property (IP).

We also floated a subsidiary with Chhayabani Private Limited under the name of Chhayabani Balaji Entertainment Private Limited (in which we own a controlling stake) to produce fresh content in Bengali. This brings together two strong media houses with distinctive strengths to create exciting content in regional languages, while also attracting high-quality talent.

## If it doesn't Sell, it isn't Creative

From introducing soap operas to Indian TV screens to steeping each of the serials' storylines in family values; from introducing 'time leaps' to keeping storylines fresh with multiple plot twists; we are proud to have truly changed the way Indians watch TV. We are adept at striking a fine balance between art and box office success. We strongly believe in David Ogilvy's statement, 'if it doesn't sell it isn't creative.' When it comes to creating works of art, there can only be one plan - to make it distinct and different, to deliver clutter-breaking content that talks the universal language of emotions and instantly connects with viewers. At the end of day, it is the consumer who will consume the content and like it enough to make it a commercial success for all of us.

Content creation for the TV industry is hyper-dynamic by nature. Minute-to-minute responses and reactions make a definite impact on the content, requiring quick action as per the changing sensibilities of the audiences, particularly in the TV vertical. At BTL, it is absolutely imperative to understand what audiences want and how they are evolving. Our aim is to constantly work on our strengths, innovate, adapt and present exciting, entertainment-packed themes to our audiences. Our business is to anticipate the changing needs, demands and preferences of our consumers. The game is to do it first before any other production house does.

## Brand EK

Television and style are consumed by viewers in different forms on a daily basis. Celebrities play an influential role in modern culture and consumption patterns, serving as harbingers of taste, style and public opinion the world over. In view of this, we launched our first fashion label "EK" to tap into style and glamour. We are

making Brand EK easily accessible through the online and television shopping network, and plan to gradually make it available on other platforms too. With this, we look to make a mark in the fashion world by connecting with audiences across the globe.

## Moving Forward

Being a content generator, our constant aim is to continue to develop a unique platform for audiences and talent, while also being a magnetic hub and attract people to work with us in a collaborative manner. We will continue scouting for preferred partners with cinematic excellence and tremendous passion to produce quality entertainment.

We are now at an inflection point. Envisioning BTL as a top ranking production house in India, we have chalked out strategic action points to achieve this. Our focus will be on profitable and quality growth. Our target is to balance out the growth of our balance sheet with that of our content capabilities. We will continue to live our passion for making TV serials and Movies and our never ending desire to exceed audiences expectations.

We thank our employees and shareholders for their continued support.

Regards,

**Ekta Kapoor**  
Joint Managing Director

# GROUP CEO's MESSAGE

Our objective is to improve upon what Balaji Telefilms Limited is already good at, delve into unexplored avenues and unlock further value.



## To our Shareholders,

As we speak, I am elated to have joined Balaji Telefilms Limited (BTL) as the Group CEO. I have always enjoyed a wonderful association with the Kapoor family. BTL is undoubtedly an interesting and dynamic place to be in. The team here has done a remarkable job of creating one of the most vibrant entities in content generation. When I stepped into this role a year ago, the leadership team here reaffirmed to me a simple concept that I knew was true from 20 years of my experience - that BTL is a growth company. This fact has helped us shape the long-term financial

goals outlined to profitably grow the Company and build shareholder value.

## Plans, Roles and Strategies

Ekta Kapoor is an incredibly competent storyteller and has created a great creative space among the audiences with a wonderful track record of producing brilliant shows. In that sense, I already have a very successful organisation to work with at Balaji. As the Group CEO, my aspiration is to improve upon what

BTL is already good at and delve into newer and unexplored avenues. My work is to unlock further value. Between Ekta and me, we have a lot of ideas for television and movie content and I am excited to leverage the opportunity of working on both the small and big screen.

## Being Institutional

There is a definite organisational transformation under process at the Balaji House. While our vision continues to become a path-breaking entertainment producer



**We are putting science into the art of magic and inculcating a system with a high degree of process. Our idea is to ensure the organisation gains muscle memory to prevent every process from being reinvented.**



of TV programs in India, there is a strong realisation to take BTL from “being owned by promoters” to “being a professional organisation”. The internal culture and DNA of the organisation is undergoing a sea-change, making it more sustainable and scalable. Our directional approach has been to institutionalise BTL and take it beyond the promoters, although their creative streak will continue to guide the organisation.

On a broader note, we are putting science into the art of magic and inculcating a system with a high degree of process. Our idea is to ensure the organisation gains muscle memory and every process doesn't need to be reinvented. We are attempting to template our processes so that the most important decisions gets the required time and attention. There is also a conscious attempt to delegate power to become more effective as an organisation.

As professionals, we owe this to the promoters – to relieve them from the burden of managing day-to-day operations. We wish to allow them more space to evolve and manage the “Big Picture” and build the business to its true potential – and not simply get bogged down by the nitty-gritties. We are taking efforts to ensure the machinery keeps working without the involvement of promoters in the daily affairs. That, we think, is far more valuable to scale the business higher.

## **Our TV Business**

Television is the most effective way of distributing video content. It is now coming of age and a mini revolution of sorts is sweeping across the Hindi General Entertainment Channels (GECs), with an immense scope for a wide variety of subjects. The fiction format on Hindi GECs, which accounted for 30% of total viewership on television, is ready for an overhaul. What used to be GEC has now become the NEC (Niche Entertainment Channel), which is no longer a small section of the

viewing experience – it is slowly going mainstream. BTL has always been a leader in television content with its shows enjoying a leadership position with highest TRPs on respective GECs since the past 20 years. Moving Forward we will continue to be to create content for fiction programming, we are tapping the mainstream non-fiction segment in a large way too. Nach Baliye 7, our high-gloss weekly dance format show on Star Plus, is a classic example.

## **Our Movies Business**

Our Movies have reaffirmed our motto of what the audiences want – entertainment, entertainment and entertainment. We have carved a niche for ourselves in the movie industry. Our Movies business is indeed a force to be reckoned with. Personally, movie production is a big priority area for me too. We continue to leverage the ‘Balaji Motion Pictures Limited’ banner to make varied genres of Movies and to nurture our franchisees: Kya Kool Hain Hum and Once Upon a Time in Mumbai.

Going forward, Movies will continue to be our primary focus area for growth. We are looking at a lot of new content opportunities tackling different subjects and genres. We have adopted a 3-tier approach in Movies – Year of Release, Production and Incubation. This ensures a steadier pipeline and execution flow. Currently, we have a robust and strong movie slate of 8-10 Movies, which we plan to release during FY2016 and FY2017.

## **Creative Collaboration**

Our aim is to be a magnetic hub for talent and attract highly creative people to collaborate with us. We are entering into diverse production deals with multiple production houses in order to bring great strength to our existing content catalogue. Through these strategic partnerships, we are creating content of affinity – one that drives the viewership.

## **Road Ahead**

The Media and Entertainment (M&E) Industry is currently at a very dynamic stage and continues to present several exciting opportunities across all segments, heralding significant change in the times to come. Given Balaji's strengths as a business, we are well-poised to capitalise on the emerging growth prospects. Our vision is to hold on to these strengths in the TV business and scale up our movie side of things. We are proud of our script bank and creatives in TV and Movies space. Our future slate for both the medium is strong, which has been a result of our solid internal planning. We will ensure BTL keeps growing its television arm through a slate of its own shows and partnerships with other creative talent. We are scaling higher year-on-year and working towards becoming a trend-setting studio.

We are fully geared to strengthen and grow our unique position in TV and Movies entertainment. Our focus will continue to be to create IPs, set up collaborative businesses, diversify new TV businesses, enhance Movies business.

As the Group CEO, I am working with the BTL management and leadership team to drive strategic initiatives, thereby furthering our vision of being regarded as an innovative entertainment powerhouse.

Best Regards,

**Sameer Nair**  
Group Chief Executive Officer

# BOARD OF DIRECTORS



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5

**1 JEETENDRA KAPOOR**  
*Chairman*

Jeetendra Kapoor is a popular movie star throughout the 1970s and 1980s and has starred in more than 200 Movies in his 45-year career. He has won a number of awards including the Filmfare Lifetime Achievement Award, the Legends of Cinema Award and the Dadasaheb Phalke Academy Award. His extensive relationship in the Indian entertainment industry proved to be extremely beneficial for the Company in its formative years and he continues to open new frontiers for the Company.

**2 SHOBHA KAPOOR**  
*Managing Director*

Shobha Kapoor has been extremely instrumental in transforming the Company from its small beginnings in 1994 to India's largest TV content company. Since inception, Mrs. Kapoor has been hands on in the Company's operational management and efficiency and in controlling 'on set' activity. She works closely with Business Heads helping them discharge their responsibilities. Her stellar work in building the Balaji brand made her win several awards including CEO of the Year (Indian Telly Awards), Businesswoman of the Year (The Economic Times) and numerous Best Producer awards for their TV shows.

**3 EKTA KAPOOR**  
*Joint Managing Director*

Ekta Kapoor is credited with the revamping of India's television landscape. She pioneered an entire genre of television content, heralding India's satellite television boom. Balaji's shows have been channel drivers for most broadcasters. As the creative force behind the Company's success, she believes in a hands-on approach in day-to-day creative direction of each TV show and Movie. Routinely putting in 16-18 hours each day, she moves ahead with India's rapidly metamorphosing TV climate. She has expanded her unmatched creative vision to motion pictures and new media verticals.

Under her creative guidance, Balaji has won almost every major TV award. Her stellar work in creating a large content conglomerate at a young age garnered her several distinguished awards, including The Economic Times (Businesswoman of the Year 2002), Ernst & Young (Entrepreneur of the Year 2001) and the American Biographical Institute (Woman of the Year 2001), among others. She was also placed at the No. 3 position among '50 Most Influential Women' in the Indian marketing, advertising and media ecosystems by IMPACT magazine.

**4 TUSHAR KAPOOR**  
*Director*

Tushar Kapoor is a certified MBA (Masters in Business Administration) from the Michigan University in the United States. His first movie with Kareena Kapoor titled 'Mujhe Kuch Kehna Hai' shot him to immediate stardom and bagged him prestigious awards such as Filmfare Awards and Zee Cine Awards for being the Best Male Debutant of the Year. His maturity as a seasoned actor has been visible in numerous Movies such as 'Khakee'. He was nominated in the category of Best Supporting Actor in various renowned Bollywood Awards.

**5 ARUN KUMAR PURWAR**  
*Independent Director*

Mr. Arun Kumar Purwar joined as Independent Director of the Balaji Telefilms Limited. on May 20, 2015. He is currently Chairman of ILFS Renewable Energy, one of the largest renewable energy company of the Country. He also works as an Independent Director in leading companies across diverse sectors like Power, Solar Energy, Telecom, Steel, Engineering Consultancy, Pharma and Financial Services. He also acts as an Advisor to Mizuho Securities, Japan.

Mr. Purwar was the Chairman of State Bank of India the largest Bank in the Country from November, 02 to May, 06. He held several important and

critical positions like Managing Director of State Bank of Patiala, Chief Executive Officer of Tokyo covering almost entire range of commercial banking operations in his long and illustrious career at the Bank. He was also associated in setting up of SBI Life.

Mr. Purwar also worked as Chairman of Indian Bank Association during 2005-2006. Post his retirement from SBI, he was associated with a leading industry house in setting up the first Health care focused private equity fund as well as highly successful NBFC focused on funding real estate projects as well as Educational Institutions. He is regularly invited to various

conferences and workshops and other forums to share his views on Banking and Monetary Policy. He is passionate about creation of Infrastructure viz, Health care, Education and Solar power.

Awards Received: CEO of the year Award from The Institute of Technology and Management (2004), "Outstanding Achiever of the year" award from Indian Banks' Association (2004) "Finance Man of the Year" Award by the Bombay Management Association in 2006.



6

**6 ASHUTOSH KHANNA**  
*Independent Director*

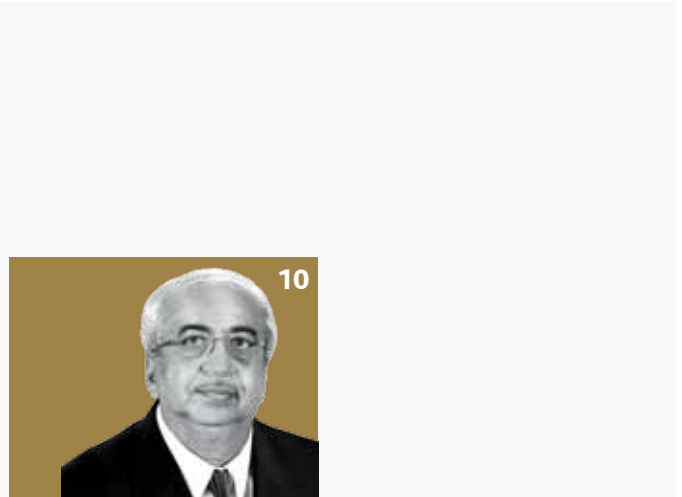
Ashutosh works as a Partner with Korn/Ferry and specialises in the Consumer Industry. He has worked in the communication industry earlier and carries with him deep insights of multiple industries. He is a sought after speaker at various industry and HR forums for his views on the future of the industry.



7

**7 D.G. RAJAN**  
*Independent Director*

D. G. Rajan is a Fellow of the Institute of Chartered Accountants in England and Wales and the Institute of Chartered Accountants of India. He was earlier a Senior Partner at Lovelock & Lewes, Chairman of Direct Taxation Committee of Southern India Chamber of Commerce & Industry and a Member of the Board of Governor of Doon School. He was also the President of the Management Consultants Association of India and Chairman of the Southern Region of Indian Paint Association. Presently, he is the Advisor and Management Consultant to many domestic and international groups.



8

**9 PRADEEP SARMA**  
*Independent Director*

Pradeep Sarma is the Chairman of Sarma Group of Companies and also the Chairman of the Governing Board of the Ecole Mondiale World School. He possesses rich experience across multiple industry verticals including paper, engineering, construction, academics and real estate.



9

**10 V. B. DALAL**  
*Independent Director*

Mr. V. B. Dalal has over 40 years of experience in Audit and Direct Taxation. He has also handled international assignments in internal and operational audits in U.K, Portugal, Kenya, and Indonesia. He has an academic experience of more than 10 years as part time lecturer in Accountancy, having worked with the Dahanukar College of Commerce and Economics affiliated to University of Mumbai. He is Director on Board and Chairman of Audit Committee of M/s Maharashtra Polybutanes Limited and M/s Oxides and Specialities Limited. He is a Proprietor of M/s V. B. Dalal & Company, a firm of Chartered Accountants established in the July 1969.



10

**8 D. K. VASAL**  
*Independent Director*

Mr. D. K. Vasal joined the Board on May 15, 2014. He has over 30 years of experience in the service and manufacturing industry. He was a Senior Equity Partner in one of the leading law firms of India, Group Legal Counsel of Vedanta Plc, Sterlite Group; Head of Legal (India Region) Standard Chartered Bank, Senior Advisor of Bank of Baroda; Executive Vice President and Head Legal & Compliance of DCB Bank Ltd; Head Legal – a new-generation private sector bank (now HDFC Bank). He has been involved in many crucial and path-breaking roles.

**We believe in the principle that the culture of good governance stems from the top. At the core of our corporate governance practice is an active, capable and diligent Board which sets the tone for good corporate governance.**





# MANAGEMENT DISCUSSION & ANALYSIS

Economic growth in India is expected to be strong on the back of structural reforms introduced by the Government, pick-up in investment, rebounding consumer demand and rising capital expenditure.

## GLOBAL ECONOMY

According to the World Bank, global growth during 2014 picked up marginally in 2014 to 2.6%, from 2.5% in 2013. While United States and the United Kingdom gathered positive momentum, recovery has been sputtering in the Euro Area and Japan as legacies of the financial crisis linger, intertwined with structural bottlenecks. China, meanwhile, is undergoing a carefully managed slowdown. Several major forces such as soft commodity prices, persistently low interest rates, increasingly divergent monetary policies across major economies, and weak world trade have been driving the global

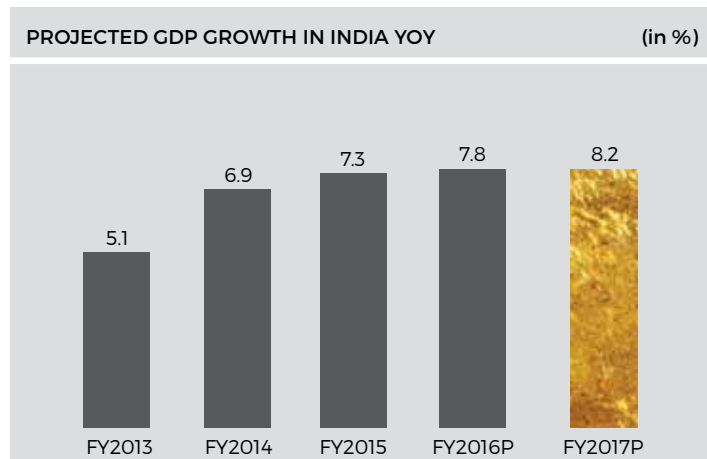
outlook. In particular, the sharp decline in oil prices since mid-2014 is expected to support global activity and help growth prospects in oil-importing developing economies. Overall, global growth is expected to rise to 3.0% in 2015, and average at about 3.3% through 2017. High-income countries are likely to see growth of 2.2% in 2015-17, up from 1.8% in 2014, due to gradually recovering labour markets, fiscal consolidation and low financing costs. In developing countries, growth is projected to gradually accelerate, rising from 4.4% in 2014 to 4.8% in 2015 and 5.4% by 2017 (worldbank.org).

## INDIAN ECONOMY

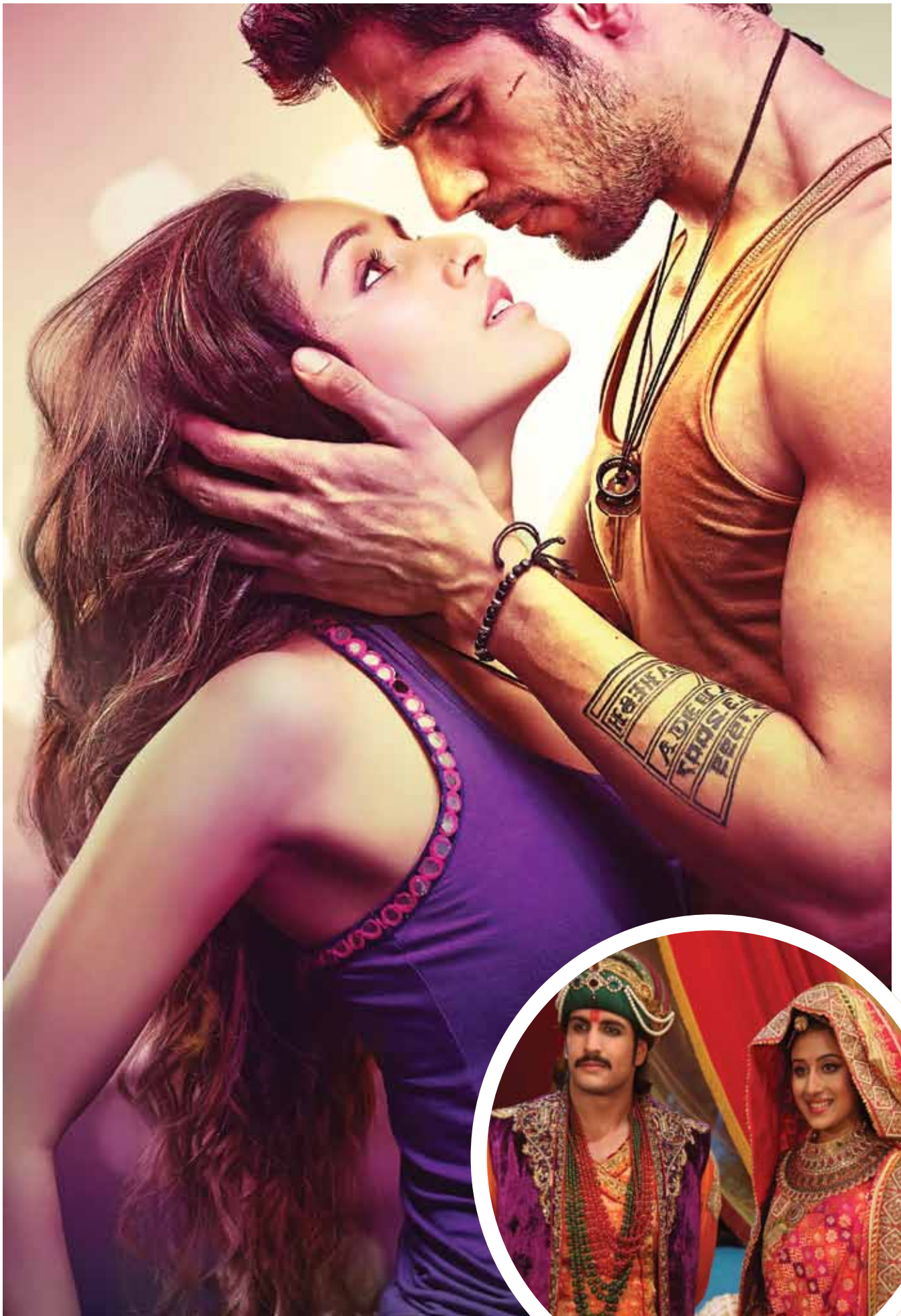
The Indian economy expanded 7.3% in FY2015, marginally higher than 6.9% recorded in the previous year, as per the data released by India's statistics office.

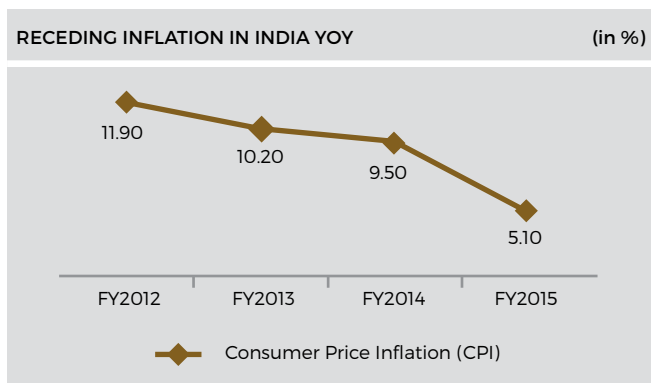
The Indian economy stood up to the challenges of consumer inflation, policy paralysis, weakening of the Indian rupee, widening twin deficits and an unstable global environment and is now on a firm path of a revival. Post-elections in May 2014, in which Narendra Modi Government came into power with a resounding victory, there is a wave of optimism. The strong uptick in GDP growth has been accompanied by a

**The Indian economy stood up to the challenges of consumer inflation, policy paralysis, weakening of the Indian rupee, widening twin deficits and an unstable global environment and is now on a firm path of revival.**



Source: Asian Development Bank





Source: RBI Website

receding inflation which stood at 5.1% in January 2015, considerably lower than double-digit figures in 2013. The current account deficit and fiscal deficit, the prime causes of concern in 2013, are now within manageable levels.

Growth is expected to be strong over the coming years on the back of reforms introduced by the government, pick-up in investments, rebounding consumer demand and lower prices. The Asian Development Bank (ADB) foresees India's economy to grow by 7.8% in FY2016 and by 8.2% in FY2017, making it one of the fastest growing emerging markets, possibly outpacing China. This will be on the back of a pro-investment attitude of the new Government, progress in implementing structural reforms

a pick-up in capital expenditure. With a high growth potential, India is increasingly seen as a bright spot in the global economic landscape.

## INDUSTRY REVIEW

### INDIA MEDIA & ENTERTAINMENT INDUSTRY

Renewed optimism and improved business sentiments flowing throughout the Indian economy has also extended across the Media & Entertainment (M&E) sectors. In fact, the theme for the current year's FICCI Frames Conference was 'Making India a Global Entertainment Superpower'. From ₹ 918 billion in 2013, the industry grew at healthy pace of 11.7% to ₹ 1,026 billion in 2014, led by rapid

growth in digital advertising and a strong growth in the television segment, which contributes 53% of the total growth in the industry. With the popularity of Digital Media growing with each passing day, the stupendous growth in digital advertising continued in 2014. Due to this, the segment registered a growth of 44.5% in 2014 over 2013. Traditional media continued to grow at a healthy pace, with the television sector continuing on its path of cable digitisation, advertising across media buoyed by general election spends and the emergence of e-commerce as a significant new category. Companies in the e-commerce space are estimated to have spent around ₹ 7.5 billion to ₹ 10 billion on advertising spends. The new Government also took several positive steps to accelerate growth in the industry. With proposals to defer the General Anti Avoidance Rules (GAAR), reduce tax on royalties and fees for technical services (FTS), and implement Goods & Services Tax (GST) regime from April 1, 2016. The Finance Bill 2015 has set an optimistic roadmap for the M&E sector from a tax perspective. The implementation of GST is expected to greatly benefit by doing away with dual taxation.

Figures in ₹ Billion

### Size of Indian Media & Entertainment Industry

Segments	2008	2009	2010	2011	2012	2013	2014	Growth in 2014 over 2013
TV	241.0	257.0	297.0	329.0	370.1	417.2	474.9	13.8%
Print	172.0	175.2	192.9	208.8	224.1	243.1	263.4	8.3%
Films	104.4	89.3	83.3	92.9	112.4	125.3	126.4	0.9%
Radio	8.4	8.3	10.0	11.5	12.7	14.6	17.2	17.6%
Music	7.4	7.8	8.6	9.0	10.6	9.6	9.8	2.3%
OOH	16.1	13.7	16.5	17.8	18.2	19.3	22.0	14.0%
Animation & VFX	17.5	20.1	23.7	31.0	35.3	39.7	44.9	13.1%
Gaming	7.0	8.0	10.0	13.0	15.3	19.2	23.5	22.4%
Digital Advertising	6.0	8.0	10.0	15.4	21.7	30.1	43.5	44.5%
<b>Total</b>	<b>580</b>	<b>587</b>	<b>652</b>	<b>728</b>	<b>821</b>	<b>918</b>	<b>1026</b>	<b>11.7%</b>

Source: FICCI-KPMG Indian Media & Entertainment Industry Report, 2015



The Indian Media and Entertainment (M&E) Industry, one of the most vibrant and exciting industries in the world, has had a tremendous impact on the Indian economy. As the M&E industry widens its reach, it plays a critical role in creating awareness on issues, channelling the energy of and building aspirations among India's millions. As it entertains and informs the country, the M&E industry has been a catalyst for the growth of large parts of the Indian economy. The media plays a significant role in our lives today and is all pervasive with touch points ranging from television to newspapers to films to radio to outdoor properties. With the addition of new media such as social networking services, animation and VFX, online gaming and applications running on mobile devices, a new dimension has been added to the world of media.

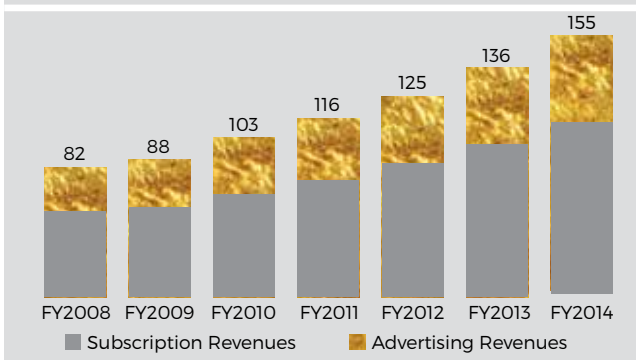
The industry is poised to grow at a CAGR of 13.9%, from ₹ 1,026 billion in 2014 to ₹ 1,964 billion by 2019. Today, the industry reaches millions of people: 161 million TV households, 94,067 newspapers (12,511 dailies), close to 2,000 multiplexes, 214 million internet users, including 130 million mobile internet users. These platforms can drive change and be the transformational catalysts. The big hope for the future of the M&E industry continues to be digital. With a fast-growing internet user base of over 200 million, the potential of the industry to enhance engagement with customers and generate revenue from digital media is indeed vast.

## INDIAN TELEVISION INDUSTRY

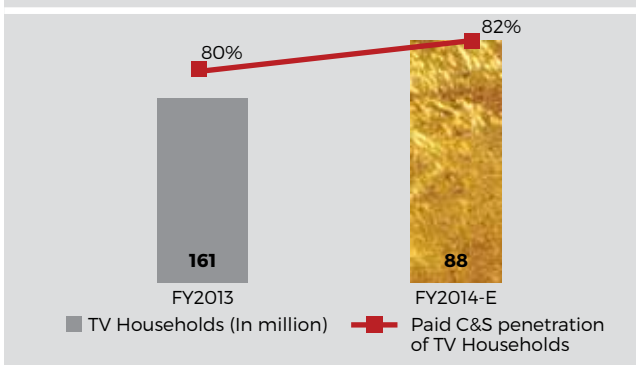
The size of the Indian Television Industry is estimated to be ₹ 475 billion in 2014, growing by 13.4% over 2013, experiencing a dynamic operating environment. By 2019, it is expected to almost double to ₹ 975 billion. The Digital Addressable System (DAS) rollout in Phase 1 & 2 was largely complete and 2014 was expected to be the year when gross billing and

Figures in ₹ Billion

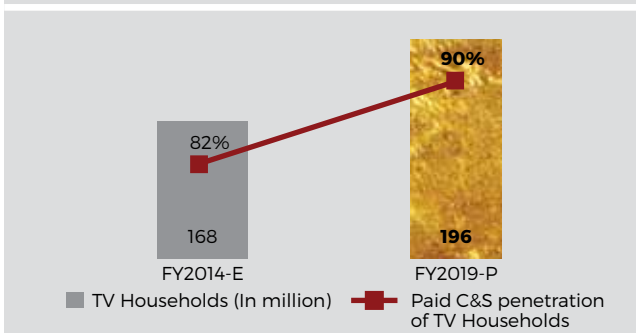
### SUBSCRIPTION AND ADVERTISING REVENUES BETWEEN 2008 TO 2014



### PENETRATION OF TV IN HOUSEHOLDS AND PAID C&S

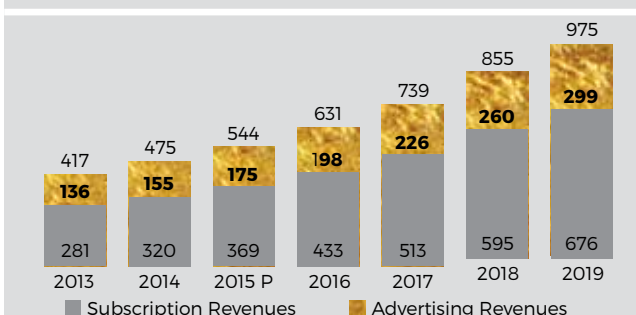


### PROJECTED RISE IN TV HOUSEHOLDS VS PAID C&S



Figures in ₹ Billion

### PROJECTED GROWTH IN TV INDUSTRY



Source: FICCI-KPMG Indian Media & Entertainment Industry Report, 2015

roll-out of channel packages would progress. However, increase in the much-awaited addressability and resultant improvement in economics of Multi System Operators (MSOs) and broadcasters continued to evade the industry in 2014, due to several challenges on the ground. The MIB has subsequently extended the deadlines for Phase 3 & 4 to December 2015 and 2016, respectively.

On the positive front, television advertising bounced back significantly on account of elections and an improved macro-economic environment, leading to companies increasing their advertising spends. E-commerce emerged as a key sector driving growth, followed by mobile handset companies, while traditional advertising bigwigs such as FMCG and automobiles also witnessed renewed growth. Also, the number of TV households in India increased to 168 million in 2014, implying a TV penetration of 61% and the number of paid C&S subscribers is estimated to be 139 million, implying a paid C&S penetration of 82%.

## TV ADVERTISING

The TV advertisement industry is valued at ₹ 15,500 crore in 2014, which increased 12% compared to last year. By 2019, it is expected to reach the ₹ 30,000 crore mark. Expansion of Direct to Home (DTH) service is also growing at a healthy rate with 16% subscription revenues in urban and rural areas. Advertisements revenue in TV, on the other hand, is growing at a rate of 14% annually. Around 61% of all households in India is now equipped with a television, as 16.8 crore Indians view TV at least once a week. This makes India the world's second-largest TV viewership market, first being China. The number of Cable and Satellite (C&S) subscribers grew to 14.9 crore, increasing 10 million last year, and are seen swelling to 17.5 crore by 2019, which will be 90% of all TV households. Subscription revenues from DTH services amounted to ₹ 7,500 crore, which is projected to grow by 22% CAGR to touch ₹ 20,000 crore by 2019. The television sector witnessed a healthy

advertising growth due to the boost from general elections spends and the emergence of E-Commerce as a significant spender across media in 2014.

## DIGITAL ADVERTISING

Digital media continued to show growth in 2014. India became the second-largest country in terms of number of Internet users. The digital advertising industry grew from ₹ 30.1 billion in 2013 to ₹ 43.5 billion in 2014 – a rise of 44.5%, driven by a steady growth in advertising spends across most digital platforms. Digital advertisements experienced maximum growth of 44.5% to reach ₹ 4,350 crore in 2014, which is seen snowballing to ₹ 16,000 crore by 2019. India became the second-largest country in terms of number of Internet users.

(₹ in Billion)

### Digital Advertising Market in India 2015-2019

Year	Desktop Advertising	Mobile Advertising	Total
2015	54.8	7.7	62.5
2016	72.4	11.6	84.0
2017	98.6	16.8	115.3
2018	116.1	22.1	138.2
2019	135.4	27.1	162.5

Source: FICCI-KPMG Indian Media & Entertainment Industry Report, 2015

(₹ in Billion)

### Wireline and Wireless Internet Connections

Year	Wireline	Wireless	Total
2015	22	273	295
2016	25	337	362
2017	27	402	429
2018	30	469	499
2019	32	528	560

Source: FICCI-KPMG Indian Media & Entertainment Industry Report, 2015

**The industry is poised to grow at a CAGR of 13.9%, from ₹ 1,026 billion in 2014 to ₹ 1,964 billion by 2019. The potential of the industry to enhance engagement with customers and generate revenue from digital media is indeed vast.**



## CONTENT PRODUCTION - OTT & VOD - THE NEXT BIG GROWTH DRIVER

The size of the TV content production industry is ₹ 30 billion, excluding news, animation and sports with Hindi language contributes 2/3rd of the market. Original programming for Video-on-Demand (VoD) and Over-the-top (OTT) video platforms present a huge opportunity and can be the next big growth driver for TV content producers. According to industry discussions, platforms such as Hotstar.com and Eros Now already have plans to experiment with original programming, similar to Netflix in the United States. While revenue models for these platforms will take another 2-3 years to evolve, they are focussed on building their business around subscription revenues and original programming is expected to be critical to ensure subscription revenues on digital platforms. Original programming for the digital medium is expected to grow to a reasonable size in the next 2-3 years. The TV audience

measurement system from BARC, proposed as an alternative to the current system being operated by TAM India, has been rolled out in April 2015.

Content producers are also capitalising on the cable digitisation drive and improving their business model. Digitisation has pushed content producers to invest more in content, upgrade content quality, offer customised and localised content and launch premium channels with reduced carriage fees. Furthermore, content producers are also increasingly recognising the need for owning IP rights. A majority of the TV programmes currently produced in India are commissioned, where IP rights for content and characters remain with the broadcaster. Owning of IP rights will help content producers to gain from multi-platform content monetisation through licensing content and formats in international markets, dubbed or remade versions on regional language channels and the digital media.

## OUTLOOK FOR TV INDUSTRY

The Indian Television industry is expected to grow at a CAGR of 15.5% to reach ₹ 975 billion in 2019. Subscription revenue growth at an annualised growth rate of 16% is expected to outstrip the advertising revenue annualised revenue growth of 14% on the back of improving monetisation due to increasing digitisation. Also, the paid C&S subscriber base is expected to grow to 175 million by 2019, representing 90% of the households.

**Content producers are also capitalising on the cable digitisation drive and improving their business model. Digitisation has pushed content producers to invest more in content, upgrade content quality, offer customised and localised content and launch premium channels with reduced carriage fees.**





## INDIAN FILM INDUSTRY

The Indian film industry witnessed muted growth in 2014 in terms of content and box office collections. It grew by 0.9% to reach ₹ 126.4 billion during the year, marginally up from ₹ 125.3 billion in 2013. The main reasons behind a slow growth have been a lacklustre performance of the two key revenue segments – theatrical and cable & satellite rights.

Moving ahead, however, there is significant growth seen in the industry, backed by differentiated content, larger releases across digital screens and aggressive promotions by production houses. The box-office collections indicate audiences’ growing appetite for differentiated content, which has resulted in a shift in industry focus from “blockbuster” movies to movies driven by “good quality, niche and thematic content”.

Rapid development of digital infrastructure, including digital movie prints and expansion of multiplexes, helped content to reach the audiences in the most effective manner. Furthermore, formation of alliances between production houses from various regional markets enhanced availability of quality content through exchange of talent and movie remakes in different languages. Various family-run production houses, in order to expand while controlling costs, have started developing in-house producers and providing them with a platform to produce films. Increasing corporatisation of production houses has resulted in higher investment and focus on content development. Institutionalisation is leading the industry to become more prudent and structured, with greater emphasis on acquisition of script, planning, budgeting and financing activities.

## DOMESTIC THEATRE

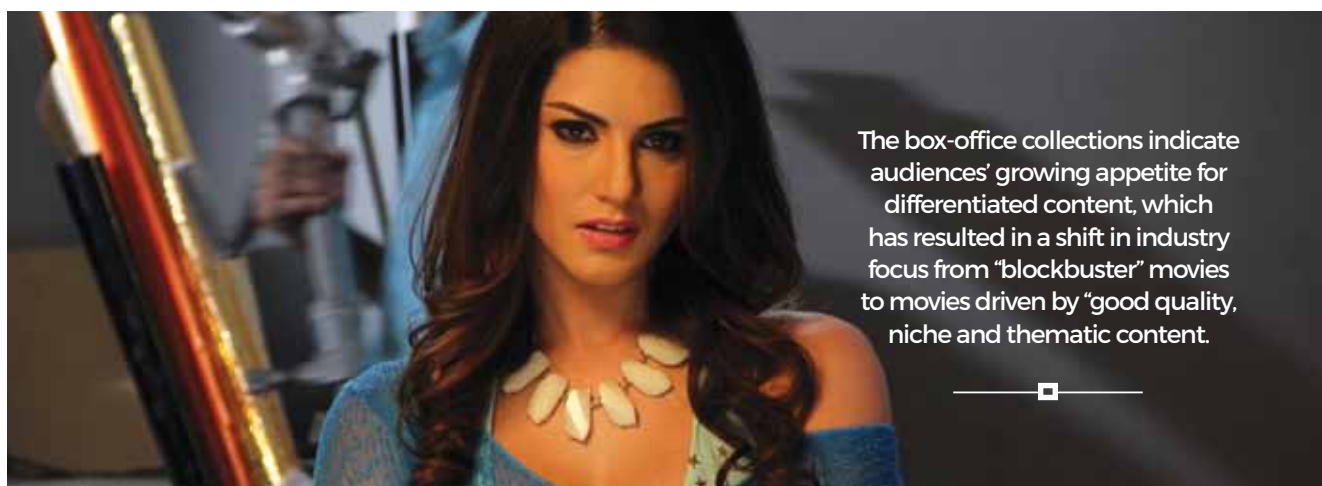
Domestic theatre revenues constitute a lion’s share, contributing 74% of the industry’s total revenue. Growth essentially remained nearly flat – from ₹ 93.4 billion in 2013 to ₹ 93.5 billion in 2014. During 2014, performance of the domestic theatre segment was affected owing to a drop in theatre footfalls in the first three quarters and slower growth in average ticket prices (ATP), resulting in poor performance. As per industry discussions, 2014’s content did not deliver on par with 2013. While there were strong content-driven films which delivered high returns on investment, proportions of such movies were lesser compared to the previous year. Due to high ticket prices and with the availability of alternate entertainment platforms today, the audience has become more discerning when it comes to watching movies in theatres.

Figures in ₹ Billion

### Performance of Indian Film Industry

Category	2010	2011	2012	2013	2014	Growth in 2014 over 2013 (%)
Domestic Theatrical	62.0	68.8	85.1	93.4	93.5	0.1%
Overseas Theatrical	6.6	6.9	7.6	8.3	8.6	3.5%
Home Video	2.3	2.0	1.7	1.4	1.2	-15.0%
Cable & Satellite Rights	8.3	10.5	12.6	15.2	14.7	-2.7%
Ancillary Revenue Segments	4.1	4.7	5.4	7.0	8.4	19.7%
<b>Total</b>	<b>83.3</b>	<b>92.9</b>	<b>112.4</b>	<b>125.3</b>	<b>126.4</b>	<b>0.9%</b>

Source: FICCI-KPMG Indian Media & Entertainment Industry Report, 2015



The box-office collections indicate audiences’ growing appetite for differentiated content, which has resulted in a shift in industry focus from “blockbuster” movies to movies driven by “good quality, niche and thematic content.”





## EXHIBITION

India is highly under-penetrated in terms of number of screens to people. There are only 7 screens per million people in India, compared to 125 screens in United States. The distribution of screens is highly concentrated in large urban centres with Mumbai, Delhi and Uttar Pradesh districts together constituting 60% of the box-office collections. However, these markets are now nearing a saturation point and the next wave of growth is expected to emanate from an expansion into Tier 2 & 3 cities, which can be tapped by capitalising on lower screen penetration. In 2014, around 100 screens were added by leading multiplex chains across the country.

## OVERSEAS THEATRICAL

Overseas theatrical performed better than its domestic counterpart as it grew 3.5% in 2014 – up from ₹ 8.3 billion in 2013 to ₹ 8.6 billion, contributing 7% to the industry's net revenues. Indian films further widened their reach with the movie 'PK' being released across 6,000 screens worldwide. Besides the traditional

key markets of Middle East, North America and United States, constituting 70% of the overseas market, new geographies such as Lebanon, Iraq and Burma are being increasingly tapped. Middle East is ranked as the best performing market overseas registering 25-30% growth, even as the newer markets of Japan, China, South Korea and Peru continue to witness mushrooming demand.

## CABLE & SATELLITE RIGHTS, HOME VIDEO & ANCILLARY REVENUE STREAMS

Cable & Satellite (C&S) rights represent the second-largest source of revenue in India's film industry with a share of 12%. Performance of this segment was disappointing as revenue from sale of C&S rights contracted 2.7% to ₹ 1,470 million in 2014. Broadcasters became increasingly judicious and took a tough stance against exorbitant prices demanded by filmmakers. The prime reasons for these are: a decline in viewership of TV premieres, 12 minutes ad-cap ruling, increased emphasis on non-film content, strong existing movie pipeline and lower-priced dubbed version of regional films. Due to rapid migration towards



India is highly under-penetrated in terms of number of screens to people. There are only 7 screens per million people in India, compared to 125 screens in United States.



digital platforms, the home video segment continued spiralling downwards as the industry contracted by 14% from ₹ 1,400 million in 2013 to ₹ 1,200 million in 2014. The Ancillary Revenue Streams was the best performing segment which registered a growth of 19.7% from ₹ 7 billion to ₹ 8.4 billion, thereby increasing its share in the overall revenue pie.

## **INDUSTRY OUTLOOK FOR FILMS**

In FY2015, the film industry saw growth improving by 7.8% to ₹ 136.3 billion, up from ₹ 126.4 billion in FY2014. Over the next few years, growth is expected to be driven by greater penetration of screens in Tier 2 & 3 cities, enhancement of advertising revenues, increased ticket sales and F&B spends as a result of rising disposable incomes of the Indian population. From 2016 onwards, the industry will see more traction and resume double-digit growth touching ₹ 204 billion in revenues by 2019, registering a CAGR growth of 10.6% between 2016 and 2019.

With positive demographics creating a large consumer base, strong macro-economic outlook, a pro-growth Government at the helm and a business-friendly regulatory environment, the requisite ingredients are in place to power the Indian M&E industry to greater heights. With a strong fundamental backdrop, the medium-term outlook for the sector is strong. It is poised to grow at a CAGR of 13.9% from ₹ 1,026 billion to touch ₹ 1,964 billion by 2019, a growth rate which is almost double that of the global M&E industry. This is led by an impressive growth of 30.2% CAGR in digital advertising and other sub-sectors growing between 8-18%.







Figures in ₹ Billion

### Outlook of Indian Film Industry

Segments	2014	2015 P	2016 P	2017 P	2018 P	2019 P	CAGR 2014-19
Domestic Theatrical	93.5	99.9	113.6	123.5	133.7	145.1	9.2%
Overseas Theatrical	8.6	9.6	10.9	11.9	12.9	13.9	10.1%
Home Video	1.2	1.0	0.9	0.7	0.7	0.6	-12.2%
Cable & Satellite Rights	14.7	15.5	17.6	19.2	20.8	22.5	8.8%
Ancillary Revenue Segments	8.4	10.3	12.5	15.4	18.3	21.8	21.0%
<b>Total</b>	<b>126.4</b>	<b>136.3</b>	<b>155.5</b>	<b>170.7</b>	<b>186.4</b>	<b>203.9</b>	<b>10.0%</b>

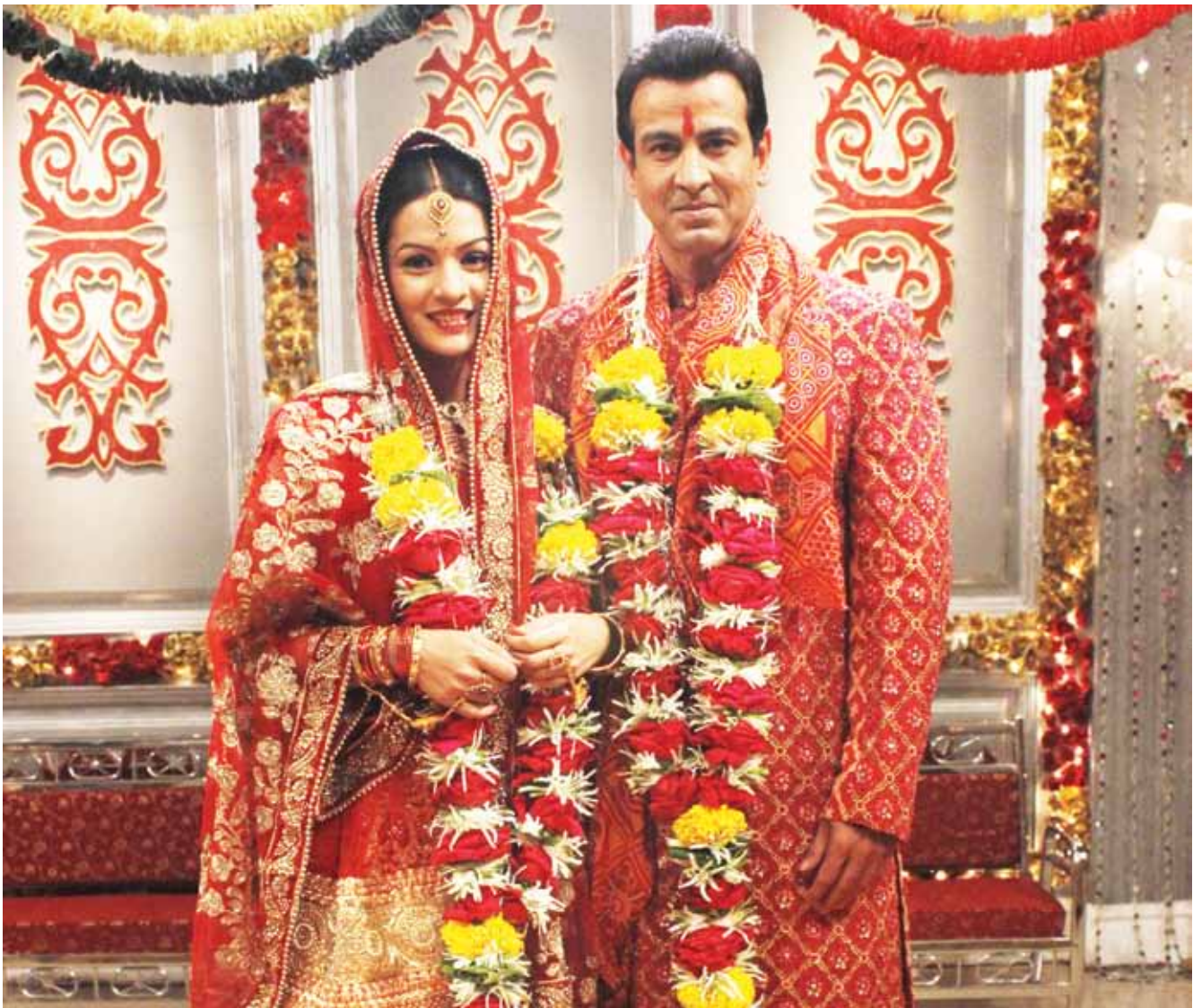
Source: FICCI-KPMG Indian Media & Entertainment Industry Report, 2015

Figures in ₹ Billion

### Outlook of Indian Media & Entertainment Industry

Segments	2014	2015 P	2016 P	2017 P	2018 P	2019 P	CAGR 2014-19
TV	474.9	543.2	631.2	739.6	854.6	975.5	15.5%
Print	263.4	284.5	307.1	331.9	358	386.8	8.0%
Films	126.4	136.3	155.6	170.7	186.3	204	10.0%
Radio	17.2	19.6	22.3	27	32.7	39.5	18.1%
Music	9.8	10.4	12	14.2	16.9	18.9	14.0%
OOH	22.0	24.4	27.1	29.6	32.2	35.1	9.8%
Animation & VFX	44.9	51	58.7	68.5	80.6	95.5	16.3%
Gaming	23.5	27.5	31.8	35.4	40	45.8	14.3%
Digital Advertising	43.5	62.5	84	115.3	138.2	162.5	30.2%
<b>Total</b>	<b>1026</b>	<b>1159</b>	<b>1330</b>	<b>1532</b>	<b>1740</b>	<b>1964</b>	<b>13.9%</b>

Source: FICCI-KPMG Indian Media & Entertainment Industry Report, 2015



## **OUR TELEVISION BUSINESS**

Being present in all categories of TV programming—Hindi GECs, youth-based entertainment, regional shows, and others, we are now edging deeper into each of these.





We maintain our leadership position in the TV business with adequate creative bandwidth, production capacity and financial capital to create top-rated shows for varied segments of the audience. Being present in all categories of TV programming, be it Hindi GECs, youth-based entertainment, regional shows, and others, we are now edging deeper into each of these categories. There are two significant changes, we have inculcated in the past few years. One is to create a comfortable script bank of 5-6 episodes for each show and two, we have become cost conscious and ensure maximum optimisation of our resources.



### Shows on Air during FY2015

Name of the Show	Channel	Release Date (Running Since)	Current Status/ Running Till
Pavitra Rishta	Zee TV	1 June, 2009	25 October, 2014
Bade Achhe Lagte Hain	Sony	30 May, 2011	10 July, 2014
Jodha Akbar	Zee TV	18 June, 2013	On Air
Pavitra Bandhan	DD National	9 September, 2013	On Air
Ye Hai Mohabbatein	Star Plus	3 December, 2013	On Air
Ajeeb Daastaan Hai Ye	Life Ok	7 October, 2014	6 March, 2015
Kumkum Bhagya	Zee TV	15 April, 2014	On Air
Meri Aashiqui Tum Se Hi	Color's	24 June, 2014	On Air
Itna Karo Na Mujhe Pyaar	Sony TV	18 November, 2014	On Air
Gumraah Season 5	Channel V	22 March, 2015	On Air
Kalash - Ek Vishwaas	Life Ok	23 March, 2015	On Air
Nach Baliye 7	Star Plus	26 April, 2015	19 July, 2015

### Our Upcoming TV Shows in FY2016

Name of the Show	Channel	Frequency of Broadcast	Expected Period of Launch
Nagin	Colors	1-Hour each show (Two times/Week)	To be Decided
To be Decided	Sony	4 days/Week	September 2015 104 Episode
Kuch To Hai Tere Mere Darmiyaan	Star Plus	Six days/Week	July 2015
To be Decided	Zee TV	Five days/Week	September 2015



## OUR TELEVISION BUSINESS

### TV SHOWS ON AIR DURING FY2015



#### **NACH BALIYE-7**

**Premiered:** April 2015

**Hosted By:** Rithvik Dhanjani and Karan Patel

**Judges:** Preity Zinta, Chetan Bhagat and Marzi Pestonji

**Channel:** Star Plus

*Nach Baliye 7* is a dance competition where 11 celebrity couples compete against each other in their dance performances. The contestants dance to a different tune, theme and style every week and gain scores from the judges. Each week, one couple is eliminated based on public voting and the judges scores.

#### **JODHA AKBAR**

**Premiered:** June 2013

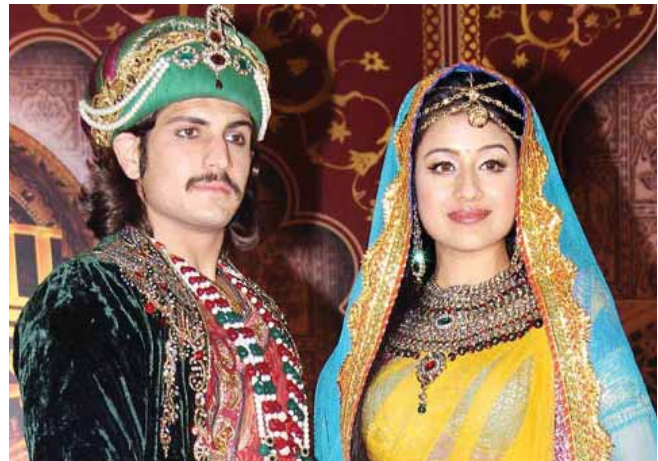
**Lead Actors:** Rajat Tokas, Paridhi Sharma, Chetan Hansraj

**Genre:** Historical Love story

**Channel:** Zee TV

**Episodes Completed:** 473 (As on March 31, 2015)

*Jodha Akbar* is a 16th century love story about a political marriage of convenience between Mughal Emperor Akbar and the Rajput princess Jodha. Being hard-nosed, rough, tough and heartless, Akbar kept expanding his empire at the cost of other's lives, emotions and love. Whilst Jodha, the fiery Rajpur princess and daughter of the King of Amer, was the one to valued emotions. Once married, Akbar embarked on the journey of true love. Akbar's biggest challenge was in winning the love of Jodha, which was hidden deep below resentment and extreme prejudice.



#### **KUMKUM BHAGYA**

**Premiered:** April 2014

**Lead Actors:** Shabbir Ahluwalia, Sriti Jha

**Genre:** Family Drama

**Channel:** Zee TV

**Episodes Completed:** 253 (As on March 31, 2015)



*Kumkum Bhagya* is about a women-centric Punjabi family based in Chembur. The underlying concept of the show is about how different people come together from different backgrounds and perspectives and yet adjust into each other's lives. The family's two daughters, Pragma and Bulbul, are poles apart and the story revolves around their love lives. Pragma likes Suresh who is a simple guy, whereas Bulbul dreams about Abhi. Being a rockstar, Abhi is obsessed with money and fame and does not believe in love. Pragma, on the other hand, believes in love and money doesn't matter much to her.

## YE HAI MOHHABATEIN

**Premiered:** December 2013

**Lead Actors:** Karan Patel, Divyanka Tripathi

**Genre:** Drama

**Channel:** Star Plus

**Episodes Completed:** 404 (As on March 31, 2015)

*Ye Hai Mohabbatein* is a love story between a mother and a child who are related to each other through a unique bond and under weird circumstances. It is this bond that also brings brings Raman and Ishita into each other's lives. Ishita is a Tamilian girl who has been abandoned by her fiancé and would-be parents-in-law due to her inability to bear a child. Raman, a Punjabi, was once an affable person, but is now hardened by cruel end of his marriage as his wife marries his boss, a much richer and suave person. His wife Shagun leaves behind 4-year old Roohi, but since she looks exactly like her mother, Raman neglects the child. Amidst the hilariously turbulent friction between the Punjabi and South Indian family, Ishita's motherly love blooms for Roohi due to which Ishita agrees to marry Raman. Raman agrees as he too is scared of losing his daughter in the custody to his wife. Through the test of time, Raman and Ishita not only share each other's pain, but love blossoms between them.



## PAVITRA BANDHAN

**Premiered:** September 2013

**Lead Actors:** Yash Tonk,  
Hritu Dudani

**Genre:** Family Drama

**Channel:** DD National

*Pavitra Bandhan* is a metaphorical take on the story of a young and free-spirited woman whom destiny and circumstances push into a situation, which is like a dark and endless night. She has to face the situation all alone and is constantly lightening up other people's lives. The TV show is a poignant and passionate tale of this young woman. It is not a love story but a story about love set in the backdrop of the beautiful landscapes of Bengal and the enriched Bengali culture.



## MERI ASHIQUI TUM SE HI

**Premiered:** June 2014

**Lead Actors:** Shakti Arora,  
Radhika Madan

**Genre:** Love Story

**Channel:** Colors

**Episodes Completed:** 211 (As on March 31, 2015)



*Meri Ashiqui Tum Se Hi* is a story about Ranveer who loves Ishani Parekh since they were both kids. Ishani is the daughter of Parekh family where Ranveer worked as a driver, but she instead loved Chirag and was about to get married to him to fulfill her father's wish. After a leap of few years, Ranveer gains wealth and under some circumstances ends up marrying Ishani to save the Parekh family. Gradually, Ishani starts liking him. Suddenly, Chirag dies and the blame of his death falls on Ranveer. Ishani takes the blame on herself and ends up in jail. Once she is out of jail, she starts a new life with the Mehra family, whose son Shikhar also develops a liking for her and proposes marriage to her.



# OUR TELEVISION BUSINESS

## TV SHOWS ON AIR DURING FY2015



### **ITNA KARO NA MUJHE PYAAR**

**Premiered:** November 2014

**Genre:** Soap Opera

**Actors:** Ronit Roy, Pallavi Kulkarni

**Channel:** Sony

**Episodes Completed:** 77 (As on March 31, 2015)

*Itna Karo Na Mujhe Pyaar* is a Hindi-language soap opera. The show is about the relationship challenges of a divorced couple Dr. Nachiket Khanna, a cardiac surgeon, and Dr. Ragini Patel, his independent wife. The show deals with how the husband and wife duo get reconnected due to their children.

### **KALASH - EK VISHWAAS**

**Premiered:** March 2015

**Genre:** Indian Soap Opera, Drama

**Actors:** Krip Suri, Aparna Dixit, Neena Cheena

**Episodes Completed:** 7 (As on March 31, 2015)

*Kalash - Ek Vishwas* follows the basic premise that faith and belief in the mystic law and the power of the universe make all things possible. It shows the dual mindsets of people where female deities are revered and worshipped, while women in general are mistreated. The show also traces the traditional and regressive thought process prevalent in many so-called progressive households. It explores the universal concept of the fight between good and evil and what happens when a woman is tested against fire.



### **GUMRAAH - SEASON 4**

**Premiered:** August 2014

**Genre:** Scripted Reality

**Anchor:** Karanveer Bohra

**Episodes Completed:** 35  
(As on March 31, 2015)

### **GUMRAAH - SEASON 5**

**Premiered:** March 2015

**Genre:** Scripted Reality

**Anchor:** Karan Patel

**Channel:** Channel V

**of Episodes Completed:** 3  
(As on March 31, 2015)

*Gumraah* is a scripted reality show inspired from real-life events of teenagers. It is a teenage crime series where innocent boys and girls select the wrong path due to internal or external pressures. Owing to peer pressure, jealousy, greed, envy, sloth and wrath, they end up committing a serious lawful crime.



## SHOWS THAT ENDED DURING FY2015

### **BADE ACHHE LAGTE HAIN**

**Premiered:** May 2011

**Show Ended In:** July 2014

**Lead Actors:** Ram Kapoor, Sakshi Tanwar

**Genre:** Mature love story

**Channel:** Sony TV

*Bade Achhe Lagte Hain*, which came off air in July 2014, was a love story between two completely different kind of people, Ram Kapoor and Priya

Sharma. Ram Kapoor was a well-reputed, rich and powerful businessman in his early 40s, while Priya was from a middle-class family and was sensible, philosophical and mature. The story was based on how their dislike for each other slowly changed to respect, and eventually love. However, every time Priya and Ram grew closer, situations drove them apart. After story took a 20-year leap, their daughter Pihu and several other antagonists were introduced. The show ended with how their love stood the test of time.

### **PAVITRA RISHTA**

**Premiered:** June 2009

**Show Ended In:** October 2014

**Lead Actors:** Hiten Tejwani, Ankita Lokhande,

Karan Mehra

**Genre:** Family Drama

**Channel:** Zee TV

*Pavitra Rishta* was the story of Manav Deshmukh, a mechanic, and his wife Archana, an uneducated young

woman, and how they fell in love and marry each other. Following an 18-year leap, the story showcased the lives of their children, adopted daughter Purvi and her marriage with business tycoon Arjun Digvijay Kirloskar. After another 20-year leap, the story focused on their grown-up grand-children. It showed the marriage of the daughter of Sohan, Manav and Archana's son; and that of their grand-daughter Ankita with business tycoon Naren Karmarkar.

### **AJEEB DAASTAN HAI YE**

**Premiered:** October 2014

**Show Ended In:** March 2015

**Lead Actors:** Sonali Bendre, Apurva Agnihotri

**Genre:** Family Drama

**Channel:** Life OK

*Ajeeb Daastan Hai Ye* is about a woman in love with her husband, but she discovers that he had been cheating on her when he gets caught in a sexual scandal. As he lands in jail, the wife takes up a job where she develops a connection with her boss. It is a funny rhetoric connection called friendship and is completely non-sexual. He too finds a friend in her and there is a deep mental connection between them.

### **YE DIL SUN RAHA HAI**

**Premiered:** October 2014

**Show Ended In:** February 2015

**Lead Actors:** Navi Bhangu, Aparna Dixit

**Genre:** Love Story

**Channel:** Sony

*Yeh Dil Sun Raha Hai* is an intense love story of two lovers set in Patna, Bihar who are destined to never come together. Purvi, the daughter of two IAS Officers, is an educated and highly moralistic person. Arjun is everything she always despised – uncouth, uneducated, sexist and the son of Baccha Yadav, a political goon. The serial explores the love story between these two protagonists who study in the same college. As life moves ahead, the two fall in love with each other, only to be separated again by luck.



## **OUR TELEVISION BUSINESS**

## **OUR NEW GROWTH PILLARS**

Continuing our entrepreneurial approach, we have formulated a business strategy to set up newer ventures by entering into collaborative deals with strategic partners. Thus, in addition to tv (balaji telefilms limited), movies (balaji motion pictures limited) and short-format series (bolt media), we are leveraging our other key strengths to captivate our audiences through new show formats.

### **EVENTS MEDIA LLP**

Incorporated on October 1, 2014, Events Media LLP is a Limited Liability Partnership (LLP) registered under the Limited Liability Partnership Act, 2008. Balaji Telefilms Limited (BTL) and Select Media Holdings Private Limited are the dual partners in the event management firm with BTL having a controlling stake. During the year, BTL and Events Media LLP joined hands to produce the Star Box Office India Awards, 2014. Events Media will be engaged in organising and/or managing all kinds of events, including events relating to film and TV industry. This also includes creation of new intellectual property or value addition and events related to Films & TV Awards, Promotional Events and other events related to the Film & TV industry. Events Media LLP is a sunrise venture which enables BTL to make a foray into an allied segment of Event Management. It also facilitates BTL in creating a new IP in the promising sector and monetising a growing market with low-risk culpability. To begin with, Event Media produced and broadcasted shows on Valentine's Day and Mother's Day.

### **MARINATING FILMS PRIVATE LIMITED**

During the year, BTL bought a 51% stake in Mumbai-based Marinating Films Private Limited. Marinating Films owns the concept, format and all proprietary rights and intellectual property rights in Box Cricket League (BCL), The Indian Telly Calender (ITC) and Television Style Awards (TSA) and organises these on a yearly basis. The Box Cricket League is an interesting IP with 8 teams owned by different celebrities. These are an interesting mix of people including RJs, sports commentators, and some ex-players. The format has both male and female stars playing on-field together, catapulting the drama and entertainment to new heights.

### **CHAYABANI BALAJI ENTERTAINMENT PRIVATE LIMITED**

We set up a new subsidiary during the year – Chhayabani Balaji Entertainment Private Limited, in partnership with the Kolkata-based Chhayabani Private Limited. The collaboration aims to promote the best of creative talent by exploring new formats of television content, presentation and also creating new creative opportunities from both the industries. Chhayabani has a glorious past of producing extremely notable films from equally notable directors in the past which have been award winners and also hold rights to at least 250 Bengali films.

## OUR NEW PROPERTIES

### BOX CRICKET LEAGUE

Box Cricket League (BCL) is a celebrity sports reality show where cricket is played indoors in a box with a soft ball. With teams named after cities, the players battle it out in these 10-over matches with an interesting challenging over mid-inning. Having its own set of rules, BCL is the first cricket tournament which involves heavy participation from female members who are not mere cheerleaders, but leaders in the game.

**Release Date:** December 14, 2014

**Channel:** Sony TV

### TELEVISION STYLE AWARDS

Television Style Awards is the first-ever award show that acknowledges the style quotient of the Indian TV industry both on and off screen. With a jury comprising famous industry names, the award show was attended by the industry bigwigs. It was hosted by Karan Johar and Manish Paul. Following some mesmerising performances, the Brand EK was also launched amidst much fanfare.

**Release Date:** May 03, 2015

**Channel:** Colors

### THE STAR BOX OFFICE AWARDS

Star Box Office Awards' takes into account the achievements of Hindi films based on their performance at the box office .



### TELLY CALENDAR (NON-TELEVISED)

Telly Calendar features the top female faces of the Indian television industry, who ruled the roost in the past year. Each year, the calendar divas tour exotic locations and treat their audiences to an annual fair of style and beauty. Telly Calendar 2015 has been shot amidst the scenic locales of Jordan, which is famous for its new 7<sup>th</sup> Wonder of the World – Petra.



### STAR VALENTINE'S DAY

Star Valentine's Day was telecast on February 15, 2015 on Star Plus channel to celebrate Valentine's Day, with *Muskurane Ki Wajah Tum Ho* as the theme. Several Bollywood actors and stars who participated in the event were: Jacqueline Fernandez, Varun Dhawan, Divyanka Tripathi, Karan Patel, Shivin Narang, Farnaz Shetty, Sahil Mehta, Shamata Anchan, Rohan Gandotra, Sahil Salathia, Karan Wahi and Mihika Verma.

### THANK YOU MAA

Mother's Day was celebrated by creating a special show Thank You Maa which was telecast on Star Plus. The show had actors and stars from Bollywood and Indian television performing to pay tribute to their respective mothers and all the mothers in the world.





## **NEW FRONTIERS RENEWED VISION**

We are concentrating on short format, high concept and non-fiction shows. We are making programming more relevant to the new audiences.







# BOLT MEDIA: RIDING IT OUT WITH STRENGTH AND STABILITY

## DIGITAL... THE SPACE TO BE IN

Digital is a critical space we have clearly identified for ourselves. Our aim is to constantly enhance our incremental equity and profits in the digital space. We are stepping on the gas in this segment through creating quality programming. Some of our achievements in the digital segments are:

- A special 100-part web series “*Kelloggs Wale Guptaji ki Family*”. Aired in March, the show has already garnered rave reviews hitting over 5 million views in a month. With reputed chef Ajay Chopra, the show displays recipes where Kelloggs is used as a key ingredient through hypothetical situations.
- A two-part documentary series for National Geographic channel based on the 1990s. Besides archival footage on the 1990s, eminent personalities such as P. Chidambaram, Ram Gopal Verma, Rajdeep Sardesai, Diya Mirza, Pankaj Kapoor, Shekhar Suman, Uday Shankar, among others, provide a retrospective landmark, social and political view on the decade.
- A digital and print campaign on Sonata Watches included creating pictures for PoP, working on the catalogue/ brochure for their festive line of merchandise with Karan Kundra and Kritika Kamra.

In the last two years of operations, we have established ourselves well. We not only managed to create our niche space in a competitive environment, but gradually became a force to reckon with. During the year, we aired *Ye Jawaani Tara Riri* on Channel V, *Dharmakshetra* and *Rakht* on EPIC channel. After two full years of operations, we are poised to move ahead with financial stability and hope to enhance our top line in the year ahead.

With the first season of *Love by Chance* gaining a 10-week extension, we are looking at Season 2 of the franchisee. We are hoping to move towards becoming an identifiable and recognisable entity “doing different things differently”.





**We are getting new talent on board, tapping new verticals and diversifying into new genres of business. We are making programming more relevant to audiences.**



**W**e are in the business of telling stories. Our sole aim is to create content that connects with the hopes and lives of people watching at home. We are focussed on developing a robust, deep internal creative engine, which will be best-in-class when it comes to ideation. For us, entertainment is about creating core IP through drama and formats. We are stepping up our content values

in big-tickets genres – youth and reality TV shows. We are creating a platform for a more diversified offering catering to varied interests and attracting bigger audiences.

The profile of entertainment has changed. GEC is gradually becoming Niche Entertainment Channel (NEC), which is a large section and a mainstream channel of the viewing experience. We have established substantial leadership in every genre and learnt the fine art of anticipating viewers' interest. We provide the next level of interactive programming by reinventing TV and catering to a wide variety of audiences.

# OUR BUSINESS STRATEGIES IN TELEVISION

Creating a wide variety of engaging TV programming and audience experiences, keeping pace with the digital age

## NEW-AGE FICTION

Besides creating mass-market dramas for the Hindi GEC segment, we are also focusing our energies on reality shows. While our core business is to create content for fiction programming, we are gradually tapping the mainstream non-fiction segment. *Nach Baliye 7*, a high-gloss weekly dance format show on Star Plus, is a revolutionary show combining two different formats of Dance and Reality. Contestants will not only perform to encapsulate the audiences, their footage will be captured and broadcasted, akin the Big Boss show. With this, we foray into the non-fiction segment as a credible player.

## FORAY INTO REGIONAL CONTENT

We are gradually moving into regional content by tying up with locally operating partners as our entry strategy. To begin with, we have joined hands with Kolkata-based Chhayabani Private Limited to form Chhayabani Balaji Entertainment Private Limited to produce fresh content in Bengali for Zee Bangla. Going forward, we may look at using our existing Hindi content for regional channels. For example, there are plans to broadcast *Kumkum Bhagya* on Zee Bangla. We are also looking at tie-ups in the regional market in South India, which will yield 3-4 shows.

Our plan is to have 3-5 shows each in Bengali and Southern languages by the end of FY2016.

## FOCUSSING ON SHORT FORMAT SERIES

We are concentrating on short format, high concept and non-fiction shows. Our upcoming TV shows are radically different. They are aimed towards appealing to the existing audiences and winning new audiences. Our overall basket of assorted shows now contains a good mix of different genres such as thrillers, crime and youth in the format of short series. Our youth-based entertainment shows and the niche content it displays are well appreciated. This is encouraging us to come up with different seasons. We have done four successful seasons of *Gumraah*:

*End of Innocence* on Channel V based on teen crime in association with Lost Boy Productions and are now working on Season 5. The Confessions of an Indian Teenager earlier launched on MTV Webbed was also highly appreciated.

## LEVERAGING GEN-Y

We are making programming more relevant to the new audiences. Our youth-based shows such as *Gumraah*, MTV Webbed and Confessions of an Indian Teenager, which ran during the year under review, are extremely popular among the younger generation.

Although, we are already the No. 1 television producer in India, there is certainly more headroom available for future growth. We are getting new talent on board, tapping new verticals and diversifying into new genres of business.





# OUR BUSINESS STRATEGIES IN TELEVISION

Building new properties through creative collaboration to develop strong brand equity

We are looking to do things differently. Our aim is to continue to aggregate larger audiences and deliver important momentum by bringing a novelty factor in TV entertainment. We are creating content of affinity and one that drives audiences by entering into strategic partnerships. We wish to do high impact, finite shows with mass appeal. We are creating IP that has the potential to be monetised. We are building an unparalleled franchise in creation of television content and developing strong brand equity.

## CREATIVE COLLABORATION

Collaboration is the “action of the hour”. At BTL, we are entering into production deals, bringing great strength to our existing catalogue of content. Our co-production tie-ups also bring us unprecedented access to our partners’ catalogue in the past and future. We are positioning ourselves as the “Go to People” for creative energy and access to attain scalability in business. We are actively collaborating by hiring external creative talent and having them lead projects by way of tripartite agreements. While BTL creates ideas, bank rolls and produces them, all the creative work is handled by an external Creative Director who acts as the interface for channels and broadcasters.

## OUR SLOT CHANGERS BUILDING NEW PROPERTIES

Of the 8 daily shows currently on air, 4 are slot leaders and aired during prime time. *Ye Hai Mohhabatein* is our top-rated show on Star Plus. Being run on two parallel slots at 7.30 pm and 11.30 pm, the show rakes in a TRP of 4.8 and 1.5, respectively. *Jodha Akbar* and *Kumkum Bhagya* are the top-rated shows on Zee TV. *Meri Ashiqui Tumse Hi* is running as the No 2 show on Colors, while *Itna Karo na Mujhe Pyar* on Sony is slowly picking up among audiences. *Meri Ashiqui Tumse Hi* and *Kumkum Bhagya* have TRP ratings of 3-plus.

## MOVING AHEAD

With our audiences patronising the Balaji brand, our key focus is to improve our bottom line during FY2016. We aim to be more process-driven, rather than personality-driven. With changing dynamics of the industry, we are aiming to capitalise our capabilities in making high-concept fiction and non-fiction shows. To begin with, we are coming up with a high concept, high fiction show for Star TV. We are confident of the ratings of our news shows, especially reality based shows.

Another completely different segment we are aggressively tapping on TV is events. We have joined hands with Marinating Films Private Limited for producing Television Style Awards (TV awards), Box Cricket League and Tele Calendar with TV actors. In addition to this, we formed Event Media LLP for Box Office Awards (for movies), with BTL owning 50% of the award IP. Box Office and TV Style Awards will be our IP retained for this annual event. Moving ahead, Box Cricket League may be pushed in regional markets too.

## EXCITING FUTURE PIPELINE

We are scaling higher year-on-year with at least 6-7 new shows launched each year. For FY2016, we have an exciting pipeline of nearly 6 shows to be aired. This includes shows for Sony, Colors, Life Ok, Star Plus and other channels. We are also working on impactful mini-series which will run between August 15 and January 26. This apart, we are also working on a comedy show, much on the lines of the Great Indian Laughter Challenge. Not leaving any stone unturned, we are producing content for televised events too. With our show on Valentine’s Day being a great hit, we repeated the magic with Mother’s Day.







## **OUR MOVIES BUSINESS**

While Balaji Motion Picture Limited showcased our strengths in unparalleled cinema, a 20-year BTL legacy and strong story-telling, the ALT segment displayed our capabilities in edgy and irreverently young movies.

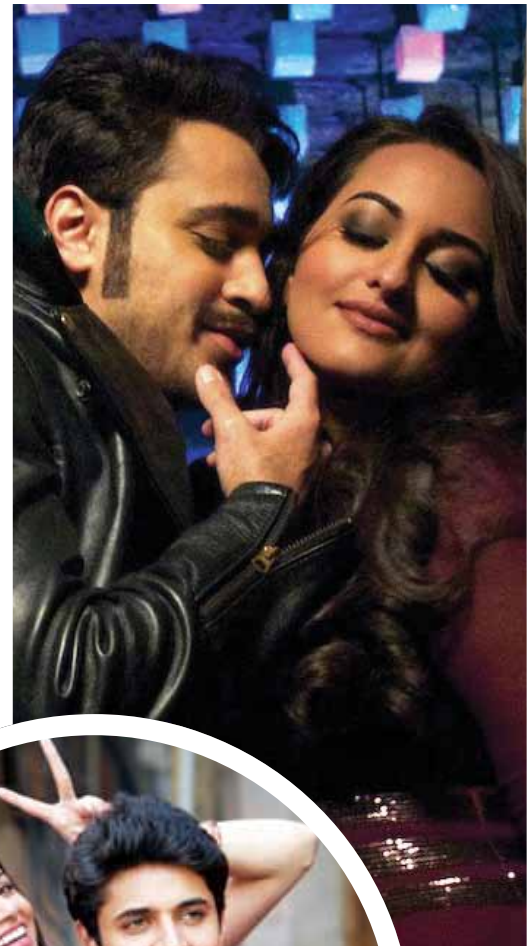




**B**alaji Motion Pictures Limited (BMPL), the films division of Balaji Telefilms Limited, spent FY2015 in introspection, solid planning and in renegotiating of deals. During the year, we passed through a learning curve and focussed our energies on understanding the science behind the art of making movies. Faced with a huge correction in satellite pricing, we stepped back and looked at the future. During the year, we produced and released *Kuku Mathur Ki Jhand Ho Gai*, *Main Tera Hero* and *Ek Villain*, and all these movies were profitable. Our best revenue-generating asset was *Ek Villain* with a box office collection of over ₹ 100 crore.

We are in a good space with our movies business with the

right marketing, branding and distribution power. While BMPL showcased our strengths in unparalleled cinema and strong story-telling, the ALT segment displayed our capabilities in edgy and irreverently young movies. We are working on becoming a trend-setting studio and getting our slate right to release at least one movie each quarter. What other studio houses achieve with big stars, we plan to achieve the same with big ideas. We are derisking our business by getting into a profit sharing model with directors and actors. Also, we are distributing our own movies to further derisk our business.



## OUR MOVIES BUSINESS

### MOVIES RELEASED IN FY2015



#### **KUKU MATHUR KI JHAND HO GAI**

**Release Date:** May 30, 2014

**Genre:** Comedy, Drama

**Actors:** Siddharth Gupta, Ashish Juneja, Simran Kaur Mundi

**Produced By:** Balaji Motion Pictures & Getaway Films

**Director:** Aman Verma

Kuku Mathur Ki Jhand Ho Gayi (KMKJHG) is an entertaining slice of life feature, revolving around two friends Kuku Mathur and Ronnie Gulati in a suburban middle class colony of Delhi. After passing their Class 12 exams, they dream of accomplishing great things in future. But their destiny has something completely different in store for them. The crux of this charming and heart-warming coming-of-age movie is about friendship in the modern times.

#### **MAIN TERA HERO**

**Release Date:** April 4, 2014

**Genre:** A Romantic Action-Comedy

**Actors:** Varun Dhawan, Ileana D'Cruz, Nargis Fakhri

**Produced By:** Balaji Motion Pictures Limited

**Director:** David Dhawan

Main Tera Hero is the story of 21 year-old Seenu, who falls in love with Sunaina. As their love affair begins, Sunaina gets kidnapped by a don in Bangkok called Vikrant. In a twist to the tale, Vikrant's daughter is also in love with Seenu. This crazy love triangle, layered with the impeccable comic timing of David Dhawan, became one of the most entertaining movies of 2015.



#### **EK VILLAIN**

**Release Date:** June 27, 2014

**Genre:** Romance, Thriller

**Actors:** Sidharth Malhotra, Shraddha Kapoor, Riteish Deshmukh

**Produced By:** Balaji Motion Pictures

**Director:** Mohit Suri



Guru is a quiet, tough and ruthless man with a dark past. He meets the "happy-go-lucky" Aisha who suffers from a terminal illness. Guru helps her complete her bucket list and in process falls in love with her. They eventually get married. Aisha's health improves and she even conceives a baby. But soon doom casts over their little heaven when a serial killer on the loose Rakesh Mahadkar kills Aisha. The rest of the story is about how Guru gets even with Aisha's killer. This blockbuster also became the biggest revenue generator for the production house.

## MOVIES TO BE RELEASED IN FY2016



### **X.X.X**

**Release Date:** March 2016

**Genre:** Erotica

**Actors:** Kyra Dutt, Ritwick Dhanjani, Aparna Sharma, Priyanca Talukdar, Meherzan and Aadar Malik

**Produced By:** Balaji Motion Pictures Limited

**Director:** Ken Ghosh

XXX is India's first mainstream erotica movie with five stories themed around sex, but with a cunning twist at the end that will leave the audiences on the edge of their seats. The film opens on a dark desolate highway with a young man driving towards his destination. On the way, he bumps into a woman straight out of his fantasies. She is in need of help and the young man offers to be her knight in shining armour. Sexy and charming in equal measure, the woman is friendly but unyielding and has a striking air of mystery about her that fuels the young man's ambition of a sexual conquest. They start narrating arousing tales to each other in the course of their journey. However as the game of stories climaxes and the woman reaches her destination, we realise things aren't really what they seem. Both the young woman and the man have a sexual agenda and are hell bent on getting what they want from each other in this game of sexual one upmanship.

### **KYAA KOOL HAI HUM 3**

**Release Date:** December 2015

**Genre:** Sex Comedy

**Actors:** Tusshar Kapoor, Aftab Shivdasani, Krushna Abhishek, Mandana Karimi

**Produced By:** Balaji Motion Pictures Limited

**Director:** Umesh Ghadge

*Kyaa Kool Hai Hum* and *Kyaa Super Kool Hai Hum*, released in 2005 and 2012, respectively, were trend-setters at the box office. The story revolves around two money-hungry friends, Kanhaiya and Rocky, who get into the international film industry. They are in a quandary when Kanhaiya's lady love Shalu wants to meet his family to take their relationship further. The challenge is to convince Shalu's religious father and suspicious Bua that he has a cultured and perfect Indian family. They are left with no choice, but to use the members of his film set as his fake family. The comic angle heightens when the boys maneuver Shalu and her family into believing fake identities, resulting in misunderstandings, strange hook-ups and chaos. The attempts of the characters to transform under parental pressure entertains the audiences.

### **AZHAR**

**Release Date:** May 2016

**Genre:** Drama

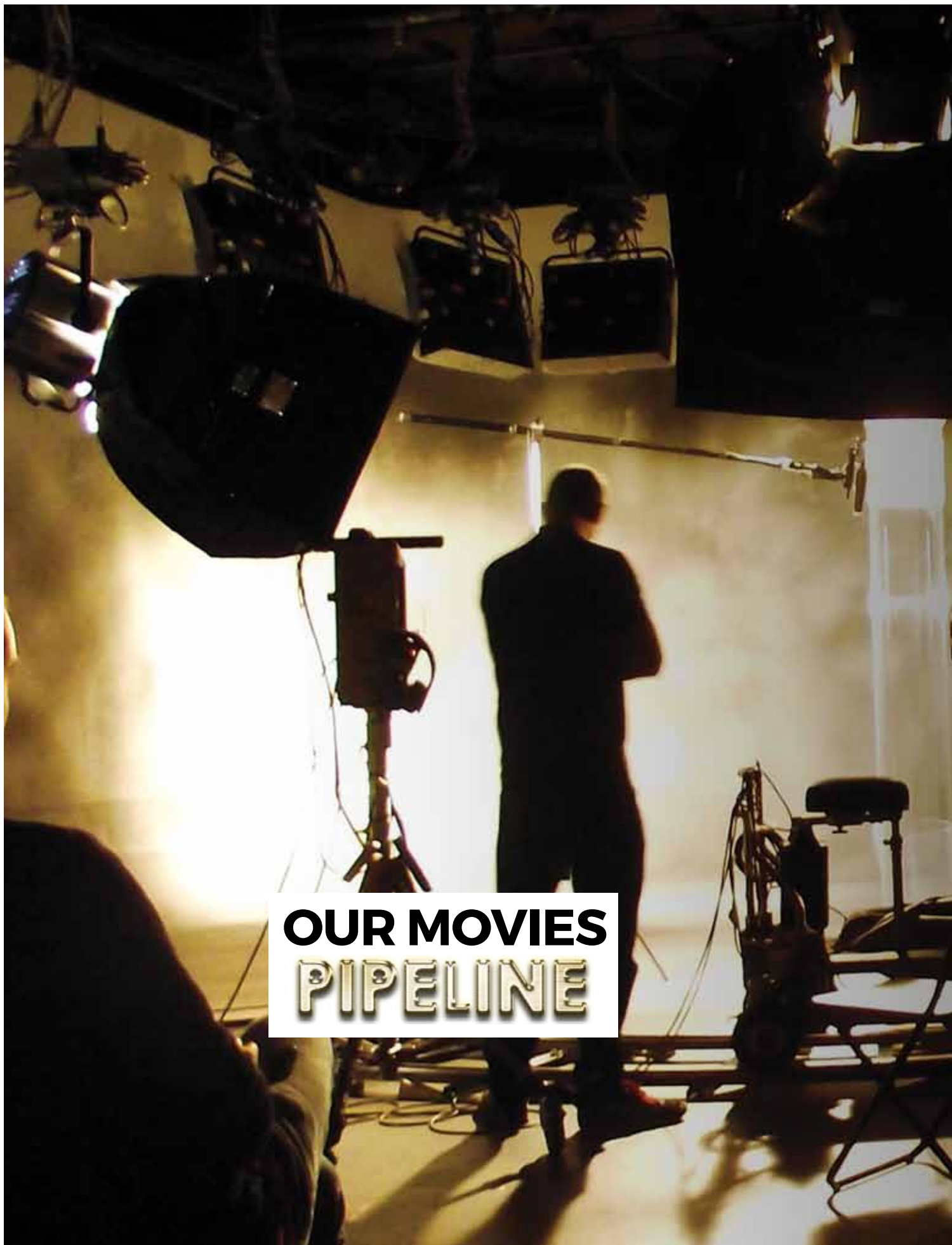
**Actors:** Emraan Hashmi, Prachi Desai, Nimrat Kaur

**Produced By:** Balaji Motion Pictures Limited

**Director:** Tony D Souza

'Azhar' is a rhetoric journey of a once celebrated hero (Mohammad Azharuddin) and the contradiction of his questioned highs and self-sustained lows. In a country where cricket is no lesser than a religion that unites, 'Azhar' (portrayed by Emraan Hashmi), is given an additional responsibility of being the youngest captain to lead the Indian side. His dream and religion has always been cricket. So much so, that in spite of marrying a beautiful girl like Naureen (Prachi Desai), his heart always belonged to the game. A publicly perfect life and the contrast of his will competing with all the challenges are the film's key highlights. His personal life escalated to a flamboyant nature as his second and current wife (Sangeeta Bijlani) introduces him to the world as a sudden 'up-collared' attention lover. There is more trouble brewing when the match fixing scandal breaks.

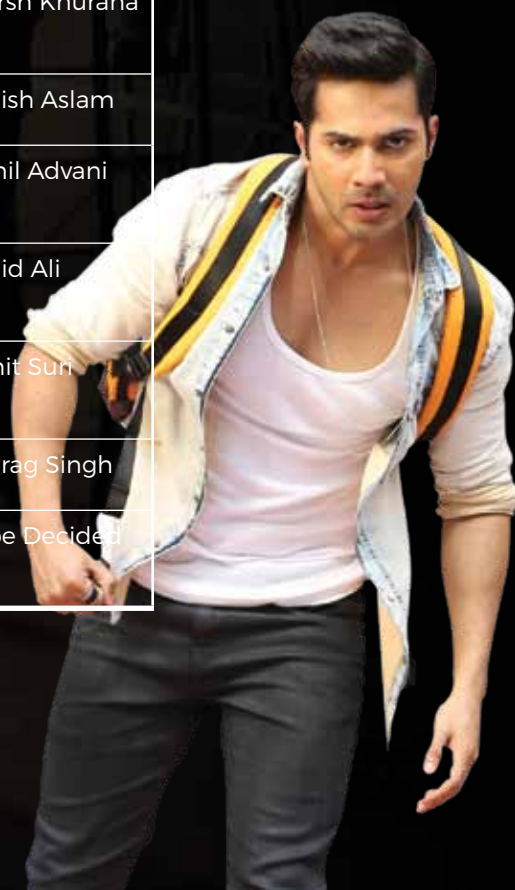




**OUR MOVIES  
PIPELINE**

## MOVIES IN THE PIPELINE (FY2016 - FY2017)

Movie	Genre	Produced By	Director	Actors
<b>Grand Masti 3</b>	Paranormal Sex Comedy	Maruti Films and Balaji Motion Pictures	Inder Kumar	Ritesh Deshmukh, Aftab Shivdasani and Vivek Oberoi
<b>Udta Punjab</b>	Drama	Balaji Motion Pictures and Phantom Films	Abhishek Chaubey	Shahid Kapoor, Kareena Kapoor Khan, Alia Bhatt and Diljit Dosanjh
<b>A Flying Jatt</b>	Super Hero Action, Comedy	Balaji Motion Pictures	Remo D Souza	Tiger Shroff, Jaqueline Fernandes
<b>Suspect X</b>	Thriller	Boundscript Films, Balaji Motion Pictures, Illuminati Films	Sujoy Ghosh	Kangana Ranaut, Saif Ali Khan, Nawazuddin Siddiqui
<b>Bhoole Se Naam Na Lo Pyaar Ka</b>	Romance	Balaji Motion Pictures	Tigmanshu Dhulia	Imraan Khan
<b>Naatak</b>	Crime Thriller	Anurag Basu Productions and Balaji Motion Pictures	Akarsh Khurana	
<b>Toxic</b>	Thriller	Balaji Motion Pictures	Danish Aslam	
<b>Bazaar</b>	Drama	Balaji Motion Pictures and Abundantia Entertainment	Nikhil Advani	
<b>Laila Majnu</b>	Romantic Drama	Balaji Motion Pictures and Highway Films	Saajid Ali	
<b>Half Girlfriend</b>	Romantic Comedy	Balaji Motion Pictures, Mohit Suri and Chetan Bhagat	Mohit Suri	
<b>Silver Jubilee</b>	Romance	Balaji Motion Pictures	Anurag Singh	
<b>Veeray Di Wedding</b>	Romantic Comedy	Anil Kapoor Films and Balaji Motion Pictures	To be Decided	



# OUR BUSINESS STRATEGIES IN MOVIES

Optimising our creative strengths to build the pipeline and maintain our film studio vision

Our key growth driver has been innovative ideas and storyline that are appealing and catering to mass sensibilities – whether in TV or films. Movies and TV shows with strong and differentiated content are getting appreciated, proving the audiences’ maturity. We are proud of our script bank and creatives. We realise that a good idea and script sells. Our small-budget and edgy movies such as *Ragini MMS 1*, *Ragini MMS 2* and *Ek Thi Daayan*, among others, have collectively rewritten box-office rules in the entertainment industry. We will continue to leverage on our creative sensibilities in the years ahead to create out-of-the-box products.

We are adopting a studio approach towards movies to cover our costs. With a 3-tier approach – year for release, production and incubation – we are aiming to release at list

one move a quarter. We are working on our genre potential. We are taking up projects with clarity on what we are aiming to achieve from them. We are in the process of building franchises, creating characters and focussing on genres.

## AN EXCITING PIPELINE

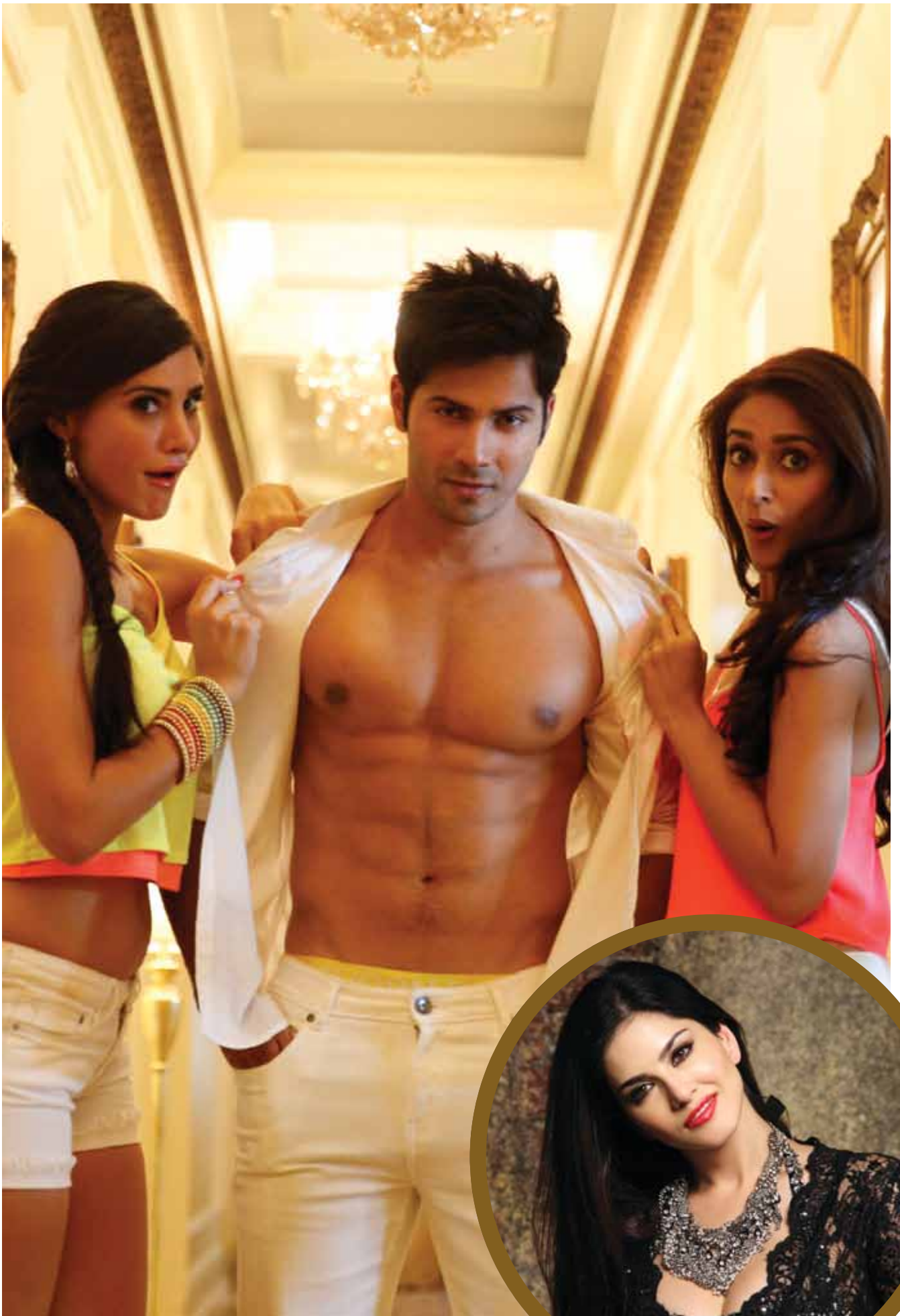
We have put together a strong line-up with great variety. A significant ramp-up in our slate demonstrates the seriousness and passion with which we are growing the movies business. We believe that an equal focus on co-productions and acquired properties is not only a financially prudent approach for us, but should also accelerate our growth momentum. Our future movie slate is strong, which has been a result of solid planning. We shall have a total of

8-10 movie releases in FY2017. These movies are with concepts as diverse as a cricket biopic, a youth erotic franchise, a movie based on a novel by Chetan Bhagat and one with Mohit Suri as a first time producer. In the immediate future, we are co-producing *Udta Punjab* with Phantom Films, starring Shahid Kapoor and Kareena Kapoor. With Emraan Hashmi, we are creating a biopic on cricketer Azharuddin. We are also looking to leverage our franchise value by exploring sequels of *Kya Kool Hain Hum*. We are also joining hands with Imtiaz Ali for an iconic love story with two newcomers. In addition to this, we are also producing a superhero franchise.

We have put together a strong line-up with a lot of variety. The significant ramp-up in our slate demonstrates the seriousness and passion with which we are growing the movie business.







# OUR BUSINESS STRATEGIES IN MOVIES

## Moving to the next level of building the movies business

**O**ur movies business will be our prime area of growth. We are ready to move to the next level to scale up the business and get more collaborative - nationally and internationally. Our plan is to become a powerhouse which can generate content for all genres of media by encashing our inherent strengths. Our pipeline will include small, medium and big-budget films and our exciting content portfolio comprises more than 25 movies. We have creative ingenuity, a knack of spotting powerful content and a zeal to make good films.

We are heading towards a golden era with strong content-oriented films. As India's leading content creators, we are hands-on in considering new content opportunities in movies and looking at newer ways of reaching the consumer. We wish to deliver

compelling and quality content and focus on translating viewers' aspirations into vibrant realities. As a content-driven studio, we believe in making engaging and entertaining feature films.

### **BUILDING FOR THE FUTURE**

We have over 8-10 movies lined up for release in FY2017. Moving ahead, our aim is to release at least one movie per quarter to build our string of successes. We wish to gain credibility as an established production house and win audiences across age groups with diverse subjects and different genres. Our aim is to emerge as one of the Top 5 movie production houses in India, with a strategic thrust on sequels, and exploring different models of production. Our movies enable us to evolve as a full-fledged studio and media powerhouse.

We are in a good space for our movies business with the right marketing, branding and distribution power. We are derisking our business by getting into a profit sharing model with directors and actors. Also, we are distributing our own movies to further derisk our business.

### **CAPITALISING ON DIGITAL REVOLUTION**

We are capitalising the opportunity to create our own IP and making genuine B2C content for this totally new genre which is the digital platform such as Video on Demand (VOD) which allows consumers to pay for consuming the content. With most top-end shows on YouTube being Balaji teleserials, we foresee a vast opportunity in creating fresh content with edgier, younger stories.











## **KEY FOCUS AREAS FOR FY2016**

We treat each of our movies as persons and not products. For us, each movie we produce has certain strengths, attributes and weaknesses. Our strategy is to create AFPs or standalone properties for each movie.



# INVENTIVE AND CLUTTER-FREE MARKETING

Crafting powerful and unique content marketing strategies for our upcoming movies

**M**ovie marketing is all about the art and science of convincing consumers to buy movie tickets. We craft powerful and unique content marketing strategies for our upcoming movies. We revolutionise the regular mediums of marketing and try to be as innovative as possible in the medium itself.

We break our own templates and go by the belief that creating visibility and buzz are the only ways to click. We follow a two-tier strategy for marketing to cater to the youth and another distinct kind of audience that cannot be divided geographically, but psychologically. Our objective is to ensure the marketing campaigns do not alienate people. Our campaigns become conversation drivers. We treat each of our movies as persons and not products. For us, each movie we produce has certain strengths, attributes and weaknesses. Our strategy is to create AFPs or standalone properties for each movie.

As a creative studio, we are research junkies, and do not follow trends. We push the envelope and look at a multi-fold approach to market our movies. We strongly believe that trade perception is always hugely different from consumer perception. We understand the universe for films is much larger than the trade in Mumbai and look at deeper territories to penetrate. Before a movie release, we work around

how every actor is seen and perceived. We position our actors in a certain way and make them our mouthpiece. More importantly, we begin marketing of our movies much in advance since we believe in creating perceptions.

## KEY MARKETING STRATEGIES

### CREATING PERCEPTION:

Ragini MMS 2 being an edgy and bold movie falling in the horrex category, we positioned it differently. We catapulted the actress Sunny Leone in the minds of the audience and created her perception as the “fantasy woman”.

### USER-GENERATED CONTENT

Through user generated content, we created spoofs around the song Baby Doll.

### SHOULDER CONTENT

We did a cage dance with Sunny Leone in every metro city.

### CREATING AFPs

For *Ek Villain*, we created a property with the actor Siddharth Malhotra showcasing 11 villains of Bollywood.

### ETIQUETTE PROMOS

We leveraged this category for *Once Upon a Time in Mumbai Dobaara*. For *Ragini MMS 2*, a clip was created with the actress telling audiences “Think Dirty, don’t do dirty”.

### GUERRILLA MARKETING

For *Ek Villain*, we adopted the technique of guerrilla marketing in the metro cities of Mumbai, Delhi and Bangalore. Men wearing guerrilla attire roamed around malls and other public places subtly indicating the movie’s key message “darkness can be lurking around anywhere.”



# BUILDING THE VALUE CHAIN BY LEVERAGING THE DIGITAL PLATFORM

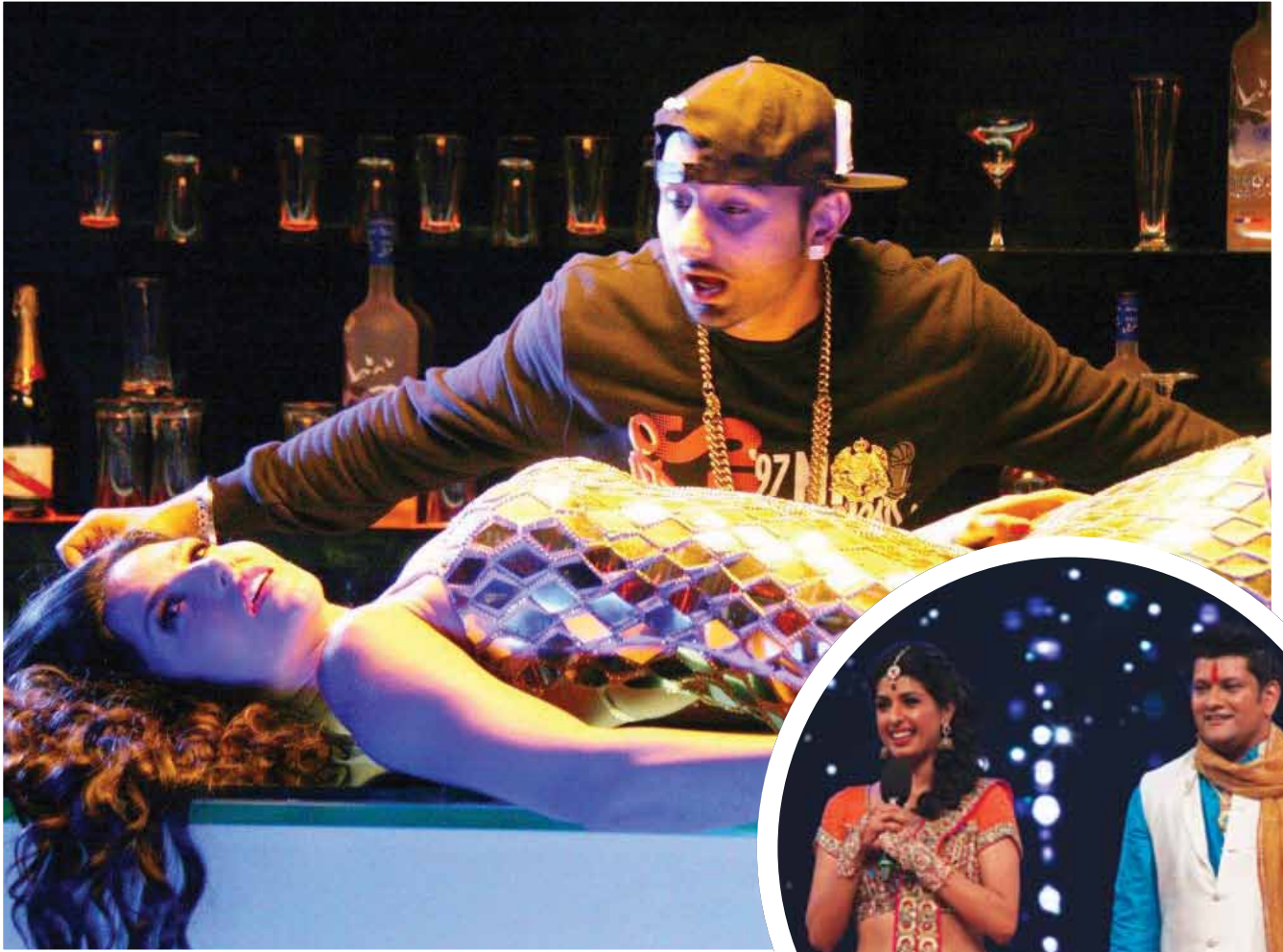


**If content is king, distribution is God. We are syndicating and monetising our content and tapping the platform on different formats. We want to become the No. 1 content provider for the digital platform and gain the first-mover advantage.**

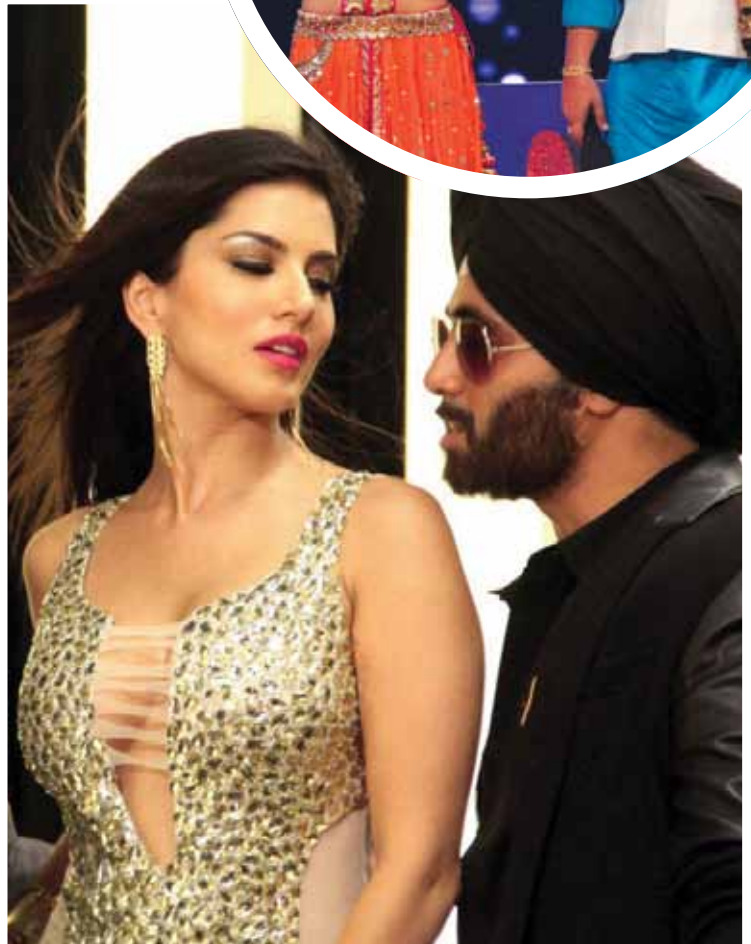


We are leveraging exciting and new platforms of Hot Star, Amazon and Mukesh Ambani-owned Geo. We use our library of 21 films and our Hindi and regional TV shows to create content to be disseminated on the digital platform. This way, we aim to earn incremental revenues from existing properties. About 3-4 minute clips of deleted scenes, bloopers and in-the-making scenes are showcase on digital (Internet and mobile) platforms. Main Tera Hero; The Dirty Picture; Ragini MMS; Ragini MMS 2; Love, Sex aur Dhokha; Once Upon a Time in Mumbai; Once Upon a Time in Mumbai Dobaara; and Shootout at Wadala are some of our existing titles we are capitalising the digital platform.





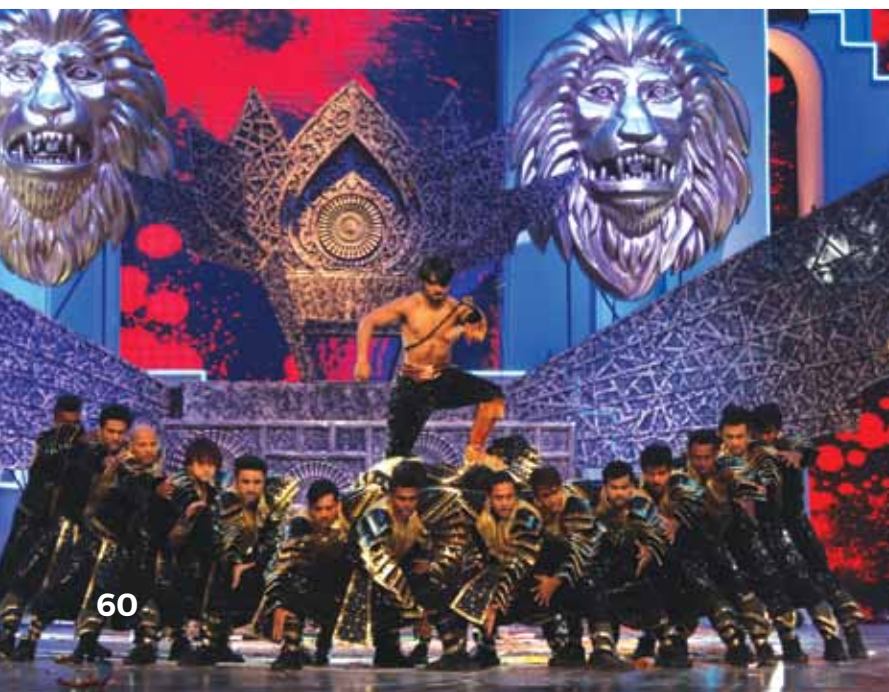
Going forward, our game plan is to retain lifetime digital rights of our movie titles. We plan to use the digital platform to sell content from existing and upcoming titles, and also capitalise the opportunity by selling shoulder/derivative content, clips for mobile aggregators and exclusive content. Exploring different platforms in the digital space is our key priority. We are also toying with the idea of producing movies exclusively for the Internet platform, such as Netflix. For the upcoming movie XXX, we are selling content to mobile and content aggregators, such as iTunes, Vista, Saavn, Film Caravan. The 'Pay and View' model will also be explored on Facebook and YouTube to upload content. Spool, Box TV, Big Flix are some other platforms being leveraged.





# CREATING A WELL-FUNCTIONING IP SYSTEM

Intellectual property is a romanticised idea, but needs to have the potential to be monetised. We realise the relevance and importance of intellectual property (IP) in the work we create – prequels, sequels, remakes, copyright, trademark for catchphrases, superheroes, and others. We are looking to create our own IP through an innovative business model. We are defining and implementing a process whereby IP is developed and nurtured in a systematic manner and results in the creation of an IP bank. We are revamping our governance and enforcement system to bring about effective intellectual property management. We are working out a long-term solution with proactive compliance, stricter vigilance and quicker enforcement. Our focus is on educating stakeholders and spreading awareness about the deterrents of pirated content.





# STRENGTHENING OUR DISTRIBUTION

Our distribution business is going through an evolution. During the year under review, we worked towards expanding our presence pan-India to increase revenues and ensure better profitability. Besides having forayed into Mumbai, Delhi and Rajasthan territories, we leveraged some key south Indian markets including Karnataka, Andhra Pradesh and pockets of Chennai. Apart from strengthening our distribution capabilities and tapping markets with a definite flavour for Hindi movies, our strategy is helping us save over 50% on commission cost and earn incremental revenues. This way, we can capitalise on the asset better and avoid being sold cheaply. Digital platform

will be tapped keenly. In the years to come, we plan to increase the pie of digital platform in aggregate distribution revenues from 10-20% to 80%. In addition to this, we will retain lifetime digital rights (internet and mobile) of our movie titles. We will only sell theatre rights in the overseas market, while retaining the digital rights.





# STYLE QUOTIENT

## DEFINED BY THE BRAND EK

**Adding a new feather to its ever-growing media empire, the Balaji Group has made a mark in the fashion segment by launching Brand EK- By Ekta Kapoor, a premium and affordable brand for apparels and accessories. Brand EK was launched amidst much fanfare at the Television Style Awards on Colors TV.**

Television and style are consumed by viewers in different forms and Brand EK is an attempt to marry the two. Capitalising on the popularity of Balaji's television shows and their iconic characters, the fashion line is an endeavour for the Group to strike a chord with millions of Indian audiences inspired by tele-actors across the globe. Brand EK officially gives the consumers a chance to dress like their favourite TV stars.

Currently, the brand line comprises ethnic wear – sarees and jewellery, but will soon add indo-western trends and accessories to its current line of merchandise. With the new venture, the Group's objective is to make the brand easily available to its audiences through various distribution channels and platforms. The fashion line is currently exclusively available on Best Deal TV in the TV commerce space. Balaji is also in the process of tying up with top e-Commerce sites and leading online portals to sell the merchandise.

Brand EK is a natural culmination of the significant legacy built by Ekta Kapoor in the world of entertainment and glamour. The brand enables her to establish the heritage of the Balaji business and further explore her passion towards entertainment, besides giving audiences a chance to buy into their long-cherished dreams.





**BY EKTA KAPOOR**



# MANAGEMENT OUTLOOK

We are targeting to become the No. 2 entertainment studio going forward. Our aim continues to be growth, sustainability and wealth creation for our shareholders

The 'Balaji' brand is getting bigger each day. We have a strong visibility of our TV and movies slate for 2016 and 2017 which underpins a positive outlook. Our key drivers in FY2016 will be great ideas, packaging and marketing. We will continue to focus on building strong brand franchises to better connect with our TV and film audiences. We will continue to leverage our creative abilities and produce films with well-appreciated content, while keeping an eye on maintaining efficient cost structures. With a fresh and young team equipped with diverse capabilities, we are evaluating our opportunities in the distant space. We want to expand our wings in four verticals - TV, movies, digital and new-age fiction, with an ultimate aim on Return on Investment (RoI).

We aim to experiment with new business and monetisation models and leverage every single opportunity that comes our way. We shall live up to

market expectations and strive to be differently entertaining. We aim to focus on collaboration and innovation to achieve our vision and drive unprecedented growth in viewership in the TV and movies segment to create further shareholder value. As a matter of fact, we had arranged a Shareholders' Visit to Click Nixon Studio at Kandivali in March 2015, where around 100 shareholders were taken around the set of our tele-serial Ye Hai Mohabbatein.

In the movies business, our aim is to increase visibility and strengthen our position, besides attaining profitability. We are targeting to become the No. 2 entertainment studio going forward. Our aim continues to be growth, sustainability and wealth creation for our shareholders. Having achieved scaleability in the TV business, we are focusing on becoming sustainable and predictable and leveraging every opportunity coming our way.

## OUR STRATEGIC PRIORITIES DURING FY2016

- Creating newer show formats for television content through a wholly-owned subsidiary
- Creating original and diverse show content to retain leadership
- Exploring opportunities across channels, languages
- Creating films across budgets - leverage our brand, scale and presence
- Building our marketing and distribution capabilities
- Creating a diverse movie slate to capture audiences across genres
- Leveraging opportunities in regional markets by expanding network





# RISK MANAGEMENT & INTERNAL CONTROLS

Our internal audit team monitors and enhances operational efficiencies and optimum effectiveness at every level. Statutory and regulatory control and transparency of all financial disclosures and the compliance tool is being well adhered to. Piracy of content produced is being handled with stricter controls and procedures. Through the Whistle Blower policy, Sexual Harassment policy and the IT policy are being strictly followed, with internal committees being put in place for each of these. As a major initiative, we are streamlining our processes and automating the agreement process by putting in place a contract management process. As part of an integrated system, we are creating a deck for the production activity for BMPL, putting forth all the rights on intellectual property (IP) for theatrical, digital and satellite rights.

Being a content driven entity, we are actively implementing softwares to enable forward contracting agreements. A readily available database of the IP built, such as scripts, dialogues, clips and other content from our movies, will be leveraged to earn incremental revenues and improve profitability. Given the nature of our business, we are implementing softwares to track litigations and monitor them easily. We are planning cloud-based software which will help us retain our



rights by creating a script bank to streamline the process of script writing. There will also be a software, which our artists can utilise to register and script an idea conceived. However, delays or cost overruns in movies can impact the completion, production and release of our films. In addition to this, the unorganised nature of the media & entertainment industry can impact our revenues, although industry corporatisation, better planning and execution can help us mitigate our risks.



# HUMAN RESOURCES

The core of our HR strategy is to prepare deliverables and guidelines, focussing on people management

Our organisational culture is fully geared to move into a space of growth, culture and strategy. We are encouraging our workforce to innovate and achieve the short-term and long-term objectives. Through our strategised HR processes, our aim is to achieve our business goals. On a ground-level basis, we are working towards a common platform to enable HR to be driven through online systems. The database platform will be rolled out soon. In another initiative, we are building an HR ecosystem with department-wise Standard Operating Procedures and also all existing policies and procedures to ensure quality deliverable at each step. Moving forward, the core of our HR strategy is to implement the processes and prepare deliverables and guidelines, focussing on people management.

## KEY INITIATIVES IN HR:

- a. With a key focus on employee development, we are nurturing our human capital and create a talent pool to drive business goals.
- b. We are also inculcating a culture of high-performance culture within the organisation through effective internal communication with stakeholders and making them highly accountable.
- c. We are increasingly focusing on attracting corporate and qualified talent with cross-industry experience for creative execution and marketing of our scalable projects.
- d. With a scalable business, we are able to showcase the career path and progression to each of our employees.
- e. A Performance Management System has been implemented with a documented approach. This is aimed towards institutionalising the Company and holistic development of each of our employees. This is aimed towards crafting organisational competencies and providing an inspiring perspective on team synergy and goal setting.
- f. We are continually focussed on professional and personal development programs and in creating performance-driven employees by making the work environment faster and smoother.
- g. Training is increasingly imparted to employees to inculcate and implement processes, enhance the usage of systems and to keep pace with technological developments.







## CAUTIONARY STATEMENT

Statement made in the Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied.

Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the domestic & overseas markets in which the Company operates, changes in the government regulations, tax laws & other statutes & other incidental factors.



# DIRECTORS' REPORT

Your Directors take pleasure in presenting the 21st Annual Report together with the audited statement of accounts of the Company for the year ended March 31, 2015.

## COMPANY PERFORMANCE:

### A) FINANCIAL HIGHLIGHTS

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

Particulars	2014-15	2013-14
Income from operations	20,969.22	13,153.69
Less: Total expenditure	19,694.89	12,676.98
<b>Operating profit</b>	<b>1,274.33</b>	<b>476.71</b>
Less: Interest	27.93	118.86
Less: Depreciation	761.46	545.38
<b>Operating Profit/(loss) after interest and depreciation</b>	<b>484.94</b>	<b>(187.53)</b>
Add:- Other income	1,020.91	1,789.09
Profit before tax	1,505.85	1,601.56
Less: Provision for taxation	278.60	599.47
<b>Net profit after tax</b>	<b>1,227.25</b>	<b>1,002.09</b>
Balance brought forward from previous year	21,319.61	20,722.90
Adjustment of Depreciation on account of transitional provision of Schedule II of Companies Act 2013	177.33	-
<b>Appropriations:</b>		
Disposable profits	22,369.53	21,724.99
Less: Proposed dividend	391.26	260.84
Less:- Corporate dividend tax	79.65	44.33
Less: Transfer to general reserve	122.72	100.21
<b>Balance carried to balance sheet</b>	<b>21,775.90</b>	<b>21,319.61</b>

### B) RESULTS OF OPERATIONS

For the year ended March 31, 2015, the Company earned total revenue of ₹ 20,969.22 Lacs an increase of 60% over the previous year's ₹ 13,153.69 Lacs. As per the consolidated accounts, the total revenues have decreased by 15% from ₹ 40,746.01 Lacs to ₹ 34,648.77 Lacs during the year under review. The Company earned net profit of ₹ 1,227.25 Lacs during the year under review as compared to net profit of ₹ 1,002.09 Lacs. A detailed discussion on the business performance is presented in the Management Discussion and Analysis Section of the Annual Report.

## APPROPRIATIONS:

### DIVIDEND

The Directors are pleased to recommend a final dividend of Re. 0.60 per share (30% on a par value of ₹ 2 per share) for the approval of the Members. The final dividend, if declared as above, would involve an outflow of ₹ 391.26 Lacs towards the dividend (previous year ₹ 260.84 Lac) and ₹ 79.65 Lacs towards dividend tax (previous year ₹ 44.33 Lacs), resulting in a total outflow of ₹ 470.91 Lacs.

### TRANSFER TO RESERVES

We propose to transfer ₹ 122.72 Lacs to the General Reserve out of the amount available for appropriations. An amount of ₹ 21,775.90 Lacs is proposed to be retained in the profit and loss account.

## PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any Deposits from the public falling within the ambit of Section 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014.

## MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management Discussion and Analysis, which forms part of the Annual Report.

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## DIRECTORS' REPORT (Contd.)

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### SUBSIDIARY:

Your Company has the following Subsidiaries:

#### 1. BALAJI MOTION PICTURES LIMITED (BMPL):

Balaji Motion Pictures Limited (BMPL), a wholly owned subsidiary of BTL handling its movies business, produced and released 3 movies during FY2015. These were: Kuku Mathur Ki Jhand Ho Gai, Main Tera Hero and Ek Villain. Our best revenue-generating asset has been Ek Villain which registered a box office collection of over ₹ 100 Crores. During the year, we remained in a good space with right marketing, branding and distribution power. While BMPL showcased our strengths in unparalleled cinema and our strong story-telling, the ALT segment displayed our capabilities in edgy and irreverently young movies.

Moving forward, we are working on becoming a trend-setting studio and getting our slate right to release at least one movie each quarter. What other studio houses achieve with big stars, we plan to achieve with big ideas. We are de-risking our business by getting into a profit sharing model with directors and actors and also distributing our own movies. The Company aims to double its number of releases to at least 6-8 movies a year and build on its string of successes. Further, we are focusing on franchisee building for movies such as Kya Kool Hain Hum and Ragini MMS. It aims to gain immense credibility as an established production house and aspire to win audiences across age groups.

Our future movie slate is strong with an exciting pipeline. We aim to have a total of 8-10 movie releases over FY2016 and FY2017. These are movies with concepts as diverse as a cricket biopic, a youth erotic franchise, a movie on one of the novels of Chetan Bhagat, and one being with Mohit Suri as a first time producer. In the immediate future, we are co-producing Uda Punjab with Phantom Films, starring Shahid Kapoor and Kareena Kapoor. With Emraan Hashmi, we are creating a biopic on cricketer Azharuddin. We are also looking to leverage our franchise value by exploring sequels of our earlier movies - Kya Kool Hain Hum. We are also producing a sequel of an earlier comedy blockbuster Grand Masti. We have joined hands with Imtiaz Ali for an iconic love story with two newcomers. In addition to this, we are also producing a superhero franchise.

#### 2. BOLT MEDIA LIMITED (BOLT):

Having completed two full years of operation, Bolt Media, a wholly owned subsidiary of BTL, is well entrenched in the entertainment fraternity. It has established itself credibly, created a niche space in a competitive environment and is getting acknowledged in the marketplace for its quality programming. Brands and Corporate Houses are gradually recognising Bolt Media as a strong content provider to reckon with. During the year, Bolt Media aired Ye Jawaani Tara Riri on Channel V, Dharmakshetra and Rakht on EPIC channel. With the first season of Love by Chance getting well appreciated and gaining a 10-week extension, we are looking at its Season 2. We are poised to move ahead with financial stability and are looking to enhance our top line in FY2017.

Two TV shows created in FY2014 were aired by broadcasters during the year under review. One of these was a 10-series epic documentary Rakht, while Dharmakshetra was a 26-series neo-mythological courtroom drama. Both the series were broadcast on EPIC. Besides short-format shows, we also created TV series aimed at youth-based entertainment. Our existing TV shows – Ye Jawaani Tara Riri, a 78-part series for a bi-weekly show on Channel V, and Love by Chance, an episodic romcom on Bindaas TV, have been well received by our audiences.

Among its other key achievements during the year, we created a special 100-part web series “Kelloggs Wale Guptaji ki Family”. Aired in March 2015, the show garnered rave reviews hitting 5 million views in a month. With reputed chef Ajay Chopra, the show displays recipes where Kelloggs is being used as a key ingredient using hypothetical situations.

In addition to this, a two-part documentary series was created for the National Geographic channel based on the 1990s. Besides archival footage on the 1990s, eminent personalities such as P. Chidambaram, Ram Gopal Verma, Rajdeep Sardesai, Diya Mirza, Pankaj Kapoor, Shekhar Suman, Uday Shankar, among others, provided a retrospective landmark, social and political view on the said decade. We are also in the process of producing TV commercials and web-based advertisements for Corporates. Our digital and print campaign on Sonata Watches included creating pictures for PoP, working on the catalogue/brochure for their festive line of merchandise with Karan Kundra and Kritika Kamra.

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

During the year, BTL bought a controlling stake of 51% in Mumbai-based Marinating Films Private Limited. Marinating Films owns the concept, format and all proprietary rights and intellectual property rights in Box Cricket League (BCL), The Indian Telly Calender (ITC) and Television Style Awards (TSA) and organizes these on a yearly basis. The Box Cricket League is an interesting IP with 8 teams owned by different celebrities, which includes an interesting mix of people including RJs, sports commentators, and some ex-players. The format has both male and female stars playing on-field together, catapulting the drama and entertainment to new heights.

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## DIRECTORS' REPORT (Contd.)

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### 4. CHHAYABANI BALAJI ENTERTAINMENT PRIVATE LIMITED (CBEPL):

We set up a new subsidiary during the year – Chhayabani Balaji Entertainment Private Limited (CBEPL), in partnership with Kolkata-based Chhayabani Private Limited. The collaboration with the local operator aims to promote the best creative talent by exploring new formats of television content, presentation and also creating new creative opportunities from both the industries. Chhayabani has a glorious past of producing extremely notable films from equally notable directors in the past who were award winners and also held rights to at least 250 Bengali films.

### EVENT MEDIA LLP:

Incorporated on October 1, 2014, Events Media LLP is a Limited Liability Partnership (LLP) registered under the Limited Liability Partnership Act, 2008. Balaji Telefilms Limited (BTL) and Select Media Holdings Private Limited are the dual partners in the event management firm. During the year, BTL and Events Media LLP joined hands to produce the Star Box Office India Awards 2014. Event Media will be engaged in organising and/or managing all kinds of events, including events relating to film and TV industry, including creation of new intellectual property or value addition. This may include events related to Films & TV Awards, Promotional Events and other events related to the Film & TV industry. Events Media LLP is a sunrise venture which enables BTL to make a foray into an allied segment of Event Management. It also facilitates BTL in creating a new IP in the promising sector and monetising a growing market with low-risk culpability.

### AUDITED FINANCIAL STATEMENTS OF THE SUBSIDIARIES

The Audited Financial Statements, the Auditors Report thereon and the Board Report for the year ended March 31, 2015 for the Subsidiary Companies are annexed.

Further a statement containing the salient features of our subsidiaries in the prescribed format AOC-1 is appended as Annexure I to the Board Report.

### MATERIAL EVENTS AFTER THE BALANCE SHEET DATE:

The Company is in the process of incorporation a wholly-owned Subsidiary with the proposed name Alt Digital Media Entertainment Limited.

### DIRECTORS:

The term of appointment of Mrs. Shobha Kapoor as Managing Director of the Company, will expire on November 9, 2015. The Directors recommend her re-appointment as Managing Director of the Company for a further period of three years pursuant to the provisions of Section 196 and 197 of Companies Act, 2013 read with Schedule V of Companies Act, 2013 w.e.f. November 10, 2015.

The term of appointment of Ms. Ekta Kapoor as Joint Managing Director of the Company, will expire on November 9, 2015. The Directors recommend her re-appointment as Joint Managing Director of the Company for a further period of three years pursuant to the provisions of Section 196 and 197 of Companies Act, 2013 read with Schedule V of Companies Act, 2013 w.e.f. November 10, 2015.

Mr. V.B. Dalal was appointed on the Board as Additional (Independent) Director of the Company w.e.f. August 12, 2014. As per the provisions of Section 161 of the Companies Act, 2013 he will hold office upto the date of the ensuing Annual General Meeting of the Company. Directors recommend his appointment as Independent Director for a term of five years at the ensuing Annual General Meeting pursuant to Section 149 (10) of the Companies Act, 2013 w.e.f. August 31, 2015. The Company has received notice under Section 160 of the Companies Act, 2013, together with requisite deposit proposing appointment of Mr. V.B. Dalal as Independent Director of the Company.

Mr. Arun Kumar Purwar was appointed on the Board as Additional (Independent) Director of the Company w.e.f. May 20, 2015. As per the provisions of Section 161 of the Companies Act, 2013 he will hold office upto the date of the ensuing Annual General Meeting of the Company. Directors recommend his appointment as Independent Director for a term of five years at the ensuing Annual General Meeting pursuant to Section 149 (10) of the Companies Act, 2013 w.e.f. August 31, 2015. The Company has received notice under Section 160 of the Companies Act, 2013, together with requisite deposit proposing appointment of Mr. Arun Kumar Purwar as Independent Director of the Company.

In accordance with the Articles of Association of the Company, Mr. Tusshar Kapoor, Director retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for reappointment.



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## DIRECTORS' REPORT (Contd.)

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A brief profile of these Directors containing the details of their age, qualifications, expertise, other Directorships, Committee Memberships etc. has been given in the Statement attached to the Notice for the ensuing Annual General Meeting.

### DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

### MANAGEMENT:

During the year under review, following appointment and resignations of Directors & Key Managerial Personnel have taken place:

#### Appointment:

Name	Designation	Effective Date
Mr. D.K. Vasal	Director	May 15, 2014.
Mr. V.B. Dalal	Director	August 12, 2014.
Mr. Sameer Nair	Group Chief Executive Officer	July 15, 2014

Resignation: NIL

### AUDITORS:

#### STATUTORY AUDIT:

M/s Deloitte Haskins & Sells LLP, Chartered Accountants and M/s Snehal & Associates, Chartered Accountants, Joint Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

M/s Snehal & Associates, Chartered Accountants, do not wish to continue as Statutory Auditors and have furnished their No Objection Letter in this regard. Further, M/s Deloitte Haskins & Sells LLP, Chartered Accountants have furnished a certificate to the effect that their reappointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for reappointment.

As required under Clause 41 of the Listing Agreement, M/s Deloitte Haskins & Sells LLP, Chartered Accountants have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

#### COST AUDIT:

In accordance with Companies (Cost Records and Audit) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable to Balaji Telefilms Limited.

#### SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s K.C. Nevatia & Associates as Secretarial Auditors of the Company.

The Secretarial Audit Report is appended as Annexure II to this report.

### DIRECTOR'S EXPLANATION TO QUALIFICATION IN SECRETARIAL AUDIT REPORT:

#### QUALIFICATION:

The provisions of Section 135 of the Companies Act, 2013 are applicable to the Company and accordingly a sum of ₹ 29.94 Lacs being 2% of the average net profits of the Company made during the three immediately preceding financial years were required to be spent by the Company during the financial year 2014-15 as per its Corporate Social Responsibility Policy. However, the Company has spent an aggregate amount of ₹ 21.33 Lacs on its Corporate Social Responsibility activities during the said financial year.

#### BOARD EXPLANATION:

The shortfall in the expenditure during the year 2014-15, was due to lack of suitable projects within the Company's Corporate Social Responsibility Policy.

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## DIRECTORS' REPORT (Contd.)

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The Company will spend the requisite amount under Section 135 of the Companies Act 2013, in the financial year 2015-16.

### COMMITTEES OF THE BOARD:

Currently, the Board has the following Committees:

- a) Audit Committee.
- b) Nomination and Remuneration Committee.
- c) Stakeholder Relationship Committee.
- d) Risk Management Committee.
- e) Internal Complaints Committee.
- f) Corporate Social Responsibility Committee.

A detailed note on the Board and its Committees is provided under the Corporate Governance Section in this Annual Report.

### AUDIT COMMITTEE:

The current composition of Audit Committee is as follows:

Chairman	:	Mr. D. G. Rajan - Independent Director
Members	:	Mr. Jeetendra Kapoor – Non-Executive Director Mr. Pradeep Sarda - Independent Director Mr. D.K. Vasal - Independent Director Mr. V.B. Dalal - Independent Director
Secretary	:	Mrs. Simmi Singh Bisht

All the recommendations made by the Audit Committee during the year were accepted by the Board.

### NOMINATION AND REMUNERATION COMMITTEE:

The current composition of Nomination and Remuneration Committee is as follows:

Chairman	:	Mr. Ashutosh Khanna- Independent Director
Members	:	Mr. Jeetendra Kapoor - Non –Executive Director Mr. Pradeep Sarda - Independent Director Mr. D.K. Vasal - Independent Director

### STAKEHOLDER RELATIONSHIP COMMITTEE:

The current composition of Stakeholder Relationship Committee is as follows:

Chairman	:	Mr. Jeetendra Kapoor – Non- Executive Director
Members	:	Mrs. Shobha Kapoor – Executive Director Ms. Ekta Kapoor – Executive Director Mr. D.K. Vasal – Independent Director

### RISK MANAGEMENT COMMITTEE:

Chairperson	:	Mrs. Shobha Kapoor- Executive Director
Members	:	Mr. Jeetendra Kapoor- Non Executive Director Mr. D.G. Rajan- Independent Director Mr. Ashutosh Khanna - Independent Director Mr. V.B. Dalal - Independent Director

### INTERNAL COMPLAINTS COMMITTEE:

The current composition of Internal Complaints is as follows:

Chairperson	:	Mrs. Shobha Kapoor- Executive Director
Members	:	Mr. Sameer Nair- Group CEO Mrs. Coralie Ansari- Group Head - HR Mrs. Simmi Singh Bisht- Company Secretary Mr. Ayan Roy Chowdhury- General Counsel - Legal

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The composition of the Corporate Social Responsibility Committee is as follows:

Chairman	:	Mr. Jeetendra Kapoor- Non Executive Director.
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## DIRECTORS' REPORT (Contd.)

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### FIXED DEPOSITS:

During the year under review the Company has not accepted any fixed deposit and as such, no amount of principal or interest was outstanding as on the balance sheet date.

### DISCLOSURE UNDER SECTION 197(12) AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The requisite details containing the names and other particulars of employees in accordance with the provisions of Section 197 (12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure VI (a) to this Report.

### DISCLOSURE UNDER RULE 5(2) AND RULE 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The requisite details relating to the remuneration of the specified employees covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure VI (b) to this Report.

### CORPORATE GOVERNANCE:

Your Company has been practicing the principles of good corporate governance over the years and it is a continuous and ongoing process. A detailed Report on Corporate Governance practices followed by your Company, in terms of Clause 49(X) of the Listing Agreement together with a Certificate from the Auditors confirming compliance with the conditions of Corporate Governance are provided separately in this Annual Report.

Certificate of CEO / CFO, inter alia, confirming the correctness of the financial statements, adequacy of the internal measures and reporting of matters to the audit committee in terms of the clause 49 of the listing agreements with stock exchanges, is also attached as a part of this Annual Report.

### MEETINGS OF THE BOARD:

During the year under review, Five (5) meetings of the Board of Directors were held the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

### NOMINATION & REMUNERATION POLICY:

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection & appointment of Directors, Senior Management and their remuneration. The Nomination & Remuneration Policy is attached along with the Corporate Governance Report of the Company that forms part of the Annual Report.

### DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013,

- a) In the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to any material departures.
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review
- c) Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The annual accounts for the financial year ended March 31, 2015 had been prepared on a 'going concern' basis.
- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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## DIRECTORS' REPORT (Contd.)

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### RELATED PARTY TRANSACTIONS:

All related party transactions of the Company are placed before the Audit Committee as also the Board for approval. Transactions with the related parties are disclosed in Note No. 23.8 in 'Notes forming part of the financial statements' annexed to the Financial Statements of the year.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

Particulars of Contracts or Arrangements made with related parties referred to in Section 188 (1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as Annexure VII to the Board's Report.

### BOARD EVALUATION:

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework. Schedule IV of Companies Act, 2013 mandates that annual performance evaluation of Directors should be carried out by Independent Directors and annual performance evaluation of Independent Directors should be carried out by other Directors to the exclusion of Director being evaluated.

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate Governance Report section in this Annual Report. The Board approved the evaluation process results as collated by the Nomination & Remuneration Committee of the Company.

### RISK MANAGEMENT:

Pursuant to the requirement of Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee of the Company. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

### SEXUAL HARASSMENT:

The Company has in place an Anti Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

During the year 2014-15, no sexual harassment complaint has been registered with the Company.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of loans, guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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

### ACKNOWLEDGEMENTS

Your Directors wish to acknowledge with gratitude and place on record their appreciation to all stakeholders - investors, customers, suppliers, business associates, banks, regulatory and governmental authorities for their cooperation, assistance and support. Your Directors also wish to thank their employees for their dedicated services.

For & on behalf of the Board of Directors,

Mumbai, May 20, 2015

Sd/-  
**Jeetendra Kapoor**  
Chairman

# ANNEXURES TO THE BOARD REPORT

## ANNEXURE I- STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES

[Pursuant to first proviso of Sub-Section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014-AOC-I]

												(₹ in Lacs)	
Name of the Subsidiary	FY ended	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	P&L before tax	Provision for tax	Profit & Loss after tax	% of Shareholding	
M/s Balaji Motion Pictures Limited	March 31, 2015	N.A	3,000.00	(4,544.30)	8,934.34	10,478.64	-	11,073.58	(536.09)	-	(536.09)	100%	
M/s Bolt Media Limited	March 31, 2015	N.A	5.00	(127.78)	537.88	660.66	-	1,462.86	22.07	4.45	17.62	100%	
M/s Marinating Films Private Limited	March 31, 2015	N.A	346.00	(151.94)	460.43	266.37	-	439.49	(168.05)	2.72	(170.77)	51%	
M/s Event Media LLP	March 31, 2015	N.A	1.00	(44.59)	398.46	442.05	-	918.00	(44.59)	-	(44.59)	51%	

## ANNEXURE II FORM NO. MR-3 SECRETARIAL AUDIT REPORT

For the Company's Financial Year from 1st April, 2014 to 31st March, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel)]

To,  
The Members,  
**Balaji Telefilms Limited**  
Mumbai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Balaji Telefilms Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

Based on our verification of **Balaji Telefilms Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2015**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2015** according to the provisions of:

1. Companies Act
  - a) The Companies Act, 1956 (the Old Act) and the rules made thereunder for the period upto 31st March, 2014;
  - b) The Companies Act, 2013 (the Act) and the rules made thereunder for specified sections notified and came into effect from 12th September, 2013 and sections and Rules notified and came into effect from 1st April, 2014;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, were not attracted to the Company during the financial year under report.
4. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
5. Employees Provident Fund and Miscellaneous Provisions Act, 1952
6. Employees State Insurance Act, 1948
7. Equal Remuneration Act, 1976
8. Indian Contract Act, 1872



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## ANNEXURES TO THE BOARD REPORT (Contd.)

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9. Income Tax Act, 1961 to the extent of Tax Deducted at Source under various Section and T.D.S. Returns filed.
10. Indirect Tax Laws relating to collections, deductions, wherever applicable, payments made and returns filed.
11. Maharashtra Stamp Act, 1958
12. Industrial Dispute Act, 1947
13. Maternity Benefits Act, 1961
14. Minimum Wages Act, 1948
15. Negotiable Instruments Act, 1881
16. Payment of Bonus Act, 1965
17. Payment of Gratuity Act, 1972
18. Payment of Wages Act, 1936
19. Contract Labour (Regulations & Abolition) Act, 1970
20. Shops and Establishment Act.
21. The Copyright Act, 1957
22. Trade Marks Act, 1999
23. Indian Registration Act, 1908
24. Limitation Act, 1963
25. The Cinematograph Act, 1952

**The provisions of Section 135 of the Companies Act, 2013 are applicable to the Company and accordingly a sum of ₹ 29.94 lacs being 2% of the average net profits of the Company made during the three immediately preceding financial years were required to be spent by the Company during the financial year 2014-15 as per its Corporate Social Responsibility Policy. However, the Company has spent an aggregate amount of ₹ 21.33 lacs on its Corporate Social Responsibility activities during the said financial year.**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited (Bombay Stock Exchange) and National Stock Exchange of India Limited.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

For **K. C. Nevatia & Associates**  
Company Secretaries

Place: Mumbai  
Date: 20th May, 2015

Sd/-  
**K. C. Nevatia**  
Proprietor  
FCS No.: 3963  
C P No.: 2348

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## ANNEXURES TO THE BOARD REPORT (Contd.)

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To,  
The Members  
**Balaji Telefilms Limited**  
**Mumbai**

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **K. C. Nevatia & Associates**  
Company Secretaries

Sd/-  
**K. C. Nevatia**  
Proprietor  
FCS No.: 3963  
C P No.: 2348

Place: Mumbai  
Date: 20th May, 2015

# ANNEXURES TO THE BOARD REPORT (Contd.)

## ANNEXURE III

### FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS:

1. CIN	L99999MH1994PLC082802.
2. Registration Date	10/11/1994.
3. Name of the Company	M/s Balaji Telefilms Limited.
4. Category/Sub-category of the Company	Company Limited by Shares.
5. Address of the Registered office & contact details	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400053. Tel: +91-022-40698000, Fax: +91-022-40698181 Email: investor@balajitelefilms.com Website: www.balajitelefilms.com
6. Whether listed company	Listed Company.
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Telangana Tel: +91-40-67161510-1512, Fax: +91-40-23001153 Email: mailmanager@karvy.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Media & Entertainment	591	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Name and address of the Company	CIN/GLN	Holding/Subsidiary Associate	% of Shares Held	Applicable Section
M/s Balaji Motion Pictures Limited	U22300MH2007PLC168515	Subsidiary Company	100%	2 (87)
M/s Bolt Media Limited	U74900MH2012PLC237999	Subsidiary Company	100%	2 (87)
M/s Marinating Films Private Limited.	U74120MH2011PTC220971	Subsidiary Company	51%	2 (87)
M/s Chhayabani Balaji Entertainment Private Limited.	U22190MH2015PTC261948	Subsidiary Company	50%	2 (87)



## ANNEXURES TO THE BOARD REPORT (Contd.)

### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held as on 31-March-2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	27992938	0	27992938	42.93%	27992938	0	27992938	42.93%	Nil
b) Central Govt	0	0	0	0	0	0	0	0	Nil
c) State Govt(s)	0	0	0	0	0	0	0	0	Nil
d) Bodies Corp.	0	0	0	0	0	0	0	0	Nil
e) Banks / FI	0	0	0	0	0	0	0	0	Nil
f) Any other	0	0	0	0	0	0	0	0	Nil
<b>Sub total (A) (1)</b>	<b>27992938</b>	<b>0</b>	<b>27992938</b>	<b>42.93%</b>	<b>27992938</b>	<b>0</b>	<b>27992938</b>	<b>42.93%</b>	<b>Nil</b>
<b>[2] Foreign</b>									
a) Individuals (NRIs/ Foreign Individuals]	0	0	0	0	0	0	0	0	Nil
b) Other Individuals	0	0	0	0	0	0	0	0	Nil
c]Bodies Corporate	0	0	0	0	0	0	0	0	Nil
d] Institutions	0	0	0	0	0	0	0	0	Nil
e] Qualified Foreign Investor	0	0	0	0	0	0	0	0	Nil
f] Others	0	0	0	0	0	0	0	0	Nil
<b>Sub total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Nil</b>
<b>Total Shareholding of Promoters A= A(1) + A(2)</b>	<b>27992938</b>	<b>0</b>	<b>27992938</b>	<b>42.93%</b>	<b>27992938</b>	<b>0</b>	<b>27992938</b>	<b>42.93%</b>	<b>Nil</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/UTI	0	0	0	0	1034672	0	1034672	1.59%	1.59%
b) Banks / FI	436330	0	436330	0.67%	480728	0	480728	0.74%	0.07%
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	360000	0	360000	0.55%	107000	0	107000	0.16%	0.55%
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>796330</b>	<b>0</b>	<b>796330</b>	<b>1.22%</b>	<b>1622400</b>	<b>0</b>	<b>1622400</b>	<b>2.49%</b>	<b>1.27%</b>

## ANNEXURES TO THE BOARD REPORT (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held as on 31-March-2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.	7235069	0	7235069	11.09%	6827803	0	6827803	10.47%	0.62%
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 Lacs	7272973	8866	7281839	11.17%	6546660	7366	6554026	10.05%	1.12%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lacs	2864730	0	2864730	4.39%	3362240	0	3362240	5.16%	0.77%
c) Others (specify)									
HUF	1257593	0	1257593	1.93%	1277563	0	1277563	1.96%	0.03%
Foreign Corporate Bodies	16948194	0	16948194	25.99%	16948194	0	16948194	25.99%	0
Directors	300	0	300	0.00	300	0	300	0.00	0
Clearing Members	174486	0	174486	0.27%	121058	0	121058	0.19%	0.08%
Non Resident Indians	657914	0	657914	1.01%	503771	0	503771	0.77%	0.24%
Trusts	1050	0	1050	0.00	150	0	150	0.00	0
<b>Sub-total (B)(2):-</b>	<b>36412309</b>	<b>8866</b>	<b>36420125</b>	<b>55.88%</b>	<b>37210139</b>	<b>7366</b>	<b>37217505</b>	<b>57.07%</b>	<b>1.19%</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>65201577</b>	<b>8866</b>	<b>65210443</b>	<b>100%</b>	<b>65203077</b>	<b>7366</b>	<b>65210443</b>	<b>100%</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>65201577</b>	<b>8866</b>	<b>65210443</b>	<b>100%</b>	<b>65203077</b>	<b>7366</b>	<b>65210443</b>	<b>100%</b>	<b>0</b>

### B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Jeetendra Kapoor	3260522	5.00%	0	3260522	5.00%	0	0
2	Mrs. Shobha Kapoor	9129462	14.00%	0	9129462	14.00%	0	0
3	Ms. Ekta Kapoor	13572704	20.81%	0	13572704	20.81%	0	0
4	Mr. Tusshar Kapoor	2030250	3.11%	0	2030250	3.11%	0	0
	<b>Total</b>	<b>27992938</b>	<b>42.93%</b>	<b>0</b>	<b>27992938</b>	<b>42.93%</b>	<b>0</b>	<b>0</b>

## ANNEXURES TO THE BOARD REPORT (Contd.)

### C) Change in Promoters' Shareholding:

There is no change in the Shareholding of Promoters between the period April 1, 2014 to March 31, 2015.

### D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	M/s Reliance Capital Trustee Co Ltd A/C Reliance Media and Entertainment Fund				
	At the beginning of the year	0	0	0	0
	Purchase as on July 25, 2014	190007	0.29%	190007	0.29%
	Purchase as on August 8, 2014	175161	0.26%	365168	0.56%
	Purchase as on August 15, 2014	361828	0.55%	726996	1.11%
	Purchase as on September 19, 2014	107676	0.17%	834672	1.28%
	Purchase as on January 9, 2015	16000	0.02%	850672	1.30
	Purchase as on January 16, 2015	184000	0.28	1034672	1.59
	At the end of the year			1034672	1.59
2.	M/s Phillip Finance & Investment Services India Private Limited				
	At the beginning of the year	0	0	0	0
	Purchase as on December 31, 2014	437000	0.67%	437000	0.67%
	Purchase as on February 13, 2015	90547	0.14%	527547	0.81%
	Purchase as on March 6, 2015	100000	0.15%	627547	0.96%
	Sale as on March 20, 2015	(5000)	0.01%	622547	0.95
	Purchase as on March 27, 2015	168991	0.26%	791538	1.21%
	At the end of the year			791538	1.21%
3	Mr. Nimesh Arvind Doshi				
	At the beginning of the year	0	0	0	0
	Purchase as on June 3, 2014	400000	0.61%	400000	0.61%
	Purchase as on March 13, 2015	120000	0.18%	520000	0.79%
	Purchase as on March 20, 2015	100000	0.15%	620000	0.95%
	At the end of the year			620000	0.95%
4	Mr. Rajkumar Harlalka				
	At the beginning of the year	494000	0.78%	494000	0.78%
	Sale as on May 9, 2014	20000	0.04	474000	0.73%
	Purchase as on November 21, 2014	575000	0.88%	1049000	1.61%
	Sale as on December 31, 2014	500000	0.77%	549000	0.84%
	At the end of the year			549000	0.84%
5	M/s Shreehari Shares and Stock Brokers Private Limited				
	At the beginning of the year	575000	0.88%	575000	0.88%
	Sale as on October 31, 2014	575000	0.88%	0	0
	Purchase as on December 31, 2014	500000	0.77%	500000	0.77%
	At the end of the year			500000	0.77%
6	M/s Bothra Financial Services				
	At the beginning of the year	150000	0.23 %	150000	0.23
	Sale as on April 18, 2014	(5000)	0.01%	145000	0.22 %
	Purchase as on May 23, 2014	70000	0.11	215000	0.33%
	Sale as on June 13, 2014	(20000)	0.03%	195000	0.30%
	Sale as on July 25, 2014	(10000)	0.02%	185000	0.28%
	Sale as on August 15, 2014	(10000)	0.02%	175000	0.27%
	Sale as on August 22, 2014	(10000)	0.02%	165000	0.25%
	Sale as on November 14, 2014	105000	0.16%	270000	0.41%
	Purchase as on November 14, 2014	105000	0.16%	270000	0.41%
	Purchase as on January 23, 2015	1000	0.01%	271000	0.42%
	Sale as on February 13, 2015	(271000)	0.42%	0	0
	Purchase as on February 20, 2015	225000	0.35%	225000	0.35%
	Sale as on February 27, 2015	225000	0.35%	0	0
	Purchase as on March 31, 2015	496000	0.76 %	496000	0.76 %
	At the end of the year	496000	0.76 %	496000	0.76 %



## ANNEXURES TO THE BOARD REPORT (Contd.)

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	M/s Jewels Advisory Services LLP				
	At the beginning of the year	0	0	0	0
	Purchase as on April 18, 2014	147300	0.23%	147300	0.23%
	Purchase as on April 25, 2014	29456	0.05%	176756	0.27%
	Purchase as on May 2, 2014	152756	0.23%	329512	0.50%
	Sale as on May 9, 2014	204512	0.32%	125000	0.91%
	Purchase as on May 16, 2014	275000	0.42%	400000	0.61%
	Sale as on May 23, 2014	350472	0.54%	49528	0.08%
	Sale as on May 30, 2014	49528	0.08%	0	0
	Purchase as on June 6, 2014	52347	0.80%	52347	0.80%
	Purchase as on June 13, 2014	354439	0.54%	406786	0.62%
	Purchase as on June 30, 2014	334300	0.51%	741086	1.13%
	Sale as on July 4, 2014	200000	0.31%	541086	0.82%
	Purchase as on July 11, 2014	246818	0.38%	787904	1.21%
	Purchase as on July 18, 2014	409898	0.63%	1197802	1.84%
	Sale as on July 25, 2014	(250000)	0.39%	947802	1.45%
	Sale as on August 28, 2014	(48500)	0.07%	899302	1.38%
	Purchase as on August 29, 2014	45000	0.07%	944302	1.45%
	Sale as on September 19, 2014	(80580)	0.13%	863722	1.32%
	Purchase as on September 30, 2014	96759	1.34%	960481	1.47%
	Purchase as on December 31, 2014	399091	0.61%	1359572	2.08%
	Purchase as on January 23, 2015	50000	0.08%	1409572	2.16%
	Sale as on March 6, 2015	(400000)	0.61%	1009572	1.55%
	Sale as on March 13, 2015	(540307)	0.83%	469265	0.72%
	At the end of the year			469265	0.72%
8	M/s Life Insurance Corporation of India				
	At the beginning of the year	394372	0.60	394372	0.60
	Nil movement during the year.				
	At the end of the year			394372	0.60
9	Ms. Shilpa Bhimsaria				
	At the beginning of the year	335000	0.51	335000	0.51%
	Nil movement during the year.				
	At the end of the year			335000	0.51%
10	M/s Sound Securities Private Limited				
	At the beginning of the year	0	0	0	0
	Purchase as on March 20, 2015	330000	0.51%	330000	0.51%
	At the end of the year			330000	0.51%

### E) Shareholding of Directors and Key Managerial Personnel :

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mrs. Shobha Kapoor- Managing Director:				
	At the beginning of the year	9129462	14.00%	9129462	14.00%
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc);	-	-	-	-
	At the end of the year	9129462	14.00%	9129462	14.00%
2.	Ms. Ekta Kapoor- Joint Managing Director				
	At the beginning of the year	13572704	20.81%	13572704	20.81%
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc);	-	-	-	-
	At the end of the year	13572704	20.81%	13572704	20.81%

## ANNEXURES TO THE BOARD REPORT (Contd.)

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3.	Mr. Jeetendra Kapoor- Chairman At the beginning of the year	3260522	5.00%	3260522	5.00%
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc);	-	-	-	-
	At the end of the year	3260522	5.00%	3260522	5.00%
4.	Mr. Tusshar Kapoor At the beginning of the year	2030250	3.11%	2030250	3.11%
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc);	-	-	-	-
	At the end of the year	2030250	3.11%	2030250	3.11%
5	Mr. D.G. Rajan- Director At the beginning of the year	300	0.00%	300	0.00%
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc);	-	-	-	-
	At the end of the year	300	0.00%	300	0.00%
6	Mr. Sameer Nair- Group Chief Executive Officer At the beginning of the year	-	-	-	-
	Purchase as on September 2, 2014	5000	0.01%	5000	0.01%
	Purchase as on September 3, 2014	30000	0.04%	35000	0.05%
	Purchase as on September 4, 2014	30000	0.05%	65000	0.10%
	Purchase as on September 24, 2014	11000	0.02	76000	0.12
	Purchase as on September 25, 2014	2000	0.00	78000	0.12
	Purchase as on September 26, 2014	11000	0.02%	89000	0.14%
	Purchase as on October 7, 2014	2000	0.00	91000	0.14%
	Purchase as on October 17, 2014	16534	0.03%	107534	0.17%
	Purchase as on November 11, 2014	4466	0.01%	112000	0.17%
	Purchase as on November 26, 2014	15000	0.02%	127000	0.19%
	Purchase as on November 27, 2014	19000	0.03%	146000	0.22%
	Purchase as on November 28, 2014	6000	0.01%	152000	0.23%
	Purchase as on December 2, 2014	20000	0.03%	172000	0.26%
	Purchase as on December 3, 2014	1729	0.00%	173729	0.26%
	Purchase as on December 8, 2014	14271	0.02%	188000	0.29%
	Purchase as on December 9, 2014	14000	0.02%	202000	0.31%
	Purchase as on December 10, 2014	10000	0.02%	212000	0.33%
	Purchase as on December 11, 2014	8536	0.01%	220536	0.34%
	Purchase as on December 12, 2014	12000	0.02%	232536	0.36%
	Purchase as on December 15, 2014	17443	0.03%	249979	0.39%
	Purchase as on December 16, 2014	20200	0.03%	270179	0.41%
	Purchase as on December 17, 2014	6550	0.01%	276729	0.42%
	At the end of the year			276729	0.42%

## ANNEXURES TO THE BOARD REPORT (Contd.)

### V. Indebtedness of the Company including interest outstanding/accrued but not due for payment.

The Company has not availed any loan during the year and it is a debt-free Company.

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mrs. Shobha Kapoor	Ms. Ekta Kapoor	----	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,03,35,000	Nil		1,03,35,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil		Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil		Nil
2	Stock Option	Nil	Nil		Nil
3	Sweat Equity	Nil	Nil		Nil
4	Commission - as 1.06% of profit - others, specify...	16,00,000	Nil		16,00,000
5	Others- *Employer Contribution to Provident Fund.	6,62,400	Nil		6,62,400
	*Other-Reimbursement	15,000	Nil		15,000
	<b>Total (A)</b>	<b>1,26,12,400</b>	<b>Nil</b>		<b>1,26,12,400</b>
	Ceiling as per the Act	1,20,00,000			1,20,00,000

\* Employer Contribution to Provident Fund and Reimbursement is not included in the ceiling for remuneration.

#### B. Remuneration to other Directors:

SN.	Particulars of Remuneration	Name of Directors					Total Amount
		-----	-----	-----	---	---	
1	Independent Directors	<b>Mr. D.G.Rajan</b>	<b>Mr. Ashutosh Khanna</b>	<b>Mr. D.K. Vasal</b>	<b>Mr. V.B.Dalal</b>	<b>Mr. Pradeep Sarda</b>	
	Fee for attending board committee meetings	180,000	165,000	180,000	150,000	80,000	7,55,000
	Commission	50,194	50,194	50,194	50,194	50,194	2,50,970
	Others, please specify						
	<b>Total (1)</b>	<b>2,30,194</b>	<b>2,15,194</b>	<b>2,30,194</b>	<b>2,00,194</b>	<b>1,30,194</b>	<b>10,05,970</b>
2	Other Non-Executive Directors	<b>Mr. Jeetendra Kapoor</b>	<b>Mr. Tusshar Kapoor</b>				
	Fee for attending board committee meetings	180,000	65,000				2,45,000
	Commission	12,04,656	50,194				12,54,850
	Others, please specify						
	<b>Total (2)</b>	<b>13,84,656</b>	<b>1,15,194</b>				<b>14,99,850</b>
	<b>Total (B)=(1+2)</b>						<b>25,05,820</b>
	<b>Total Managerial Remuneration</b>						1,51,33,220
	<b>Overall Ceiling as per the Act</b>						15,36,901



## ANNEXURES TO THE BOARD REPORT (Contd.)

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:

SN	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Sameer Nair - Group CEO	Mr. Sanjay Dwivedi- Group CFO	Mrs. Simmi Singh Bisht- CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,63,39,590	47,71,907	12,06,716	2,23,18,213
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil	Nil
5	other-variable	1,06,84,960	Nil	Nil	1,06,84,960
6	*Others, please specify- Provident Fund and Reimbursement	11,85,198	8,31,295	1,49,385	21,65,878
	<b>Total</b>	<b>28,209,748</b>	<b>5,603,202</b>	<b>13,56,101</b>	<b>3,51,69,051</b>

\*Others, please specify- Provident Fund and Reimbursement

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for the year ended March 31, 2015.

## ANNEXURES TO THE BOARD REPORT (Contd.)

### ANNEXURE IV

#### CSR REPORT

1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs	The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company website <a href="http://www.balajitelefilms.com">www.balajitelefilms.com</a> and the weblink of the same is <a href="http://www.balajitelefilms.com/corporate-social-responsibility.php">http://www.balajitelefilms.com/corporate-social-responsibility.php</a> .
2	The Composition of the CSR Committee	Mr. Jeetendra Kapoor- Chairman Mrs. Shobha Kapoor- Member Mr. D.G. Rajan- Member Mr. Ashutosh Khanna- Member
3	Average Net Profit of the Company for last three financial years	₹ 1497.14 Lac
4	Prescribed CSR Expenditure (2% of the average net profit of the Company for last three financial years)	₹ 29.94 Lac
5	Details of CSR Spent during the financial year Total amount to be spent for the financial year. Amount unspent, if any. Manner in which the amount spent during the financial year as detailed below:	₹ 21.33 Lacs ₹ 8.61 Lacs Refer Annexure A
6	Reasons for not spending 2% of the average net profit of the last three financial years:	The shortfall in the spend during the year 2014-15, was due to lack of suitable projects within the Company's Corporate Social Responsibility Policy.  The Company will spend the requisite amount under Section 135 of the Companies Act, 2013 in the financial year 2015-16.

#### ANNEXURE A

Sr. No.	CSR project or activity identified	Sector in which the project is covered.	Projects of Programs 1. Local Area or other. 2. State and Districts where projects or programs was undertaken.	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs. 2. Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.	Helping poor for food & shelter	Eradicating of Poverty	Local Area	-	Direct expenditure on poor people.	₹ 11.10 Lacs	Direct
2.	Project Crayons – helping poor children on education	Promoting education	Local Area	-	Direct expenditure on poor children through project.	₹ 5.03 Lacs	Direct
3.	Old age home	Providing help to old age people	Local Area	-	Direct expenditure on old senior citizen	₹ 5.20 Lacs	Direct

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Sd/-

**Sameer Nair**  
Group Chief Executive Officer

Sd/-

**Jeetendra Kapoor**  
Chairman-CSR Committee

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# ANNEXURES TO THE BOARD REPORT (Contd.)

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## ANNEXURE V

### WHISTLE-BLOWING POLICY

#### 1 Introduction

Balaji Telefilms Limited (hereinafter referred to as “Balaji” or “the Company”) promotes ethical behaviour in all its business activities. Our values of integrity and compassion to work together as a team are integral to Balaji’s work culture.

Balaji has fostered practices of conducting its affairs in compliance with the applicable laws & regulations and expects each of its employees to perform his or her duties in such a manner so as to preserve Balaji’s good name and reputation.

The role of every employee in pointing out violations of ethical behaviour cannot be undermined. The Company is committed to develop a framework where it is safe for all employees to report genuine concerns about any incident of violation of its policies / potential violation of law.

#### 2 Objective of the Policy

- The Whistle-Blowing Policy lists down the process to report violations of laws, rules, regulations or unethical conduct by its employees and their redressal.
- At Balaji, we have adopted a code of conduct for all employees including the Directors and Senior Management to act within the bounds of the authority conferred upon them. Additionally, they have a duty to make and enact informed decisions and policies in the best interests of the company and its shareholders / stakeholders.
- This policy encourages all employees to bring to the Company’s attention any concern or complaint having an impact on the company.
- Any actual or potential violation of the ethical behaviour, howsoever insignificant or perceived as such, would be a matter of serious concern for the company.
- To achieve this, the Company has formed this Whistle-blowing Policy (also known as “Policy on Vigil Mechanism”), laying down the overall framework and guidelines for reporting genuine concerns.

#### 3 Whistle-blowing Mechanism and its Applicability

- The Whistle-Blowing mechanism provides a platform for complaint handling including providing information back to the person reporting the wrong doing.
- This mechanism is intended to encourage and enable employees to raise serious concerns within the Company, prior to seeking resolution outside the Company.
- Employees of an organization may have critical information about fraud, misconduct, violation of policies, etc. Whistle-blowing facilitates them to convey the same to the appropriate level of authority in the organization.

In a simple language, the Whistle Blower Mechanism is to be used exclusively and on happening of an event or apprehension about any event or discussion or a matter which might affect the interest of the Company or the stakeholders and not for individual grievances.

#### 4 Reference to Other Policies/Contracts

This Policy should be read in conjunction with following other policies of the Company:

- Code of Conduct applicable to all employees including Directors and Senior Management of Balaji Telefilms Limited & Its Subsidiary Companies.
- Sexual Harassment Policy.
- Balaji Telefilms Ltd – Policies & Guidelines, Procedure for Dealing with Employee/Professional Misconduct.
- Appointment letter and/or Contract of Services.
- Any other Policy/Contract whether included in above list or not.

#### 5 Scope

The policy covers reporting of following incidents which have, or are suspected to have, taken place:

- Abuse of authority.
- Financial irregularities, including fraud, or suspected fraud.
- Leakage of information including pilfering of confidential/propriety information.
- Commission / kickbacks.



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## ANNEXURES TO THE BOARD REPORT (Contd.)

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- Manipulation of documents / data / records.
- Conflict of interest.
- Misuse / misappropriation / wastage of Company assets / funds.
- Discrimination at workplace.
- Workplace harassment.
- Sexual harassment.
- Bribery & corruption.
- Violation of Company's policies, practices and rules, including the Code of Conduct Breach of contracts.
- Negligence causing substantial and specific danger to public health and safety.
- Criminal offence.
- Deliberate violation of applicable laws /regulations.
- Lobbying around with certain groups or otherwise to influence or create a particular perception or impression on any Shareholder.
- Any other unethical, biased, favoured, imprudent event.

It is advisable to read the code of conduct / employment contract / appointment letter to understand roles and responsibilities of all employees.

### 6 Scope Exclusions

This whistle-blowing mechanism should not be used in place of accepted escalation procedures or be a route for raising malicious, baseless, allegations against colleagues.

The whistle-blowing mechanism should not be used for reporting of routine or operational matters like:

- Issues related to compensation / reimbursement (e.g. reimbursement not credited on time).
- Issues related to career progression, transfer or deputation, etc.
- IT assets not working properly (e.g. printers not working).
- Questioning the financial or other business decisions taken by the management.
- Taxation related queries (e.g. excess tax deducted from salary).
- Recruitment / job openings (e.g. to know the job openings in the Company).
- Inappropriate administration facilities (e.g. tea / coffee machine in cafeteria).

The above list is only indicative and not exhaustive.

### 7 Definitions

- **"Whistle-blower"** means any employee including the directors/senior management personnel who reports a complaint or makes a protected disclosure under this Policy.
- **"Employee"** means every employee of the Company and / or its Subsidiary(ies), including the Directors and senior management in the employment of the Company.
- **"Fraud Response Plan"** sets out the actions to be taken on receipt of a complaint under this Policy. It defines authority levels, responsibilities for action and reporting lines in the event of reporting under this Policy.
- **"Disciplinary Action"** means any action that can be taken on completion of / during the investigation process including but not limited to a warning, imposition of a fine, suspension from official duties or any other appropriate action considering the gravity of the situation.
- **"Protected Disclosure"** means any information provided by the whistle blower using the whistle-blowing channels detailed in section 8 below.
- **"Subject"** means a person against whom a complaint is made or evidence is gathered during the course of an investigation under the whistle-blowing mechanism.

### 8 Reporting Channels

Any employee, who wishes to report a complaint or make a protected disclosure under this Policy, may use any of the following channels managed by third party outsourced agency:

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## ANNEXURES TO THE BOARD REPORT (Contd.)

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- **Hotline - 1800 103 2931**
  - ◆ This toll free number will be operational 24 hours of the day, for all days in a year (including Saturday, Sunday and public holidays).
  - ◆ Calls can be made in English and Hindi.
  - ◆ Once you call on this number, based on the language selected, an operator will guide you to report your concerns.
  - ◆ He / she will ask you a series of questions which will enable collation of maximum information.
- **Website - [www.speak-up.info/balaji](http://www.speak-up.info/balaji)**
  - ◆ This is a web page link where you can report your complaint.
  - ◆ Once you click on the link, it will take you to a form, wherein you can record the complaint details.
  - ◆ The web page will be in English.
- **E-mail address - [balaji@intouch-india.com](mailto:balaji@intouch-india.com)**
  - ◆ You can send an e-mail to this address providing the complaint details.

### 9 How does the Mechanism Work?

- In order to maintain highest level of confidentiality, the Company has appointed an outsourced agency (InTouch India Limited) to receive the complaints and co-ordinate with the whistle-blower, if required.
  - ◆ All the complaints reported through channels mentioned in the above section will be received by the third party and then forwarded to the Ethics Committee for preliminary review.
  - ◆ Third-party to co-ordinate with the whistle-blower for additional information and status updates, if required.
- The Ethics Committee will decide on further course of action after preliminary review of the complaint / protected disclosure.
- The Ethics Committee is a committee of four individuals formed by the Company to manage the overall mechanism and take action on complaints received. It shall consist of following individuals:
  - ◆ Group Chief Executive Officer
  - ◆ Group Head – Human Resource
  - ◆ Chief Financial Officer
  - ◆ General Counsel
- Based on the facts provided by the whistle-blower and guidelines laid down in the 'Fraud Response Plan', the Ethics Committee will initiate preliminary enquiry.
  - ◆ For this purpose, the Ethics Committee may nominate a sub-committee.
  - ◆ It must be made to initiate preliminary enquiry within 10 working days of receipt of complaint by Ethics Committee, depending on the category of complaint.
- If, based on preliminary enquiry, it appears that the complaint reported has no basis, or it is not a matter to be pursued under this Policy, it may be dismissed at that stage or forwarded to the relevant team and the decision documented.
- If the preliminary enquiry indicates that further investigation is necessary, the same would be initiated by the Ethics Committee or nominated sub-committee or an external agency appointed for this purpose. Based on the result of the investigation, further action will be taken by the Ethics Committee in accordance with 'Procedure for Dealing with Employee/Professional Misconduct'. It may include termination of contract or employment of/with employee or vendors, initiating legal action, etc. The Ethics Committee may also take corrective measures like amending processes, implementing better controls, etc.
- As an oversight function, an update of all the complaints received and action taken will be provided to the Audit Committee periodically.
- It may be noted that if the complaint is against any of the Ethics Committee or Audit Committee members, then he / she will be excluded from the preliminary enquiry, investigation and reporting of such cases. The Chairman of the Audit Committee will be included in the Ethics Committee for such exceptional situations.
- The whistle-blower will be provided with a reference number by the out sourced agency (In Touch) for the complaint lodged, which he / she can use for future reference to know the status of the complaint and any other communication.
- Depending on the nature of complaint and sensitivities involved, a brief status update of the case will be provided to the whistle-blower, only on request.

# ANNEXURES TO THE BOARD REPORT (Contd.)

## 10 Guidance to Reporting

- Whistle-blowing mechanism is not meant to substitute normal communication protocols in the Company. Accordingly, employees are encouraged to follow the steps set out below when they wish to report a complaint / protected disclosure:
  - ◆ As a first step, bring it to the notice of your supervisor.
  - ◆ If that does not help or if the complaint is against the supervisor, then bring it to the notice of Group Head – Human Resource.
- If an employee does not feel comfortable highlighting the complaint to his/her supervisor or Group Head – Human Resource, he/she can directly use the reporting channels provided in this Policy. The complainant may or may not disclose his identity while reporting the complaint.
- A few points which should be kept in mind before or while reporting a complaint:
  - ◆ Attempt should be made to report the complaint immediately after the incident has occurred.
  - ◆ The whistle-blower can report the complaint either on anonymous or on disclosed basis.
  - ◆ It should be factual and should contain as much specific information as possible (e.g. name of the person involved, designation, department, date of incident, time of incident, description of the incident, location, etc.).
    - ◆ It may be noted that in absence of detailed information, it may not be possible for the Ethics Committee to investigate the complaint.
    - ◆ Whistle-blower may be requested for additional information on the complaint through the reporting channels.
    - ◆ In case the whistle-blower does not respond within 7 working days and the complaint cannot be investigated due to lack of information, then it may be closed.
  - ◆ The whistle-blower should not investigate or attempt to investigate the matter on his/her own (the Company has formed an Ethics Committee to take appropriate action).
  - ◆ The whistle-blower does not have the right to participate in any investigative procedures unless requested by the Ethics Committee and subject to disclosure of his / her identity.
- In case of reporting on website, whistle-blower has to select a category to which the complaint belongs. Whistle-blower may, based on his judgment, select the category which best fits the complaint. Various categories with illustrative nature of complaints that will fit into these categories, have been tabulated below:

Categories	Illustrations
Human Resource / Administration	Sexual harassment, violation of Company's policy, misuse of both legal and illegal drugs including alcohol at workplace etc.
Procurement	Irregularities in tendering, excessive/undue procurement, etc.
Accounts / Finance	Manipulation of accounts, misreporting in financial transactions or MIS, etc.
Legal	Irregularities in statutory compliances, potential violation of laws, etc.
Information Technology / Intellectual Property/ Confidential Information	Override of access / IT controls, leakage of information, Unlawful disclosure of corporate owned intellectual property, etc.
Fraud / Misconduct	Commission / kickbacks from vendors / dealers, bribery & corruption, falsification of records etc.
Others / Unethical behavior	This is a residual category. If the whistle-blower is unable to select the best fit category for his / her complaint, he/she may select this category.

- Also refer to FAQs given in Appendix 1

## 11 Escalation Protocol

- If a whistle-blower is not satisfied with the action taken on his/her complaint can write to Chairman of the Audit Committee (email id - dgrajan@balajitelefilms.com).
- When escalating the matter, whistle-blower should provide complete details of the complaint and the reason for dissatisfaction.

## 12 Responsibility of Employee being investigated

The employee under investigation:

- May or may not be informed of the allegations or investigation being carried out, depending on the sensitivity and seriousness of the complaint.



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## ANNEXURES TO THE BOARD REPORT (Contd.)

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- Has the duty to co-operate with the Ethics Committee / nominated sub-committee, investigator (internal or external agency) during the course of investigation.
- Shall not withhold, destroy, delete or tamper evidence, in any form.
- Shall not threaten or intimidate the witnesses or interfere in the investigation.
- Shall be given an opportunity to respond to material findings contained in the investigation report. The employee under suspicion of committing irregularity/illegality/impropriety can be placed under suspension until the investigation/review of charges against him/her is completed.
- System access to the employee under suspicion of committing irregularity/illegality/impropriety may be discounted until the investigation/review of charges against him/her is completed.

### 13 Confidentiality

- All complaints reported will be kept confidential and will be shared strictly on a 'need to know' basis.
- The whistle-blower, the subject /defendant, the Ethics Committee / nominated sub-committee, the investigator and everyone involved in the process shall:
  - ◆ Maintain complete confidentiality of the matter.
  - ◆ Discuss only to the extent or with the persons required for the purpose of completing the process and investigations.
  - ◆ Not keep the documents/evidences pertaining to the investigation unattended anywhere at any time.
  - ◆ Keep electronic mails/files under password protection.
- Whistle-blower's identity will be disclosed only in following circumstances:
  - ◆ The person agrees to be identified.
  - ◆ Identification is necessary to allow the Company or law enforcement officials to investigate or respond effectively.
  - ◆ Identification is required by law.
  - ◆ In cases identified by the Ethics Committee as "frivolous" or "with malafide intent"

### 14 Protection of Whistle-Blower

The Company endeavours to provide a framework to promote secure and result oriented whistle-blowing. Any form of reprisal or retaliation or victimisation against anyone who reports a complaint under this Policy is strictly forbidden. Retaliation includes discrimination, reprisal, harassment or vengeance, risk of losing his / her job or suffer loss in any other manner like transfer, demotion, refusal of promotion, or the like, including any direct or indirect use of authority to obstruct the whistle-blower's right to continue to perform his duties/functions or defamation or isolation.

- The protection is available provided all the conditions set out below are met:
  - ◆ The communication is made in good faith.
  - ◆ He/she reasonably believes that information and any allegations contained in it, are substantially true.
  - ◆ He/she is not acting for personal gain.
  - ◆ He/she is not involved in the complaint reported.

### 15 Frivolous Complaints

- Making frivolous or bogus complaints through whistle-blowing channels is strictly prohibited and may also lead to suspension or termination of services or employment contract.

### 16 Accountability

- This Policy has been approved by the Audit Committee and Board of Directors of the Company.
- Any modifications to it will be subject to approval from these authorities.
- Modification may, amongst other reasons, be necessary to ensure compliance with local, state, central and international laws or to accommodate organizational changes within the Company.

### 17 Document Retention

- Company will maintain appropriate documents for all the complaints received through whistle-blowing mechanism and the action taken against them.
- Reports will be prepared for all complaints received noting the type of complaint, channel used, action taken, etc.

## ANNEXURES TO THE BOARD REPORT (Contd.)

- All such documents and reports will be retained by the Company for a period of 8 years.
- Records for the matters under litigation in courts of law/legal forums or under pending with law enforcement agencies shall be retained until the matter is decided.

### 18 Additional Enforcement

- Nothing in this policy prevents a person from reporting information to an appropriate agency when there is a reasonable cause to believe that a violation of local, state or central law has occurred.

### 19 Appendices

#### A. Appendix 1: Frequently asked Questions (Illustrative)

Question	Answer
<b>What is the need of a Hotline?</b>	<ul style="list-style-type: none"> <li>• Hotline is a medium to confidentially, and, either anonymously or on a disclosed basis, report an incident that may involve violation / potential violation of law or actions that are not in line with 'Company's Code of Conduct for Directors and Senior Management', terms &amp; conditions of employment as mentioned in the 'Appointment Letter' or 'Contract of Services' document.</li> <li>• It is available 24 hours a day, for all days in a year (including Saturday, Sunday and public holidays).</li> <li>• Complaint can be reported in English and Hindi.</li> </ul>
<b>How do I know the status of my complaint?</b>	<ul style="list-style-type: none"> <li>• When you report a complaint, you will get a reference number (in case of reporting via the e-mail it is advisable to provide contact information that will help in receiving a reference number).</li> <li>• To check the status of your complaint, you may either call up the hotline or check on the website, by providing the reference number.</li> </ul>
<b>Is there any time limit for reporting a case?</b>	<ul style="list-style-type: none"> <li>• There is no time limit for reporting the case. However, you are encouraged to report as soon as possible, after the incident occurs.</li> </ul>
<b>Is there any time limit for resolving the case?</b>	<ul style="list-style-type: none"> <li>• In all probability, attempt will be made to initiate preliminary enquiry within 10 working days of receipt of complaint by the Ethics Committee, depending on the category of complaint.</li> <li>• Based on result of preliminary enquiry, further course of action will be decided by the Ethics Committee. Resolution of a case would depend on several factors like its nature, availability of information.</li> <li>• Thus, the time for resolution of a complaint will vary from case to case.</li> </ul>
<b>What should I do if someone reports a complaint to me?</b>	<ul style="list-style-type: none"> <li>• If the complaint is anonymous, please report it using any of the reporting channels mentioned in section 'Reporting Channels'.</li> <li>• Even if the complainant is known, you can report through the whistle-blowing channels mentioned in section 'Reporting Channels', without disclosing the name of the complainant.</li> </ul>
<b>Can I use this hotline to report problems with my printer?</b>	<ul style="list-style-type: none"> <li>• This complaint is out of the scope of this policy as mentioned in section 'Scope Exclusions' since it is a routine or operational matter involving IT assets not working properly.</li> <li>• An illustration of other routine or operational matters that should not be reported are: <ul style="list-style-type: none"> <li>o Issues related to compensation / reimbursement (e.g. reimbursement not credited on time).</li> <li>o Questioning the financial or other business decisions taken by the management.</li> <li>o Taxation related queries (e.g. excess tax deducted from salary).</li> <li>o Recruitment / job openings (e.g. to know the job openings in the Company).</li> <li>o Administration facilities not functioning properly (e.g. tea / coffee machine in cafeteria).</li> </ul> </li> </ul>
<b>Would I lose my job if I report complaints under this policy?</b>	<ul style="list-style-type: none"> <li>• The Company endeavours to provide a framework to promote secure and result oriented whistle-blowing. It strictly prohibits any form of retaliation or victimisation of the complainant for lodging a complaint.</li> <li>• Strict disciplinary action will be taken against anyone found retaliating against the complainant. Retaliation includes discrimination, reprisal, harassment or vengeance.</li> <li>• He/she will not be at the risk of losing his / her job or suffer loss in any other manner like transfer, demotion, refusal of promotion, or the like, including any direct or indirect use of authority to obstruct the whistle-blower's right to continue to perform his duties/functions.</li> </ul>
<b>Can I use the mechanism to report harassment?</b>	<ul style="list-style-type: none"> <li>• Yes, both workplace harassment and sexual harassment are covered under this Policy. However, sexual harassment complaints will be dealt by Internal Complaints Committee as per the prescribed policy on sexual harassment.</li> <li>• The lists of other incidents that can be reported are provided in 'Scope' section.</li> </ul>

# ANNEXURES TO THE BOARD REPORT (Contd.)

## ANNEXURE VI- PARTICULARS OF EMPLOYEES

### a) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

#### Remuneration to Managing Directors

Name of the Director	Title	Remuneration in Fiscal Year 2015	Remuneration in Fiscal Year 2014	No. of Stock options /RSUs granted in fiscal 2015	% increase of remuneration in 2015 as compared to 2014	Excl of MD	Incl of MD	Ratio of remuneration to	
						Ratio of Remuneration to Median Remuneration of employees	Ratio of Remuneration to Median Remuneration of employees and MD	Revenues (fiscal 2015)	Net Profit (fiscal 2015)
Mrs. Shobha Kapoor	Managing Director	1,19,35,000	1,10,12,400	Nil	14.53%	30:1	30:1	175:1	10:1
Ms. Ekta Kapoor	Joint Managing Director	Nil	51,25,000	Nil	Nil	NA	NA	NA	NA

#### Remuneration paid to Independent Directors:

Name of the Director	Remuneration in Fiscal 2015	Remuneration in Fiscal 2014	Number of Stock Option/PSUs granted in Fiscal 2015	% increase of remuneration (2015 over 2014)
Mr. D.G. Rajan	180,000	60,000	Nil	200%
Mr. Ashutosh Khanna	165,000	60,000	Nil	175%
Mr. D.K. Vasal	180,000	-	Nil	-
Mr. V.B. Dalal	1,50,000	-	Nil	-
Mr. Pradeep Sarda	80,000	45,000	Nil	78%

#### Remuneration of other KMP:

Name of the KMP	Title	Remuneration in Fiscal Year 2015	Remuneration in Fiscal Year 2014	No. of Stock options /RSUs granted in fiscal 2015	% increase of remuneration in 2015 as compared to 2014	Excl of MD	Incl of MD	Ratio of remuneration to	
						Ratio of Remuneration to Median Remuneration of employees	Ratio of Remuneration to Median Remuneration of employees and MD	Revenues (fiscal 2015)	Net Profit (fiscal 2015)
Mr. Sameer Nair	Group CEO	2,82,09,748	-	-	-	68:1	68:1	1:78	1:4.35
Mr. Sanjay Dwivedi	Group CFO	56,03,202	50,12,604	-	12%	14:1	13:1	1:392	1:21.91
Mrs. Simmi Singh Bisht	CS	13,56,101	12,62,501	-	8%	3:1	3:1	1:1621	1:90.50

The market capitalization on BSE is ₹ 42,941.08 Lacs as on March 31, 2015 as compared to ₹ 30,225.04 Lacs as on March 31, 2014 and ₹ 42,386.79 Lacs as on March 31, 2015 as compared to ₹ 30,257.65 Lacs as on March 31, 2014 on NSE. The Price Earning Ratio as on March 31, 2015 was 35.03 as compared to 30.10 as on March 31, 2014.

The key parameters of any variable component of remuneration availed by the Directors- Not applicable.

Mr. Sameer Nair, Group CEO receives remuneration in excess of the highest paid Director i.e. Mrs. Shobha Kapoor, Managing Director and the ratio of remuneration is 1:1.

Percentage increase over/decrease in the market quotations of the Shares of the Company as compared to the rate at which the Company came out with the last public offer in the year:- The Company had come out with initial public offer (IPO) in 2000. As on October 3, 2000 Share of ₹ 10 each were split into Shares of ₹ 2 each. An amount of ₹ 100 invested in the said IPO would be worth ₹ 6560 as on March 31, 2015. This is excluding the dividend accrued thereon.



## ANNEXURES TO THE BOARD REPORT (Contd.)

The average percentage increase made in the salaries of employees other than managerial remuneration in the last financial year i.e. 2014-15 was 18% whereas there has been no change in the managerial remuneration for the same financial year. The number of permanent employees on the role of the Company is 66.

It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

### b) Information as per Rule 5(2) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

(i) The following details are given hereunder in respect of employees employed throughout the year and were in receipt of not less ₹ 60 Lacs p.a.

Employee Name	Designation	Educational qualification	Age	Experience (in years)	Date of Joining	Gross Remuneration paid	Previous Employment and Designation	Whether such employee holds by himself or alongwith his spouse or dependent children not less than 2% of the Equity Shares of the Company	Whether such employee is a relative of any Director or Manager and if yes name of the Director or Manager.
Mrs. Shobha Kapoor	Managing Director	Graduate	66	20	November 10, 1994	1,19,35,000	Nil	Yes	Yes. She is wife of Mr. Jeetendra Kapoor and Mother of Ms. Ekta Kapoor and Mr. Tusshar Kapoor.

(ii) The following details are given hereunder in respect of employees employed for a part of the year and were in receipt of not less ₹ 5 Lacs per month.

Employee Name	Designation	Educational qualification	Age	Experience (in years)	Date of Joining	Gross Remuneration paid (Part year)	Previous Employment and Designation	Whether such employee holds by himself or alongwith his spouse or dependent children not less than 2% of the Equity Shares of the Company	Whether such employee is a relative of any Director or Manager and if yes name of the Director or Manager.
Mr. Sameer Nair	Group CEO	St Xaviers College, Institute of Hotel Management	50	28	July 15 2014.	2,82,09,748	Nil	No	N.A

### Annexure VII: - Particulars of contract/arrangements made with related parties

[Pursuant to Clause H of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts), Rules, 2014- AOC-2].

#### Details of Contracts or Arrangements or transactions not at arms length basis:

There were no contract or arrangements or transactions entered in to during the year ended March 31, 2015, which were not at arm's length basis.

#### Details of Contracts or Arrangements or transactions at arms length basis:

The detail of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2015 are as follows:

Name of Related Party	Nature of Relationship	Duration of Contract	Salient Terms	Amount. (₹ in Lacs)
Mrs. Shobha Kapoor	Managing Director	Leave and License	-	1246.49
Mr. Jeetendra Kapoor	Chairman	Leave and License	-	31.10
Ms. Ekta Kapoor	Joint Managing Director	Leave and License	-	133.03
Mr. Tusshar Kapoor	Director	Leave and License	-	11.69

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# CORPORATE GOVERNANCE REPORT

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Balaji Telefilms Limited is committed to strong Corporate Governance and believes in its indispensability in investor protection. Integrity, transparency, accountability and compliance with laws are cemented in the Company's business practices to ensure ethical and responsible leadership both at the Board and at the Management level. The Company's compliance with the Corporate Governance Code in terms of Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited is given herein below:

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's philosophy on Corporate Governance is as under:

- Ensure that quantity, quality and frequency of financial and managerial information, which management shares with the Board, places the Board members fully in control of the Company's affairs.
- Ensure that the Board exercises its fiduciary responsibilities towards Shareholders and Creditors, thereby ensuring high accountability.
- Ensure that the extent to which the information is disclosed to present and potential investors is maximized.
- Ensure that the Board, the employees and all concerned are fully committed to maximizing long-term value to the Shareholders and the Company through ethical business conduct.
- Ensure that the Board continues in its pursuit of achieving its objectives through the adoption and monitoring of Corporate strategies and prudent business plans.

## CODE OF CONDUCT:

The Board of Directors has approved and implemented a Code of Conduct for the Board of Directors and Senior Management and the Code of Conduct for Independent Director. The Code of Conduct suitably incorporates the duties of Independent Directors of the Company. The Code of Conduct has been posted on the website of the Company. The confirmation from the Group Chief Executive Officer of the Company regarding compliance with the code by all the Directors and Senior Management forms part of the Report. Declaration from Independent Directors affirming Compliance with the Code of Conduct has also been received.

## PREVENTION OF INSIDER TRADING:

The Company has instituted a comprehensive code of conduct for prevention of Insider Trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013. The code requires Designated Employees, Directors, Officers to maintain the confidentiality of all Price Sensitive Information, prohibits Directors/Designated Employees to deal in securities of the Company while in possession of price-sensitive information and during the period when the trading window is closed. Any Director, intending to deal in the securities of the Company above the minimum threshold limits, shall obtain pre-clearance of the transactions as per the pre-dealing procedure of the Company. The Compliance Officer of the Company is responsible for implementation of the code.

## WHISTLE BLOWER POLICY:

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

## FAMILARIZATION PROGRAMME OF DIRECTORS:

In accordance with Clause 49 II (b) (7) of the Listing Agreement, the Company has framed the familiarization programme for its Independent Directors. The same has been uploaded on the website of the Company and the weblink for the same is <http://www.balajitelefilms.com/familiarisation-programme-independent-directors.php>.

## MECHANISM FOR EVALUATING BOARD MEMBERS:

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance evaluation of Executive/Non-Executive/Independent Directors. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement.

The following are the criteria on the basis of which the Directors are evaluated:

- 1 Knowledge to perform the role.
- 2 Time and Level of Participation.
- 3 Performance of Duties and Level of Oversight.
- 4 Professional Conduct and Independence.

Feedback on each Director is encouraged to be provided as a part of the survey.

## CORPORATE GOVERNANCE REPORT (Contd.)

### POLICY ON PREVENTION & PROHIBITION OF SEXUAL HARASSMENT AT WORKPLACE:

The Company has zero tolerance towards any action on the part of any executive which may fall under the ambit of "Sexual Harassment" at workplace, and is fully committed to uphold and maintain the dignity of every executive working in the Company. The Policy provides for protection against sexual harassment at workplace and for prevention and redressal of such complaints.

### BOARD OF DIRECTORS:

The Board is comprised of experienced professionals drawn from diverse fields. As on March 31, 2015, the Board comprised of nine members, of whom two are Executive Directors, two Non-Executive Non-Independent Directors and 5 Independent Directors. Mr. V.B. Dalal was appointed on the Board as Additional Director (Independent) w.e.f. August 12, 2014. The Chairman of the Board is a Non- Executive Director. Further, Mr. Arun Kumar Purwar was appointed on Board as Additional Director (Independent) w.e.f. May 20, 2015. Presently more than half of the strength of the Board of Directors comprises of Independent Directors.

The Board directly exercises its powers or functions through Committees. Policy formulation, setting up of goals and evaluation of performance and control functions vest with the Board, while the Committees oversee operational issues.

During the year under review, Five (5) meetings of the Board of Directors were held, the dates being May 15, July 15, August 12, October 30 in 2014 and on February 6 in 2015. The maximum time gap between any two meetings was not more than one twenty days. None of the Directors of the Company held committee membership of more than ten committees or committee chairmanships of more than five committees across all companies in which the person is a Director.

The names and categories of the Directors on the Board, their attendance at Balaji Telefilms Limited's Board Meetings during the year 2014-15 and at last Annual General Meeting and also the number of Directorship and Committee Membership/Chairmanship held by them in various companies are given below:

Name of the Director	Attendance Particulars		No. of <sup>1</sup> other Directorships and <sup>2</sup> Committee Membership/Chairmanship		
	Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. Jeetendra Kapoor (P, N, NI)	5	Present	4	1	0
Mrs. Shobha Kapoor (P, E, NI)	5	Present	6	0	0
Ms. Ekta Kapoor (P, E, NI)	5	Present	5	0	0
Mr. Tusshar Kapoor (P, N, NI)	2	Present	4	0	0
Mr. Pradeep Sarda (N, I)	2	Present	2	1	0
Mr. D. G. Rajan (N, I)	5	Present	4	3	3
Mr. Ashutosh Khanna (N, I)	4	Present	1	0	0
Mr. D.K. Vasal (N, I)	5	Present	1	1	0
*Mr. V.B. Dalal (N, I)	3	Present	4	1	0

P = Promoter; E = Executive; N = Non-Executive; I = Independent; NI = Non-Independent;

1. Excludes Directorships in Private Limited Companies, Foreign Companies, Companies registered under section 8 of Companies Act, 2013.

2. As required under Clause 49 of Listing Agreement, disclosure includes Membership or Chairmanship of Audit Committee and the Stakeholder' Relationship Committee in Indian Public Companies (Listed and Unlisted). Committee Membership includes Chairmanship also.

\* Mr. V.B. Dalal was appointed on the Board w.e.f. August 12, 2014.



# CORPORATE GOVERNANCE REPORT (Contd.)

## AUDIT COMMITTEE:

### TERMS OF REFERENCE

The Audit Committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit and management audit. The responsibilities of the Audit Committee include overseeing the financial reporting process to ensure proper disclosure of financial statements, recommending appointment, remuneration and terms of appointment of external auditors and approving payment for any other services rendered by the Statutory Auditors, reviewing the Annual Financial Statements and Auditors Report before submission to the Board, reviewing the Quarterly Financial Statements before submission to the Board, evaluation of internal financial controls and risk management systems, reviewing adequacy of internal audit function, structure and staffing of the internal audit function, reviewing findings of internal investigations and discussing the nature and scope of audit as well as post-audit discussion with external auditors, reviewing functioning of Whistle Blower Mechanism.

The terms and composition of the Audit Committee conform to the requirement of Section 177 of the Companies Act, 2013.

### COMPOSITION

The composition of the Audit Committee is as follows:

Chairman	:	Mr. D.G. Rajan - Independent Director.
Members	:	Mr. Jeetendra Kapoor – Non-Executive Director. Mr. Pradeep Sarda - Independent Director. *Mr. D.K. Vasal - Independent Director. **Mr. V.B. Dalal- Independent Director.
Secretary	:	Mrs. Simmi Singh Bisht.

\*Mr. D.K. Vasal is a member of the Audit Committee w.e.f. May 15, 2014.

\*\*Mr. V.B. Dalal is a member of the Audit Committee w.e.f. August 12, 2014.

### MEETINGS AND ATTENDANCE

During the year under review, Four (4) meetings of the Audit Committee were held, the dates being May 15, August 12, October 30 in 2014 and on February 6 in 2015. The details of the attendance thereat are as follows:

<b>Name of the Director</b>	<b>No. of Meetings attended</b>
Mr. D.G. Rajan	4
Mr. Jeetendra Kapoor	4
Mr. Pradeep Sarda	1
Mr. D.K. Vasal	3
Mr. V.B. Dalal	2

The Statutory Auditors and Internal Auditors of the Company are invitees to the Audit Committee Meetings. The Audit Committee holds discussions with the Statutory Auditors on "Limited Review" of the quarterly and half yearly accounts, yearly Audit of the Company's accounts, Auditor's Report and other related matters. The report of the Internal Auditor is also reviewed by the Audit Committee.

## NOMINATION AND REMUNERATION COMMITTEE:

### TERMS OF REFERENCE

The Committee is entrusted with the following role and responsibilities:

- 1 Formulation of criteria for determining qualifications, positives, attributes & independence of a Director and to recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- 2 Formulation of criteria for evaluation of Independent Directors and the Board.
- 3 Devising a policy on Board diversity.
- 4 Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

## CORPORATE GOVERNANCE REPORT (Contd.)

### COMPOSITION

The composition of the Nomination and Remuneration Committee is as follows:

Chairman	:	Mr. Ashutosh Khanna- Independent Director
Members	:	Mr. Jeetendra Kapoor – Non –Executive Director
		Mr. Pradeep Sarda- Independent Director
		*Mr. D.K. Vasal- Independent Director

\*Mr D.K. Vasal is a Member of the Committee w.e.f. May 15, 2014.

### MEETINGS AND ATTENDANCE

During the year under review, Three (3) meetings of the Nomination & Remuneration Committee were held, the dates being July 15, October 30 in 2014 & February 6 in 2015. The details of the attendance thereat are as follows:

Name of the Director	No. of Meetings attended
Mr. Ashutosh Khanna- Chairman	2
Mr. Jeetendra Kapoor- Member	3
Mr. Pradeep Sarda- Member	1
Mr. D.K. Vasal - Member	3

### Nomination & Remuneration Policy and Details of Remuneration Paid

A copy of the Nomination & Remuneration Policy of the Company along with the evaluation criteria for Independent Directors and the Board is annexed to this report (Annexure A).

Details of the remuneration paid to the Directors of the Company for the year ended March 31, 2015:

Name	Designation	Remuneration for the year 2014-2015 (₹ in Lacs)					Total	No. of shares held by Non-Executive Directors
		Salary	Perquisites	Sitting Fees	Commission			
Mrs. Shobha Kapoor	Managing Director	1,03,35,000	-	N.A.	16,00,000	1,19,35,000	N.A.	
Ms. Ekta Kapoor	Joint Managing Director	-	-	N.A.	-	-	N.A.	
Mr. Jeetendra Kapoor	Chairman	-	-	180,000	12,04,656	13,84,656	32,60,522	
Mr. Tusshar Kapoor	Director	-	-	65,000	50194	1,15,194	20,30,250	
Mr. Pradeep Sarda	Director	-	-	80,000	50194	130194	-	
Mr. D. G. Rajan	Director	-	-	180,000	50194	2,30,194	300	
Mr. Ashutosh Khanna	Director	-	-	165,000	50194	215194	-	
Mr. D.K. Vasal	Director	-	-	180,000	50194	2,30,194	-	
Mr. V.B. Dalal	Director	-	-	150,000	50194	2,00,194	-	

Employer Contribution of Rs. 6,62,400 to Provident Fund and reimbursement of ₹ 15,000 is not included in the computation of the ceiling on managerial reimbursement.

# CORPORATE GOVERNANCE REPORT (Contd.)

None of the Directors are related to any other Director on the Board, except for Mr. Jeetendra Kapoor, his spouse Mrs. Shobha Kapoor, their daughter Ms. Ekta Kapoor and their son Mr. Tusshar Kapoor, who are related to each other.

The tenure of appointment of Mrs. Shobha Kapoor as Managing Director and Ms. Ekta Kapoor as Joint Managing Director will expire on November 9, 2015. It is proposed to reappoint them for a further period of three years w.e.f November 10, 2015 subject to approval of Shareholders.

## STAKEHOLDERS RELATIONSHIP COMMITTEE:

### TERMS OF REFERENCE:

The functions and powers of the Stakeholder Relationship Committee include approval / rejection of transfer / transmission and rematerialisation of Equity Shares, issue of Duplicate Certificates and supervising the operations of the Registrar and Transfer Agents and also maintaining investor relations and review and redressal of shareholders / investors' grievances / complaints. The details in this respect are given in the General Shareholder Information section of this report.

### COMPOSITION:

The composition of the Stakeholders Relationship Committee is as follows:

Chairman	:	Mr. Jeetendra Kapoor – Non- Executive Director
Members	:	Mrs. Shobha Kapoor – Executive Director Ms. Ekta Kapoor – Executive Director *Mr. D.K. Vasal – Independent Director.
Compliance Officer	:	Mrs. Simmi Singh Bisht- Company Secretary

\*Mr. D. K. Vasal is a Member of the committee w.e.f. May 15, 2014

### MEETINGS AND ATTENDANCE

During the year under review, Four (4) meetings of the Stakeholder Relationship Committee were held, the dates being May 15, August 12, October 30, in 2014 and February 6 in 2015. The details of the attendance thereat are as follows:

Name of the Director	No. of Meetings attended
Mr. Jeetendra Kapoor	4
Mrs. Shobha Kapoor	4
Ms. Ekta Kapoor	4
Mr. D.K. Vasal	3

### STAKEHOLDER'S COMPLAINTS DURING THE FINANCIAL YEAR 2014-15:

Sr. No.	Nature of Complaint	Opening Bal.	Received	Disposed	Pending
1.	Non receipt of dividend	0	19	19	0
2.	Non receipt of Annual Report	0	23	23	0
	Total	0	42	42	0

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

### TERMS OF REFERENCE

In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board, at its meeting held on May 15, 2014, has constituted a Corporate Social Responsibility (CSR) Committee consisting of majority of Independent Directors. The terms of reference of the Committee includes formulation and recommendation to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013; to recommend the amount of expenditure to be incurred on CSR activities as indicated in the CSR Policy; monitor the CSR Policy of the Company from time to time; institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company and perform any other function or duty as stipulated by the Companies Act, Securities and Exchange Board of India, Stock Exchanges and any other regulatory authority or under any applicable laws, as may be prescribed from time to time.



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## CORPORATE GOVERNANCE REPORT (Contd.)

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### COMPOSITION:

The composition of the Corporate Social Responsibility Committee is as follows:

Chairman	:	Mr. Jeetendra Kapoor – Non-Executive Director
Members	:	Mrs. Shobha Kapoor – Executive Director
		Mr. D. G. Rajan – Independent Director
		Mr. Ashutosh Khanna – Independent Director.

### MEETINGS AND ATTENDANCE:

During the year under review, Two (2) meetings of the Corporate Social Responsibility Committee were held, the dates being October 30 in 2014 and February 6 in 2015. The details of the attendance thereat are as follows:

Name of the Director	No. of Meetings attended
Mr. Jeetendra Kapoor	2
Mrs. Shobha Kapoor	2
Mr. D. G. Rajan	2
Mr. Ashutosh Khanna	2

### RISK MANAGEMENT COMMITTEE:

#### TERMS OF REFERENCE:

In terms of Clause 49 II (VI) of the Listing Agreement, the Board of Directors at its meeting held on October 30, 2014, formulated a Risk Management Committee. The Committee is comprised of Directors of the Company. The terms of reference of the Committee includes monitoring and reviewing of risk management plan of the Company, defining framework for identification, assessment, monitoring, mitigation and reporting of risks and such other functions as the Board may delegate from time to time.

#### COMPOSITION:

The composition of Risk Management Committee is as follows:

Chairperson	:	Mrs. Shobha Kapoor – Executive Director.
Members	:	Mr. Jeetendra Kapoor – Non Executive Director.
		Mr. D.G. Rajan – Independent Director.
		Mr. Ashutosh Khanna – Independent Director.
		Mr. V.B. Dalal – Independent Director.

No meeting of risk management committee was held during the financial year 2014-15.

### INTERNAL COMPLAINTS COMMITTEE:

#### TERMS OF REFERENCE

The Board of Directors in its Board meeting held on January 24, 2014, constituted the Internal Complaints Committee of the Company to deal with all complaints and allegations of sexual harassment at work place. Subsequently, due to resignation of most of the members of the then existing Internal Complaints Committee, the Board of Directors in its meeting held on October 30, 2014 reconstituted the Internal Complaints Committee of the Company.

#### COMPOSITION:

The current composition of Internal Complaints is as follows:

Chairperson	:	Mrs. Shobha Kapoor – Executive Director.
Members	:	Mr. Sameer Nair – Group CEO.
		Mrs. Coralie Ansari – Group HR Head.
		Mrs. Simmi Singh Bisht – Company Secretary.
		Mr. Ayan Roy Chowdhury – General Counsel – Legal.

# CORPORATE GOVERNANCE REPORT (Contd.)

## MEETING OF INDEPENDENT DIRECTORS OF THE COMPANY:

Pursuant to Clause 49 II (6) of the Listing Agreement, a meeting of Independent Directors is required to be held once in a year inter alia, to:

- Review the performance of Non-Independent Directors and the Board as a whole.
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Meeting of Independent Directors of the Company was held on October 30, 2014. All the Independent Directors, except Mr. Pradeep Sarada, were present at the Meeting.

## SUBSIDIARY COMPANIES:

In accordance with Clause 49 V of the Listing Agreement, Balaji Motion Pictures Limited (BMPL) is a Material Subsidiary of the Company, generating more than 20% of the consolidated income during the previous year under review.

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

At least one Independent Director on the Board of Directors of the Holding Company is the Director of each Subsidiary including material Subsidiary Company.

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings of the Company.

Copies of the Minutes of the Board & Committee Meetings of the Subsidiary Company are individually given to all the Directors and are tabled at the subsequent Board Meetings.

## V. GENERAL BODY MEETINGS:

The details of Annual General Meetings held in the last three years are given below:

<b>Annual General Meeting</b>	<b>Day, Date</b>	<b>Time</b>	<b>Venue</b>
18th Meeting	Wednesday, September 5, 2012	4:30 p.m.	'The Club', 197, D. N. Nagar, Andheri (West), Mumbai – 400 053.
19th Meeting	Monday, July 29, 2013	4:00 p.m.	'The Club', 197, D. N. Nagar, Andheri (West), Mumbai – 400 053.
20th Meeting	Saturday, August 30, 2014	3.00 p.m.	'The Club', 197, D. N. Nagar, Andheri (West), Mumbai – 400 053.

## SPECIAL RESOLUTIONS

Following special resolutions were passed at the last three Annual General Meetings:

### F. Y. 2011 –2012:

1. Reappointment of Mrs. Shobha Kapoor as Managing Director of the Company for a further period of 3 (three) years commencing from November 10, 2012 and Payment of Remuneration to her.
2. Reappointment of Ms. Ekta Kapoor as Joint Managing Director of the Company for a further period of 3 (three) years commencing from November 10, 2012 and Payment of Remuneration to her.
3. Payment of Commission to the Director(s) of the Company who is / are neither in the whole-time employment nor Managing Director(s), as per the provisions of Section 309(4) of the Companies Act, 1956, for the period of 5 years commencing from April 1, 2012.

### F. Y. 2012 - 2013: NIL

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# CORPORATE GOVERNANCE REPORT (Contd.)

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## **F.Y. 2013-14:**

1. Alteration of Article 150 of the Articles of Association of the Company relating to Director liable to retire by rotation pursuant to the provisions of Section 14 of the Companies Act, 2013.

No Special Resolution was passed last year through postal ballot.

No Special Resolution is proposed to be conducted through postal ballot.

## **VI. DISCLOSURES:**

### **1. RELATED PARTIES TRANSACTIONS**

None of the transactions with any of the related parties were in conflict with interest of the Company. Transactions with the related parties are disclosed in Note No. 23.8 in 'Notes forming part of the financial statements' annexed to the Financial Statements of the year.

In accordance with Clause 49 of the Listing Agreement, the Company has approved a policy on Related Party Transactions which has been uploaded on the website of the Company [www.balajitelefilms.com](http://www.balajitelefilms.com)

### **2. COMPLIANCES BY THE COMPANY**

The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other Statutory Authorities relating to the above.

### **3. VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has established Whistle Blower Policy for its Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Company takes cognizance of complaints made and suggestions given by the employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective steps are taken. No whistle-blower has been denied access to the Audit Committee of the Board of Directors of the Company.

In order to maintain highest levels of confidentiality, the Company has appointed an outsourced agency viz. 'In Touch India Limited' to receive complaints and coordinate with the Whistle-Blower, if required. This agency forwards the complaints received to the Ethics Committee for preliminary review. The Ethics Committee decides further course of action after preliminary review of the complaint/protected disclosure. The Ethics Committee comprises of the following individuals:

1. Group Chief Executive Officer.
2. Group Chief Financial Officer.
3. Group Head – Human Resource.
4. General Counsel- Legal.

In case the Whistle-Blower is not satisfied with action taken on his/her complaint, then the Whistle-Blower can write to the Chairman of the Audit Committee (email- [dgrajan@balajitelefilms.com](mailto:dgrajan@balajitelefilms.com)).

When escalating the matter, whistle-blower should provide complete details of the complaint and the reason for dissatisfaction. An employee who wishes to report a complaint or make a protected disclosure can contact 'In Touch India Limited' through the following channels:

- Hotline - 1800 103 2931
- Website- [www.speak-up.info/balaji](http://www.speak-up.info/balaji)
- E-mail address - [balaji@intouch-india.com](mailto:balaji@intouch-india.com)

## **COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS:**

### **1. MANAGEMENT DISCUSSION AND ANALYSIS:**

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under clause 49(VIII)(D) of the Listing Agreement.



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## CORPORATE GOVERNANCE REPORT (Contd.)

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### **2. RELATED PARTY TRANSACTIONS:**

A statement in summary form of transactions with related parties is regularly placed before the Audit Committee.

### **3. DISCLOSURE OF ACCOUNTING TREATMENT:**

The Company has followed Accounting Standards laid down by The Companies (Accounting Standards) Rules, 2006 in preparation of financial statements.

### **4. DISCLOSURE ON RISK MANAGEMENT:**

The Company has framed a Risk Management Policy which is periodically reviewed by the Board.

### **5. CERTIFICATE ON COMPLIANCE OF CLAUSE 49 OF LISTING AGREEMENT**

Auditors' certificate on compliance of Clause 49 of the Listing Agreement by the Company is annexed to this report.

### **6. CEO & CFO CERTIFICATION:**

A Certificate from Mr. Sameer Nair, Group CEO and Mr. Sanjay Dwivedi, Group CFO of the Company, on the financial statements of the Company is annexed to this report.

### **7. NOTE ON APPOINTMENT OR REAPPOINTMENT OF DIRECTORS:**

Particulars of Directors who need to be appointed/reappointed at the ensuing Annual General Meeting have been annexed to the Notice convening the meeting.

## **VIII. MEANS OF COMMUNICATION:**

The Company believes that all stakeholders should have access to adequate information, regarding the Company's position to enable them to accurately assess its future potential. In accordance with the applicable Guidelines / Listing Agreements with the Stock Exchanges, all information which could have a material bearing on Balaji Telefilms Limited's share price is released at the earliest.

The Unaudited/Half Yearly Financial Results are announced within forty five days of the close of the quarter. The annual Audited Financial Results are announced within sixty days from the close of the financial year as per the requirements of the Listing Agreement. The aforesaid financial results are sent to BSE & NSE where the Company's securities are listed, immediately after these are approved by the Board. The financial results are published in Business Standard (All India) and Mumbai Lakshdweep (regional daily) within forty eight hours after they are approved by the Board.

The Company also informs by way of intimation to BSE & NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members and subsequently issues a Press Release in this regard.

The Annual Report of the Company, the quarterly/half yearly and the annual results and the press releases of the Company are also placed on the Company's website [www.balajitelefilms.com](http://www.balajitelefilms.com). Presentations made to the institutional investors and analysts are displayed on the Company's website.

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## CORPORATE GOVERNANCE REPORT (Contd.)

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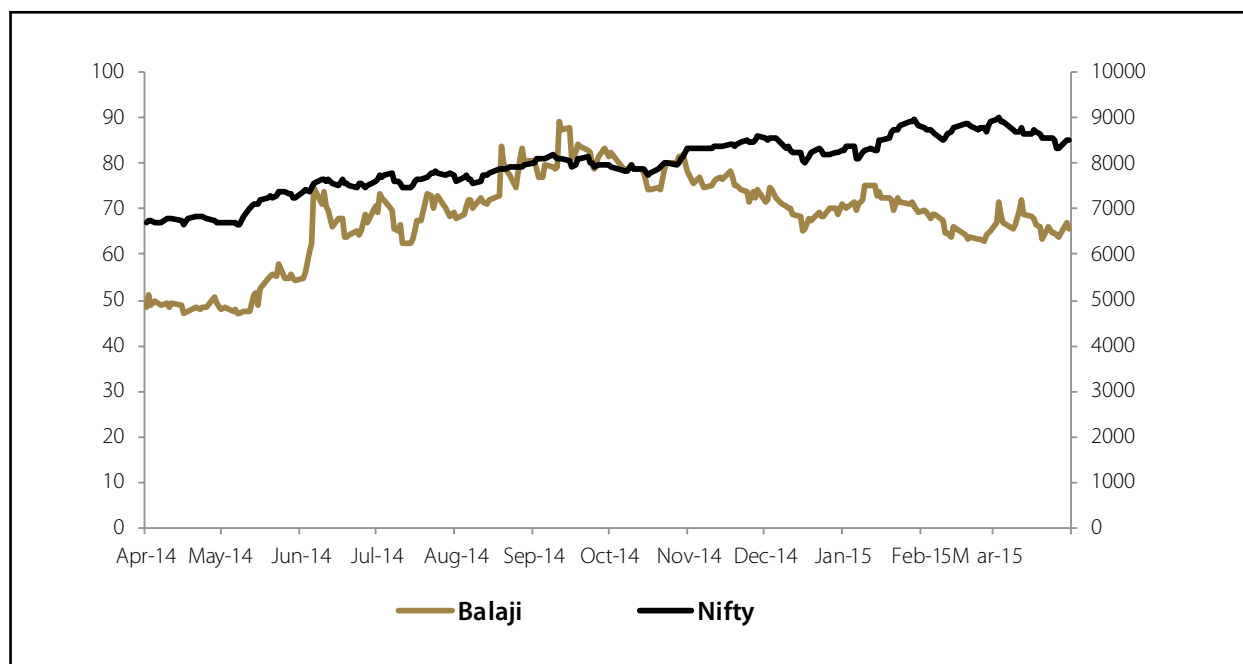
### IX. GENERAL SHAREHOLDER INFORMATION:

- 1 Date of Book Closure: August 27, 2015 to August 31, 2015 (both days inclusive).
- 2 Date, time and venue of the Annual General Meeting: August 31, 2015 at 3:00 p.m. at "The Club", 197, D.N. Nagar, Andheri (West), Mumbai – 400 053.
- 3 Dividend payment: The Board of Directors has recommended a Dividend of Re. 0.60 per equity share for the year ended March 31, 2015. The final dividend will be paid within the stipulated number of days once it is approved at the Annual General Meeting.
- 4 Listing on Stock Exchanges:
  1. Bombay Stock Exchange Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001.  
Tel: +91-22-22721233/34  
Fax: +91-22-22721919/3027  
(Stock Code – 532382)
  2. National Stock Exchange of India Limited,  
Exchange Plaza, 5th floor, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai – 400 051.  
Tel: +91-22-26598235/36  
Fax: +91-22-26598237/38  
(Stock Code – BALAJITELE)
- 5 ISIN: INE794B01026
- 6 Listing Fees: Paid for both the above Stock Exchanges as per listing agreements
- 7 Listing on Stock Exchanges outside India: Not applicable
- 8 Registered Office of Company: C-13, Balaji House, Dalia Industrial Estate,  
Opp. Laxmi Industries, New Link Road,  
Andheri (West), Mumbai – 400 053.  
Tel: +91-22-40698000, Fax: +91-22-40698181/82  
Web site: www.balajitelefilms.com  
Email: investor@ balajitelefilms.com
- 9 Share transfers in physical, communication regarding share certificates, dividends, change in address etc. may be addressed to: Karvy Computershare Private Limited  
(Company's Registrar and Transfer Agents)  
Unit: Balaji Telefilms Limited  
Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, Telangana  
Tel: +91-40-67161510-1512, Fax: +91-40-23001153  
Email: mailmanager@karvy.com
10. Share Transfer System:  
Shares sent for physical transfer are registered and returned within fifteen days from the date of receipt, if the documents are clear in all respects. The Stakeholders Relationship Committee meets as often as required. There were no transactions in transfers of shares in physical form during the year 2014-2015 and no share transfer pending as on March 31, 2015.
11. Stock Market Data relating to Shares listed in India:  
The Company's shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, since November 22, 2000. The monthly high and low quotations as well as the volume of shares traded during the year 2014-15 are as below:

## CORPORATE GOVERNANCE REPORT (Contd.)

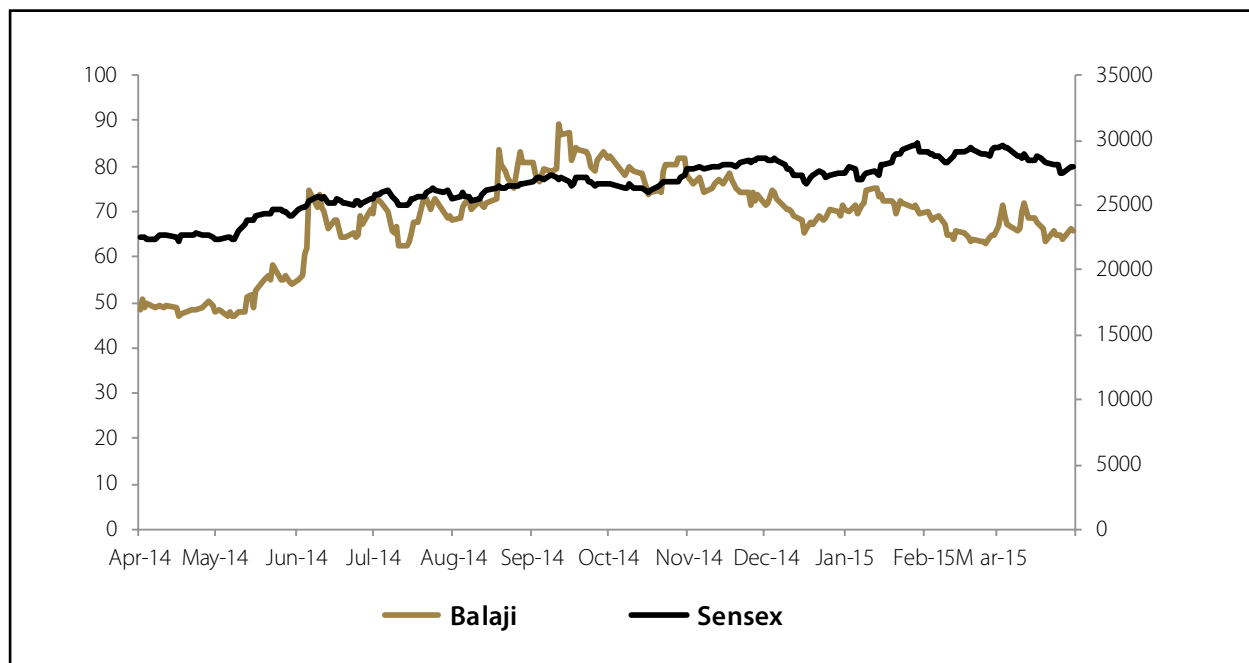
MONTH	BSE			NSE		
	HIGH	LOW	NO. OF SHARES TRADED	HIGH	LOW	NO. OF SHARES TRADED
April	51.65	46.25	12,62,541	52.00	45.70	31,78,268
May	59.95	45.80	27,45,805	59.90	46.20	72,71,398
June	78.90	54.40	62,72,482	78.90	53.45	1,92,28,498
July	77.70	59.15	33,87,581	77.70	58.80	92,85,720
August	86.45	67.75	44,33,333	86.65	67.55	1,19,49,082
September	92.70	76.20	37,52,348	92.85	76.00	1,11,64,208
October	84.15	71.10	12,51,140	84.20	71.25	31,89,877
November	80.70	70.55	15,30,529	80.50	70.45	36,19,708
December	77.35	62.75	13,49,127	76.90	62.60	35,83,264
January	76.80	68.00	10,39,735	76.90	68.55	29,63,623
February	71.45	62.60	7,71,867	71.50	62.60	29,29,183
March	74.40	63.05	14,46,566	74.30	62.60	36,56,022

The performance of Balaji Telefilms Limited's equity shares relative to the BSE Sensitive Index (Sensex) is given in the chart below:



## CORPORATE GOVERNANCE REPORT (Contd.)

The performance of Balaji Telefilms Limited's equity shares relative to the NSE Index (Nifty) is given in the chart below:



### FACT SHEET

Items	2014-15	2013-14
Earnings per share (₹)	1.88	1.54
EPS – Fully diluted (₹)	1.88	1.54
Dividend per share (₹)	0.60	0.40
Number of shares	6,52,10,443	6,52,10,443
Share price data (₹)		
High	92.85	51.40
Low	45.70	29.50
Closing	65.85	43.35

#### 12. Investor Service – Complaints Received During the year:

Nature of Complaints	Year ended March 31, 2015	
	Received	Disposed
Non Receipt of Dividend	19	19
Non Receipt of Annual Report	23	23

The Company has disposed of all of the investor grievances. There are no complaints pending as on March 31, 2015.



## CORPORATE GOVERNANCE REPORT (Contd.)

### 13. Shareholding Pattern of Balaji Telefilms Limited as on March 31, 2015:

Category	No. of shares held	Percentage of shareholding
Banks	28,965	0.04
Clearing Members	1,21,058	0.19
Directors	300	0.00
Foreign Institutional Investor	1,07,000	0.16
Foreign Promoter Bodies Corporate	1,69,48,194	25.99
H U F	12,77,563	1.96
Indian Financial Institutions	4,51,763	0.69
Bodies Corporate	68,27,803	10.47
Mutual Funds	10,34,672	1.59
Non Resident Indians	5,03,771	0.77
Promoters	2,79,92,938	42.93
Resident Individuals	99,16,266	15.21
Trusts	150	0.00
<b>Grand Total</b>	<b>6,52,10,443</b>	<b>100.00</b>

### 14. Distribution of shareholding as on March 31, 2015:

Number of Shares	Number of Shareholders	% of total shareholders	Total Shares	Amount	% To Equity
Upto 1 - 5000	18792	98.21	4993596	9987192	7.66
5001 - 10000	142	0.74	1079814	2159628	1.66
10001 - 20000	67	0.35	1032841	2065682	1.58
20001 - 30000	40	0.21	1039284	2078568	1.59
30001 - 40000	20	0.10	708355	1416710	1.09
40001 - 50000	12	0.06	572937	1145874	0.88
50001 - 100000	28	0.15	1961023	3922046	3.01
100001 and above	34	0.18	53822593	107645186	82.54
<b>TOTAL:</b>	<b>19135</b>	<b>100.00</b>	<b>65210443</b>	<b>130420886</b>	<b>100.00</b>

### 15. Shares under Lock-in:

In accordance with SEBI Guidelines, currently no Equity Shares held by promoters are subject to lock-in.

### 16. Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion date and likely impact on Equity:

The Company does not have any outstanding GDRs/ADRs/ Warrants or any convertible instruments as on March 31, 2015.

### 17. Dematerialisation of Equity Shares:

The Company's shares are traded in dematerialised form. To facilitate trading in dematerialised form there are two depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has entered into agreement with both these depositories. Shareholders can open account with any of the depository participants registered with any of these depositories. As on March 31, 2015 about 99.99% comprising 6,52,03,077 Equity Shares were in the dematerialised form.

### 18. Financial Calendar (tentative and subject to change):

Particulars	Date
Annual General Meeting	August, 2015
Financial reporting for 1st quarter ending 30th June, 2015	First week of August, 2015
Financial reporting for 2nd quarter ending 30th September, 2015	First week of November, 2015
Financial reporting for 3rd quarter ending 31st December, 2015	First week of February, 2016
Financial reporting for the year ending 31st March, 2016 (audited)	May, 2016
Annual General Meeting for year ending 31st March, 2016	August, 2016

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## CORPORATE GOVERNANCE REPORT (Contd.)

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19. Plant Locations:  
Other than the registered office, the Company does not have any other office. The details of the registered office of the Company is provided in the Corporate Information section of the Annual Report.

20. Investors' Correspondence:  
Investors' correspondence may be addressed to:

**Mrs. Simmi Singh Bisht.**

Company Secretary,  
Balaji Telefilms Limited,  
C-13, Balaji House, Dalia Industrial Estate,  
Opp. Laxmi Industries, New Link Road,  
Andheri (West), Mumbai – 400 053.  
Tel: +91-22-40698000, Fax: +91-22-40698181/82  
Email: investor@balajitelefilms.com

Any queries relating to the financial statements of the Company be addressed to:

**Mr. Sanjay Dwivedi.**

Group Chief Financial Officer,  
Balaji Telefilms Limited,  
C-13, Balaji House, Dalia Industrial Estate,  
Opp. Laxmi Industries, New Link Road,  
Andheri (West), Mumbai – 400 053.  
Tel: +91-22-40698000, Fax: +91-22-40698181/82  
Email: sanjay.dwivedi@balajitelefilms.com

21. Insider Trading:  
In terms of the SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has framed code of conduct.

22. Secretarial Audit (Reconciliation of Share Capital Report):  
A qualified practicing Company Secretary carries out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The secretarial audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

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# CORPORATE GOVERNANCE REPORT (Contd.)

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## ANNEXURE A

### NOMINATION AND REMUNERATION POLICY OF BALAJI TELEFILMS LTD. & ITS SUBSIDIARY COMPANIES

#### INTRODUCTION:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the listing agreement as amended from time to time this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

#### OBJECTIVE AND PURPOSE OF THE POLICY:

##### The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the media industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on October 30, 2014.

#### EFFECTIVE DATE:

This policy shall be effective from 1st April, 2014.

#### CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE:

The Board has changed the nomenclature of Remuneration Committee constituted on January 30, 2013 by renaming it as Nomination and Remuneration Committee on May 15, 2014. The Nomination and Remuneration Committee comprises of following Directors:

1. Mr. Ashutosh Khanna- Chairman
2. Mr. Jeetendra Kapoor- Member
3. Mr. Pradeep Sarda- Member
4. Mr. D.K Vasal- Member

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

#### Definitions:

- Board means Board of Directors of the Company.
- Directors means Directors of the Company.
- Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- Company means Balaji Telefilms Limited and its Subsidiaries.
- Independent Director means a director referred to in Section 149 (6) of the Companies Act, 2013.
- Key Managerial Personnel (KMP) in relation to a Company means
  - (i) The Chief Executive Officer of the Company or the Managing Director or the Manager;
  - (ii) The Company Secretary;

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## CORPORATE GOVERNANCE REPORT (Contd.)

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- (iii) The Whole-Time Director;
- (iv) The Chief Financial Officer and;
- (v) Such other officer as may be prescribed.

- Senior Management means personnel of the Company occupying the position of Chief Executive Officer (CEO) of any unit / division or Vice President including Vice President of any unit / division of the Company. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have them earning respectively assigned to them therein.

### **Applicability:**

The Policy is applicable to

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

### **General:**

- This Policy is divided in three parts: Part – A covers the matters to be dealt with and recommended by the Committee to the Board, Part – B covers the appointment and nomination and Part – C covers remuneration and perquisites etc.
- The key features of this Company's policy shall be included in the Board's Report.

## **PART – A**

### **MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE:**

#### **THE COMMITTEE SHALL:**

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

## **PART-B**

### **POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT APPOINTMENT CRITERIA AND QUALIFICATIONS:**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/ her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Wholetime Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

### **TERM/TENURE:**

1. Managing Director/Whole-time Director:
  - The Company shall appoint or reappoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.
2. Independent Director:
  - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.



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## CORPORATE GOVERNANCE REPORT (Contd.)

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- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a Listed Company.

### **EVALUATION:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

### **REMOVAL:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, Rules made thereunder or under any other applicable Act, Rules and Regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, Rules and Regulations.

### **RETIREMENT:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### **BOARD DIVERSITY:**

The Board of the Company may consciously be drawn in a manner that at least one Director from each of the following field is on the Board of the Company.

Human Resource,

Banking and finance,

Legal and general administration,

Any other field as may be decided by the Nomination and Remuneration Committee of the Company.

## **PART-C**

### **POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL**

#### **GENERAL:**

1. The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director..
4. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

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# CORPORATE GOVERNANCE REPORT (Contd.)

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## REMUNERATION TO WHOLE-TIME/EXECUTIVE/MANAGING DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL:

1. **Fixed pay:**

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director/Managing Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

3. **Provisions for excess remuneration:**

If any Whole-time Director/Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

## REMUNERATION TO NON-EXECUTIVE/INDEPENDENT DIRECTOR:

1. **Remuneration/Commission:**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.

2. **Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. **Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. **Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

## AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding unless the same is duly approved and notified by the Committee and Board of Directors of the Company.

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# CORPORATE GOVERNANCE REPORT

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## CERTIFICATE

### TO THE MEMBERS OF BALAJI TELEFILMS LIMITED

We have examined the compliance of conditions of Corporate Governance by Balaji Telefilms Limited for the year ended on March 31, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respect with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm Registration No: 117366W/W-100018)

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

**A.B. Jani**  
Partner  
Membership No: 46488  
Mumbai, dated: May 20, 2015

**Snehal Shah**  
Proprietor  
Membership No: 40016  
Mumbai, dated: May 20, 2015

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# INDEPENDENT AUDITORS' REPORT

## To the Members of Balaji Telefilms Limited

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### 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;



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- (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 and 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

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 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 explanation given to us, no material discrepancies were noticed on such verification.
- (ii) The activities of the Company and the nature of its 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 Company has granted interest free unsecured loans aggregating ₹ 10,559.12 lacs to its two wholly owned subsidiaries and interest bearing unsecured loan to one subsidiary body corporate amounting to ₹ 438.12 lacs covered in the register maintained under section 189 of the Companies Act, 2013.
- (a) The principal amounts are repayable on demand. In respect of interest due on loan given to one subsidiary body corporate the same is overdue as at the year-end.
- (b) In respect of overdue interest amounts of over ₹ 1 lac remaining outstanding as at the year-end, as explained to us, the management has taken reasonable steps for recovery of the same.
- (iv) 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 for the purchase of fixed assets and for the sale of services. During the course of our audit we have not observed any major weakness in such internal control system.
- (v) The Company has not accepted deposits from the public during the year.
- (vi) According to the information and explanations given to us, in our opinion, the Company has, 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 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 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 (₹ in Lacs)
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.
- (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

# BALANCE SHEET

as at March 31, 2015

Particulars	Note No.	₹ in Lacs	
		As at March 31, 2015	As at March 31, 2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(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
<b>2 Current liabilities</b>			
(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
<b>TOTAL</b>		<b>46,991.12</b>	<b>45,241.74</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(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
(e) Other non-current assets	10	41.55	10.59
		12,011.98	12,800.84
<b>2 Current assets</b>			
(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
<b>TOTAL</b>		<b>46,991.12</b>	<b>45,241.74</b>
<b>See accompanying notes forming part of financial statements</b>			

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)

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Managing Director)

**Ekta Kapoor**  
(Director)

Place : Mumbai  
Date : May 20, 2015

For **Snehal & Associates**  
Chartered Accountants

**Sameer Nair**  
(Group Chief Executive Officer)

**D.G.Rajan**  
(Director)

**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

# STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2015

Particulars	Note No.	₹ in Lacs	
		For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
<b>1 Revenue</b>			
Revenue from Operations	17	20,969.22	13,153.69
<b>2 Other income</b>	18	1,020.91	1,789.09
<b>3 Total Revenue (1+2)</b>		<b>21,990.13</b>	<b>14,942.78</b>
<b>4 Expenses</b>			
(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
<b>Total Expenses</b>		<b>20,484.28</b>	<b>13,341.22</b>
<b>5 Profit before tax (3-4)</b>		1,505.85	1,601.56
<b>6 Tax expense:</b>			
(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
<b>7 Profit for the year (5-6)</b>		<b>1,227.25</b>	<b>1,002.09</b>
<b>8 Earnings per share (of ₹ 2/- each):</b>			
Basic and diluted earnings per share	23.13	1.88	1.54
<b>See accompanying notes forming part of the financial statements</b>			

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)

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Managing Director)

**Ekta Kapoor**  
(Director)

Place : Mumbai  
Date : May 20, 2015

For **Snehal & Associates**  
Chartered Accountants

**Sameer Nair**  
(Group Chief Executive Officer)

**D.G.Rajan**  
(Director)

**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



# CASH FLOW STATEMENT

for the year ended March 31, 2015

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	1,505.85	1,601.56
<b>Adjustments for:</b>		
Depreciation	761.46	545.38
Advances written off	46.17	-
Provision for doubtful debts (net)	14.95	169.72
Profit on sale / discard of fixed assets(net)	-	2.68
Dividend / Profit on sale of long term investments (non-trade) (net)	(875.51)	(1,104.30)
Provision for dimunition of investment	465.81	-
Provision for earlier years written back (net)	(33.00)	-
Provision for doubtful debt written back	(12.00)	-
Interest income on Fixed Deposits	(16.20)	(9.00)
Operating profit / (loss) before working capital changes	1,857.53	1,206.04
<b>Adjustments for:</b>		
(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)
<b>NET CASH (USED IN)/ FROM OPERATING ACTIVITIES (A)</b>	<b>(148.22)</b>	<b>(30.74)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
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
	1,225.15	(511.01)
<b>NET CASH (USED IN)/ FROM INVESTING ACTIVITIES (B)</b>	<b>1,225.15</b>	<b>(511.01)</b>

# CASH FLOW STATEMENT (Contd.)

for the year ended March 31, 2014

₹ in Lacs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid (net of movement of unpaid dividend account)	(393.08)	(260.84)
Corporate dividend tax paid	(79.65)	(44.33)
<b>Net Cash Flow (Used In) Financing Activities (C)</b>	<b>(472.73)</b>	<b>(305.17)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	604.19	(846.92)
Cash and cash equivalents at the beginning of the year	<b>36.21</b>	<b>883.13</b>
<b>Cash and cash equivalents at the end of the year</b>	640.40	36.21
<b>See accompanying notes forming part of financial statements</b>		

**Note:**

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

	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>(ii) Cash and cash equivalents at the end of the year as per cashflow statement</b>	640.40	36.21
- Unpaid dividend accounts	5.65	7.47
- Fixed deposits kept in lien against bank guarantee	-	40.98
<b>Cash and cash equivalents at the end of the year as per Note 14</b>	<b>646.05</b>	<b>84.66</b>

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)

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Managing Director)

**Ekta Kapoor**  
(Director)

Place : Mumbai  
Date : May 20, 2015

For **Snehal & Associates**  
Chartered Accountants

**Sameer Nair**  
(Group Chief Executive Officer)

**D.G.Rajan**  
(Director)

**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

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# NOTES

## forming part of the financial statements

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### 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 financial 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.

#### 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.

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## NOTES

### forming part of the financial statements

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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.



# NOTES

forming part of the financial statements

## NOTE 3 SHARE CAPITAL

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

### 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.

## NOTE 4 RESERVES AND SURPLUS

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(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
<b>TOTAL</b>	<b>41,694.61</b>	<b>41,115.60</b>

# NOTES

forming part of the financial statements

## NOTE 5 OTHER CURRENT LIABILITIES

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(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
<b>TOTAL</b>	<b>17.37</b>	<b>348.73</b>

### Note

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

## NOTE 6 SHORT-TERM PROVISIONS

Particulars	₹ in Lacs	
	As at March 31, 2014	As at March 31, 2013
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
<b>TOTAL</b>	<b>791.89</b>	<b>331.55</b>

# NOTES

forming part of the financial statements

## NOTE 7 FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK			
	As at April 01, 2014	As at 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
<b>Tangible assets</b>										
Buildings (refer note a below)	469.36	3.21	-	472.57	73.09	7.89	-	-	80.98	391.59
	(469.36)	(-)	(-)	(469.36)	(65.44)	(7.65)	(-)	(-)	(73.09)	(396.27)
Plant and machinery - Computers	632.61	-	-	632.61	569.08	17.69	-	42.75	629.52	3.09
	(631.54)	(1.07)	(-)	(632.61)	(510.55)	(58.53)	(-)	(-)	(569.08)	(63.53)
Plant and machinery - Others	2,201.37	34.04	-	2,235.41	1,517.34	182.06	-	0.58	1,699.98	535.43
	(2,200.51)	(0.86)	(-)	(2,201.37)	(1,364.75)	(152.59)	(-)	(-)	(1,517.34)	(684.03)
Computers	397.34	4.17	-	401.51	359.59	8.02	-	26.30	393.91	7.60
	(390.69)	(6.65)	(-)	(397.34)	(344.28)	(15.31)	(-)	(-)	(359.59)	(37.75)
Studios and sets	4,734.13	1,147.16	-	5,881.29	4,641.15	291.38	-	-	4,932.53	948.76
	(4,716.84)	(17.29)	(-)	(4,734.13)	(4,471.53)	(169.62)	(-)	(-)	(4,641.15)	(92.98)
Vehicles	811.96	0.33	-	812.29	419.84	139.96	-	11.19	570.99	241.30
	(822.35)	(-)	(10.39)	(811.96)	(354.47)	(71.57)	(6.20)	(-)	(419.84)	(392.12)
Furniture and fixtures	303.85	1.66	-	305.51	175.07	57.29	-	22.10	254.46	51.05
	(304.23)	(-)	(0.38)	(303.85)	(156.29)	(19.06)	(0.28)	(-)	(175.07)	(128.78)
Office equipments	333.56	51.66	-	385.22	115.98	44.28	-	152.28	312.54	72.68
	(327.43)	(6.56)	(0.43)	(333.56)	(100.49)	(15.66)	(0.17)	(-)	(115.98)	(217.58)
Electrical fittings	89.68	2.00	-	91.68	27.54	12.89	-	7.25	47.68	44.00
	(89.68)	(-)	(-)	(89.68)	(23.32)	(4.22)	(-)	(-)	(27.54)	(62.14)
Lease Hold Improvements	386.41	-	-	386.41	386.36	-	-	0.05	386.41	-
	(386.41)	(-)	(-)	(386.41)	(355.19)	(31.17)	(-)	(-)	(386.36)	(0.05)
<b>Total</b>	<b>10,360.27</b>	<b>1,244.23</b>	<b>-</b>	<b>11,604.50</b>	<b>8,285.04</b>	<b>761.46</b>	<b>-</b>	<b>262.50</b>	<b>9,309.00</b>	<b>2,295.50</b>
	<b>(10,339.04)</b>	<b>(32.43)</b>	<b>(11.20)</b>	<b>(10,360.27)</b>	<b>(7,746.31)</b>	<b>(545.38)</b>	<b>(6.65)</b>	<b>(-)</b>	<b>(8,285.04)</b>	<b>(2,075.23)</b>

### Notes

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

# NOTES

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## NOTE 8 NON-CURRENT INVESTMENTS (UNQUOTED)

Particulars	₹ in Lacs	
	As at March 31, 2015 Unquoted	As at March 31, 2014 Unquoted
(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
	65.81	65.81
Less : Provision for dimunition 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 dimunition in value of investments	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
<b>TOTAL</b>	<b>6,656.39</b>	<b>6,676.69</b>



## NOTES

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### NOTE 9 LONG-TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(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
<b>TOTAL</b>	<b>2,427.43</b>	<b>3,698.00</b>

**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	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
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

### NOTE 10 OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(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
<b>TOTAL</b>	<b>41.55</b>	<b>10.59</b>

### NOTE 11 CURRENT INVESTMENTS (UNQUOTED)

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

# NOTES

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₹ in Lacs

Particulars	Face Value ₹	Numbers		Value	
		As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>IN UNITS OF MUTUAL FUNDS</b>					
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 -Invt-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 Cumulative	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 -DDRI	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
				<b>14,511.48</b>	<b>15,997.59</b>

# NOTES

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## NOTE 12 INVENTORIES

(At lower of cost and net realisable value)

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

## NOTE 13 TRADE RECEIVABLES (UNSECURED)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
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
	219.56	365.61
Less: Provision	174.75	176.06
	44.81	189.55
Other Trade receivables		
Considered good	5,856.89	2,962.10
<b>TOTAL</b>	<b>5,901.70</b>	<b>3,151.65</b>

## NOTE 14 CASH AND CASH EQUIVALENTS

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(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
<b>TOTAL</b>	<b>646.05</b>	<b>84.66</b>
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

## NOTE 15 SHORT-TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(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
<b>TOTAL</b>	<b>12,200.87</b>	<b>11,806.41</b>

## NOTES

forming part of the financial statements

### Note

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

### NOTE 16 OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

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

### NOTE 17 REVENUE FROM OPERATIONS

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
(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	-
<b>TOTAL</b>	<b>20,969.22</b>	<b>13,153.69</b>

### NOTE 18 OTHER INCOME

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
(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
<b>TOTAL</b>	<b>1,020.91</b>	<b>1,789.09</b>



## NOTES

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### NOTE 19 COST OF PRODUCTION OF TELEVISION SERIALS

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Opening stock of television serials / tapes	652.09	346.27
Add: Cost of production		
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
<b>TOTAL</b>	<b>16,680.47</b>	<b>10,059.66</b>

### NOTE 20 EMPLOYEE BENEFITS EXPENSE

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries and wages	829.54	657.36
Contributions to Provident and Other Funds	40.38	35.81
Staff welfare expenses	36.41	28.73
<b>TOTAL</b>	<b>906.33</b>	<b>721.90</b>

### NOTE 21 FINANCE COSTS

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest expense on delayed payment of taxes etc.	27.93	118.86
<b>TOTAL</b>	<b>27.93</b>	<b>118.86</b>

# NOTES

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## NOTE 22 OTHER EXPENSES

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
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
<b>TOTAL</b>	<b>2,108.09</b>	<b>1,895.42</b>

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

## NOTES

forming part of the financial statements

### NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS

		₹ in Lacs	
		As at March 31, 2015	As at March 31, 2014
<b>23.1 Contingent liabilities (to the extent not provided for)</b>			
<b>A Contingent Liabilities</b>			
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 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 previous 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
<b>23.2 Commitments (to the extent not provided for)</b>			
Commitments :			
Future commitments towards capital contribution in Indus Balaji Investor Trust		800.00	800.00

## NOTES

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### NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (CONTD.)

**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

Particulars	₹ in Lacs	
	For the year 2014-2015	For the year 2013-2014
For Statutory Audit	19.00	17.00
For Tax Audit	1.00	1.00
For Taxation matters	2.50	2.50
For Other services-certification etc.	9.30	6.30
Reimbursement of expenses	0.85	0.37
For service tax	4.04	3.36
<b>TOTAL</b>	<b>36.69</b>	<b>30.53</b>

**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	685.67
		(452.97)	(452.97)
Event Media LLP	Subsidiary Body Corporate	438.12	1,149.75
		(-)	(-)

Note: Figures in bracket relate to the previous year.



# NOTES

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## NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (CONTD.)

### 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

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
<b>Loans given</b>							
Balaji Motion Pictures Limited	5,187.23	-	-	-	-	-	5,187.23
	(10,316.23)	(-)	(-)	(-)	(-)	(-)	(10,316.23)
Bolt Media Ltd	534.38	-	-	-	-	-	534.38
	(479.86)	(-)	(-)	(-)	(-)	(-)	(479.86)
Event Media LLP	-	-	-	-	1,149.75	-	1,149.75
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Loans Recovered/ Adjusted</b>							
Balaji Motion Pictures Limited	6,170.85	-	-	-	-	-	6,170.85
	(13,922.70)	(-)	(-)	(-)	(-)	(-)	(13,922.70)
Bolt Media Ltd	410.00	-	-	-	-	-	410.00
	(100.02)	(-)	(-)	(-)	(-)	(-)	(100.02)
Event Media LLP	-	-	-	-	711.63	-	711.63
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Directors sitting fees</b>							
Mr. Jeetendra Kapoor	-	1.80	-	-	-	-	1.80
	(-)	(0.60)	(-)	(-)	(-)	(-)	(0.60)
Mr. Tusshar Kapoor	-	0.65	-	-	-	-	0.65
	(-)	(0.60)	(-)	(-)	(-)	(-)	(0.60)
<b>Sale of Rights</b>							
Balaji Motion Pictures Limited	62.00	-	-	-	-	-	62.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Facilities / equipment hire Income</b>							
Balaji Motion Pictures Limited	4.68	-	-	-	-	-	4.68
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Intellectual property rights purchased</b>							
Marinating Films Private Limited	5.00	-	-	-	-	-	5.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Production Expense</b>							
Bolt Media Ltd	-	-	-	-	-	-	-
	(40.00)	(-)	(-)	(-)	(-)	(-)	(40.00)

# NOTES

forming part of the financial statements

## NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS

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
<b>Rent paid</b>							
Mr. Jeetendra Kapoor	-	31.10	-	-	-	-	31.10
	(-)	(29.34)	(-)	(-)	(-)	(-)	(29.34)
Mrs. Shobha Kapoor	-	1,246.49	-	-	-	-	1,246.49
	(-)	(723.67)	(-)	(-)	(-)	(-)	(723.67)
Mr. Tusshar Kapoor	-	11.69	-	-	-	-	11.69
	(-)	(11.03)	(-)	(-)	(-)	(-)	(11.03)
Ms. Ekta Kapoor	-	133.03	-	-	-	-	133.03
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Location Hire</b>							
Balaji Films & Telly Investments Limited	-	-	-	41.00	-	-	41.00
	(-)	(-)	(-)	(91.24)	(-)	(-)	(91.24)
<b>Rent Received</b>							
Balaji Motion Pictures Limited	-	-	-	-	-	-	-
	(12.00)	(-)	(-)	(-)	(-)	(-)	(12.00)
<b>Interest Income on Loan Given</b>							
Event Media LLP	-	-	-	-	12.46	-	12.46
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Deposit paid</b>							
Balaji Motion Pictures Limited	-	-	-	-	-	-	-
	(1.00)	(-)	(-)	(-)	(-)	(-)	(1.00)
<b>Remuneration</b>							
Mrs. Shobha Kapoor	-	110.12	-	-	-	-	110.12
	(-)	(110.12)	(-)	(-)	(-)	(-)	(110.12)
Ms. Ekta Kapoor (upto August 31, 2013)	-	-	-	-	-	-	-
	(-)	(51.25)	(-)	(-)	(-)	(-)	(51.25)
Sameer Nair (from July 15, 2014)	-	282.09	-	-	-	-	282.09
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Dividend paid</b>							
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)
<b>Investment made</b>							
Event Media LLP	-	-	-	-	0.51	-	0.51
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Marinating Films Private Limited	345.00	-	-	-	-	-	345.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Amount receivable as at March 31, 2015</b>							
Mrs. Shobha Kapoor *	-	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
	(-)	(-)	(-)	(-)	(-)	(-)	(-)

# NOTES

forming part of the financial statements

## NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS

Nature of Transactions	Subsidiary Company	Key Management Person	Relative of Key Management Person	Key management person having significant influence	Subsidiary Body Corporate	Associate	Total
<b>Amount payable as at March 31, 2015</b>							
Balaji Motion Pictures Limited	1.00	-	-	-	-	-	1.00
Balaji Films & Telly Investments Limited	(1.00)	(-)	(-)	(-)	(-)	(-)	(1.00)
Marinating Films Private Limited	0.25	-	-	-	-	-	0.25
	(-)	(-)	(-)	(10.44)	(-)	(-)	(10.44)
<b>Investment as on March 31, 2015</b>							
Balaji Motion Pictures Limited	3,000.00	-	-	-	-	-	3,000.00
Bolt Media Ltd	5.00	-	-	-	-	-	5.00
Marinating Films Private Limited	445.00	-	-	-	-	-	445.00
Event Media LLP	-	(-)	(-)	(-)	(-)	(-)	(-)
IPB Capital Advisors LLP	(-)	(-)	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)	(-)	(0.50)	(0.50)

\* - Deposit for leased property

### Note

- 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.
- Figures in bracket relate to the previous year.

### 23.9 Income in foreign currency

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

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

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
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

# NOTES

forming part of the financial statements

## NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

### 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
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

II Movement in net liability recognized in the Balance Sheet

	As at 31 March, 2015	As at 31 March, 2014
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
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
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
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



# NOTES

forming part of the financial statements

## NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

### VI Reconciliation of plan assets

	For the Year ended March 31, 2015	For the Year ended March 31, 2014
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

### VII Experience Adjustment

	For the Year 2014-2015	For the year 2013-14	For the year 2012-13	For the year 2011-12	For the year 2010-11
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
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
(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

## NOTES

forming part of the financial statements

### NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

#### 23.14 Components of Deferred tax assets / (liabilities)

	For the Year ended March 31, 2015	₹ in Lacs For the Year ended March 31, 2014
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 accounts in respect of operating leases is ₹ 1,572.02 Lacs (previous year ₹ 764.35 Lacs).

#### 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
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%
		<b>1.000</b>	<b>100%</b>		<b>1.000</b>	<b>100%</b>
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 Ralhan	0.500	25.00%	Mohit Ralhan	0.500	25.00%
	IPM Capital Advisors LLP	0.500	25.00%	IPM Capital Advisors LLP	0.500	25.00%
		<b>2.000</b>	<b>100%</b>		<b>2.000</b>	<b>100%</b>
Event Media LLP	Balaji Telefilms Limited	0.510	51.00%	-	-	-
	Select Media Holdings Ltd	0.490	49.00%	-	-	-
		<b>1.000</b>	<b>100%</b>	-	-	-

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

# NOTES

forming part of the financial statements

## NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

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	Not Applicable		
Current investments (Refer note 11)		14,511.48			

### 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 ₹ 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.

### 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)

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Managing Director)

**Ekta Kapoor**  
(Director)

Place : Mumbai  
Date : May 20, 2015

For **Snehal & Associates**  
Chartered Accountants

**Sameer Nair**  
(Group Chief Executive Officer)

**D.G.Rajan**  
(Director)

**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

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# INDEPENDENT AUDITORS' REPORT

To The Members of Balaji Telefilms Limited

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## 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 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 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



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accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31st March, 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 ₹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 Matters**

The consolidated financial statements include the financial statement of four subsidiary entities which reflect total assets (net) of ₹ (4030.05) lacs as at March 31, 2015, total revenues of ₹ 13,761.98 lacs and net cash flows amounting to ₹ (279.90) lacs for the year ended on that date, and also include the Group's share of net loss of ₹ (1.06) lacs for the year ended March 31, 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;
  - (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:

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- 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)

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

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

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

# ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

## On The Consolidated Financial Statements

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the consolidated financial statement 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, 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 explanation given to us and the other auditors, no material discrepancies were noticed on such verification.
- (ii) The activities of the Holding Company, 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 ₹ 10,559.12 lacs to its two wholly owned subsidiary companies and interest bearing loan to one subsidiary body corporate amounting to ₹ 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 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 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 associates:
  - (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 generally been deposited 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 (₹ 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:

<b>Name of Statute</b>	<b>Nature of dues</b>	<b>Forum where dispute is pending</b>	<b>Financial Year to which amount relates</b>	<b>Amount (₹ in Lacs)</b>
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.
- (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)

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

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

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



# CONSOLIDATED BALANCE SHEET

as at March 31, 2015

Particulars	Note No.	₹ in Lakhs	
		As at March 31, 2015	As at March 31, 2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(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
<b>2 Current liabilities</b>			
(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
<b>TOTAL</b>		<b>42,961.07</b>	<b>43,470.06</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	7		
(i) Tangible assets		2,698.36	2,234.83
(ii) 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
<b>2 Current assets</b>			
(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
<b>TOTAL</b>		<b>42,961.07</b>	<b>43,470.06</b>
<b>See accompanying notes forming part of financial statements.</b>			

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)

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Managing Director)

**Ekta Kapoor**  
(Director)

Place : Mumbai  
Date : May 20, 2015

For **Snehal & Associates**  
Chartered Accountants

**Sameer Nair**  
(Group Chief Executive Officer)

**D.G.Rajan**  
(Director)

**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

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2015

Particulars	Note No.	₹ in Lakhs	
		For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
<b>1 Revenue</b>			
Revenue from Operations	17	34,648.77	40,746.01
<b>2 Other income</b>	18	1,103.33	1,798.40
<b>3 Total Revenue (1+2)</b>		<b>35,752.10</b>	<b>42,544.41</b>
<b>4 Expenses</b>			
(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
<b>Total Expenses</b>		<b>34,903.70</b>	<b>43,664.29</b>
<b>5 Profit / (Loss) before tax (3-4)</b>		848.40	(1,119.88)
<b>6 Tax expense:</b>			
(a) Current tax		517.17	364.17
(b) Less: MAT credit		-	(70.00)
(c) Deferred tax	23.13	(231.40)	(103.70)
(d) Short/(Excess) provision for tax in respect for earlier years		-	409.00
		285.77	599.47
<b>7 Profit / (Loss) for the year (5-6)</b>		562.63	(1,719.35)
<b>8 Share in the loss of associates</b>		(1.06)	(1.89)
<b>9 Profit / (Loss) for the year (7+8)</b>		<b>561.57</b>	<b>(1,721.24)</b>
<b>10 Earnings per share (of ₹ 2/- each): (refer note 23.12)</b>			
Basic and diluted earnings per share		0.86	(2.64)
<b>See accompanying notes forming part of the financial statements</b>			

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)

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Managing Director)

**Ekta Kapoor**  
(Director)

Place : Mumbai  
Date : May 20, 2015

For **Snehal & Associates**  
Chartered Accountants

**Sameer Nair**  
(Group Chief Executive Officer)

**D.G.Rajan**  
(Director)

**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

# CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2015

Particulars	₹ in Lakhs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) for the year	848.40	(1,119.88)
<b>Adjustments for:</b>		
Depreciation	827.35	603.18
Advances written off	188.68	-
Credit balances written back	(6.70)	-
Bad debts written off	1.90	-
Provision for doubtful debts and advances	14.95	169.72
Loss on sale / discard of fixed assets(net)	11.72	3.28
provison on diminition on investment	465.81	-
Dividend / Profit on sale of long term investments (non-trade) (net)	(875.51)	(1,104.30)
Provision for earlier years written back (net)	(39.63)	(3.14)
Provision for doubtful debt written back	(12.00)	-
Interest income on Fixed Deposits	(16.29)	(15.17)
<b>Operating (loss) /profit before working capital changes</b>	<b>1,408.68</b>	<b>(1,466.31)</b>
<b>Adjustments for:</b>		
(Increase) in trade and other receivable	(4,931.88)	(2,522.44)
Decrease in inventories	4,229.30	8,060.22
(Decrease) / Increase in trade payables and other payables	(768.31)	809.14
Cash used in operations	(62.21)	4,880.61
Income-tax (paid) / refund received	(122.44)	(1,017.36)
<b>NET CASH (USED IN) / FROM OPERATING ACTIVITIES (A)</b>	<b>(184.65)</b>	<b>3,863.25</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(1,477.99)	(239.95)
Sale of fixed assets	-	3.17
Acquisition of Subsidiary (Refer Note 24.20(a))	(100.00)	-
Purchase of investments	(6,125.00)	(19,085.17)
Sale of investments	8,679.88	16,005.75
Investment in Trust / Limited Liability Partnership	-	(500.00)
Bank Balance not considered as cash and cash equivalents (Refer Note 14)	(5.65)	(63.49)
Interest income	10.42	11.38
<b>NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B)</b>	<b>981.66</b>	<b>(3,868.31)</b>

## CONSOLIDATED CASH FLOW STATEMENT (Contd.)

for the year ended March 31, 2015

₹ in Lakhs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	(393.08)	(260.84)
Corporate dividend tax paid	(79.65)	(44.33)
<b>NET CASH FLOW (USED IN) FINANCING ACTIVITIES (C)</b>	<b>(472.73)</b>	<b>(305.17)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>324.28</b>	<b>(310.23)</b>
<b>Cash Acquired on Acquisition (Refer Note 24.20(a))</b>	<b>39.21</b>	-
<b>Cash and cash equivalents at the beginning of the year</b>	<b>727.47</b>	<b>1,037.70</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,090.96</b>	<b>727.47</b>

**Notes:**

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

	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>(ii) Cash and cash equivalents at the end of the year as per cashflow statement</b>	<b>1,090.96</b>	<b>727.47</b>
- Unpaid dividend accounts	5.65	7.47
- Fixed deposits kept in lien against bank guarantee	-	40.98
<b>Cash and cash equivalents at the end of the year as per Note 14</b>	<b>1,096.61</b>	<b>775.92</b>

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)

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Managing Director)

**Ekta Kapoor**  
(Director)

Place : Mumbai  
Date : May 20, 2015

For **Snehal & Associates**  
Chartered Accountants

**Sameer Nair**  
(Group Chief Executive Officer)

**D.G.Rajan**  
(Director)

**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



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# NOTES

## forming part of the consolidated financial statements

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### 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 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).

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.

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# NOTES

## forming part of the consolidated financial statements

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### 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
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.

### 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.

## NOTES

forming part of the consolidated 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.

### NOTE 3 SHARE CAPITAL

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

#### 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.

# NOTES

forming part of the consolidated financial statements

## NOTE 4 RESERVES AND SURPLUS

Particulars	₹ in Lakhs	
	As at March 31, 2015	As at March 31, 2014
(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 share)	391.26	260.84
Tax on dividend	79.65	44.33
Transferred to General reserve	122.72	100.21
Closing balance	16,954.73	17,165.76
<b>TOTAL</b>	<b>36,873.44</b>	<b>36,961.75</b>

## NOTE 5 OTHER CURRENT LIABILITIES

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

### Note

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

## NOTE 6 SHORT-TERM PROVISIONS

Particulars	₹ in Lakhs	
	As at March 31, 2015	As at March 31, 2014
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
<b>TOTAL</b>	<b>794.50</b>	<b>332.03</b>



# 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))	As at April 1, 2014	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	3.21	-	73.09	-	7.89	-	-	80.98	391.59
	(469.36)	(-)	(-)	(65.44)	(-)	(7.65)	(-)	(-)	(73.09)	(396.27)
Plant and machinery - Computers	649.61	4.50	-	585.12	-	19.51	-	43.55	648.18	5.93
	(648.60)	(1.07)	(-)	(523.78)	(-)	(61.37)	(0.03)	(-)	(585.12)	(64.49)
Plant and machinery - Others	2,270.56	180.24	6.98	1,523.52	1.33	196.29	1.33	0.58	1,720.39	730.41
	(2,200.51)	(70.05)	(-)	(1,364.75)	(-)	(159.40)	(-)	(-)	(1,523.52)	(747.04)
Computers	418.27	6.23	-	366.16	-	14.22	-	27.14	407.52	16.98
	(398.16)	(20.48)	(-)	(349.04)	(-)	(17.49)	(0.37)	(-)	(366.16)	(52.11)
Studios and sets	4,756.63	1,147.16	-	4,663.65	-	291.38	-	-	4,955.03	948.76
	(4,716.84)	(39.79)	(-)	(4,471.53)	(-)	(192.12)	(-)	(-)	(4,663.65)	(92.98)
Vehicles	813.48	154.33	-	419.98	-	150.40	-	11.19	581.57	386.24
	(822.35)	(1.52)	(-)	(354.47)	(-)	(71.71)	(6.20)	(-)	(419.98)	(393.50)
Furniture and fixtures	311.70	1.66	6.49	175.15	1.23	58.15	1.23	22.10	255.40	57.96
	(305.88)	(6.78)	(-)	(156.34)	(-)	(19.82)	(0.43)	(-)	(175.15)	(136.55)
Office equipments	373.05	55.69	1.01	117.53	0.20	53.90	0.20	152.28	323.71	105.03
	(336.61)	(38.34)	(-)	(101.04)	(-)	(16.78)	(0.19)	(-)	(117.53)	(255.52)
Electrical fittings	89.68	2.00	-	27.54	-	12.89	-	7.25	47.68	44.00
	(89.68)	(-)	(-)	(23.32)	(-)	(4.22)	(-)	(-)	(27.54)	(62.14)
Lease Hold Improvements	454.70	-	-	420.47	-	22.72	-	0.05	443.24	11.46
	(454.70)	(-)	(-)	(366.54)	(-)	(53.93)	(-)	(-)	(420.47)	(34.23)
<b>Total</b>	<b>10,607.04</b>	<b>1,555.02</b>	<b>14.48</b>	<b>8,372.21</b>	<b>2.76</b>	<b>827.35</b>	<b>2.76</b>	<b>264.14</b>	<b>9,463.70</b>	<b>2,698.36</b>
	<b>(10,442.69)</b>	<b>(178.03)</b>	<b>(-)</b>	<b>(7,776.25)</b>	<b>(-)</b>	<b>(603.18)</b>	<b>(7.22)</b>	<b>(-)</b>	<b>(8,372.21)</b>	<b>(2,234.83)</b>

### 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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## NOTE 8 NON-CURRENT INVESTMENTS

Particulars	₹ in Lakhs	
	As at March 31, 2015 Unquoted	As at March 31, 2014 Unquoted
(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 dimution 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 dimution 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 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
<b>TOTAL</b>	<b>3,204.82</b>	<b>3,669.80</b>

## NOTE 9 LONG TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE TREATED)

Particulars	₹ in Lakhs	
	As at March 31, 2015	As at March 31, 2014
(a) Capital Advances	-	400.00
(b) Security Deposits (Refer Note below)		
Considered good	942.94	967.27
Considered doubtful	50.92	46.66
	993.86	1,013.93
Less: Provision	50.92	46.66
(c) Loan to Balaji Employees Foundation Trust	-	1,000.00
(d) Advance to vendors	2,835.56	1,239.40
(e) Advance income - tax (Net of provisions ₹ 1,365.90 lacs (As at March 31, 2014, ₹ 652.26 lacs))	2,615.84	2,866.58
(f) MAT credit entitlement	-	70.00
<b>TOTAL</b>	<b>6,394.34</b>	<b>6,543.25</b>

**Note:** Security Deposit include deposits given to Directors for the properties taken on lease from them (also refer note 23.7b)

## NOTES

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Particulars	₹ in Lakhs	
	As at March 31, 2015	As at March 31, 2014
Directors	840.00	840.00
Maximum amount outstanding at any time during the year for the above deposits.	840.00	840.00

### NOTE 10 OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE TREATED)

Particulars	₹ in Lakhs	
	As at March 31, 2015	As at March 31, 2014
(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
<b>TOTAL</b>	<b>41.55</b>	<b>10.59</b>

### NOTE 11 CURRENT INVESTMENTS (UNQUOTED)

Particulars	₹ in Lakhs	
	As at March 31, 2015	As at March 31, 2014
(Non trade) (at lower of cost and fair value)		
Investment in mutual funds (Refer note below)	14,511.48	15,997.59
<b>TOTAL</b>	<b>14,511.48</b>	<b>15,997.59</b>

#### Note:

Particulars	Face Value ₹	Numbers		Value	
		As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
<b>IN UNITS OF MUTUAL FUNDS</b>					
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

## NOTES

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### NOTE 11 CURRENT INVESTMENTS (CONTD.)

₹ in Lakhs

Particulars	Face Value ₹	Numbers		Value	
		As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
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 -Invst-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 -DDRI	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-Invtestment Plan-Growth	10	231,296.33	688,482.38	67.19	200.00
<b>TOTAL</b>				<b>14,511.48</b>	<b>15,997.59</b>

## NOTES

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### NOTE 12 INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

Particulars	₹ in Lakhs	
	As at March 31, 2015	As at March 31, 2014
a) Serials	518.54	1,130.35
b) Events	267.51	-
c) Films	2,238.50	5,871.76
<b>TOTAL</b>	<b>3,024.55</b>	<b>7,002.11</b>

### NOTE 13 TRADE RECEIVABLES (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE TREATED)

Particulars	₹ in Lakhs	
	As at March 31, 2015	As at March 31, 2014
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Considered good	196.99	246.73
Considered doubtful	174.75	176.06
	371.74	422.79
Less: Provision	174.75	176.06
	196.99	246.73
Other Trade receivables		
Considered good	6,502.82	3,607.53
<b>TOTAL</b>	<b>6,699.81</b>	<b>3,854.26</b>

### NOTE 14 CASH AND CASH EQUIVALENTS

Particulars	₹ in Lakhs	
	As at March 31, 2015	As at March 31, 2014
(a) Cash on hand	44.14	23.62
(b) Balances with banks		
(i) In current accounts	1,046.28	695.85
(ii) In deposit accounts	0.54	8.00
(iii) In earmarked accounts	-	-
- Unpaid dividend accounts	5.65	7.47
- Fixed deposits kept in lien against bank guarantee	-	40.98
<b>TOTAL</b>	<b>1,096.61</b>	<b>775.92</b>
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	1,090.96	727.47



## NOTES

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### NOTE 15 SHORT-TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

₹ in Lakhs

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Loans and advances to employees	41.50	8.23
(b) Prepaid expenses	309.17	77.57
(c) Balances with government authorities (VAT, service tax etc.)	789.69	764.75
(d) Advance to vendors	2,165.93	1,292.87
(e) Security Deposit	35.05	0.05
<b>TOTAL</b>	<b>3,341.34</b>	<b>2,143.47</b>

### NOTE 16 OTHER CURRENT ASSETS

₹ in Lakhs

Particulars	As at March 31, 2015	As at March 31, 2014
Unbilled revenue	1,210.18	894.75
Interest accrued on fixed deposits with banks- under lien	-	3.16
<b>TOTAL</b>	<b>1,210.18</b>	<b>897.91</b>

### NOTE 17 REVENUE FROM OPERATIONS

₹ in Lakhs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Sale of services		
Commissioned Sales	23,336.05	13,342.56
Internet Sales	6.36	7.33
Sale of film rights	10,919.28	27,134.33
Service Income	3.75	5.50
(b) Other operating revenues		
Sale of Scrap	-	0.27
Excess provision for earlier years written back	33.00	35.01
Recovery of advances written-off	57.02	-
Facilities hire charges	121.00	130.35
Service income	68.00	90.66
Sale of movie rights / concepts	92.31	-
Provision for doubtful debts / advances written back	12.00	-
<b>TOTAL</b>	<b>34,648.77</b>	<b>40,746.01</b>

## NOTES

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### NOTE 18 OTHER INCOME

₹ in Lakhs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(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
<b>TOTAL</b>	<b>1,103.33</b>	<b>1,798.40</b>

### NOTE 19 COST OF PRODUCTION OF TELEVISION SERIALS / FILMS

₹ in Lakhs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
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
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	30,522.33
Less: Reimbursement of Expenses	292.77	-
	32,677.78	45,511.15
Less: Closing stock of television serials / films/ Events	3,024.54	7,002.13
<b>TOTAL</b>	<b>29,653.24</b>	<b>38,509.02</b>

\*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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### NOTE 20 EMPLOYEE BENEFIT EXPENSE

Particulars	₹ in Lakhs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
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
<b>TOTAL</b>	<b>1,523.05</b>	<b>1,639.72</b>

### NOTE 21 FINANCE COSTS

Particulars	₹ in Lakhs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest expense on delayed payment of taxes etc.	33.75	137.31
Interest on Capital	0.03	-
<b>TOTAL</b>	<b>33.78</b>	<b>137.31</b>

### NOTE 22 OTHER EXPENSES

Particulars	₹ in Lakhs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
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 diminution 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
<b>TOTAL</b>	<b>2,866.28</b>	<b>2,775.06</b>

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

## NOTES

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### NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS

	As at March 31, 2015	As at March 31, 2014
₹ in Lakhs		
<b>23.1 Contingent liabilities and commitments (to the extent not provided for)</b>		
<b>A Contingent Liabilities</b>		
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 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 previous 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

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## NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

		₹ in Lakhs	
<b>B</b>	<b>Commitments :</b>		
	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

Particulars	₹ in Lakhs	
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
For Statutory Audit	34.95	27.45
For Tax Audit	2.50	2.50
For Taxation matters	5.00	5.00
For other services - certification etc.	10.30	7.30
Reimbursement of expenses	1.12	0.60
For Service Tax	6.66	5.30
<b>TOTAL</b>	<b>60.53</b>	<b>48.15</b>

**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	₹ in Lakhs
			% of ownership interest and voting power
Balaji Motion Pictures Limited	Subsidiary	India	100%
Bolt Media Limited	Subsidiary	India	100%
Marinating Films Private Limited	Subsidiary	India	51%
Event Media LLP	Subsidiary	India	51%
IPB Capital Advisors LLP	Associate	India	50%



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## 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 Limited	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
Raksha 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	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	₹ in Lakhs	
							Total	
<b>Directors sitting fees</b>								
Mr. Jeetendra Kapoor	2.65	-	-	-	-	-	2.65	
	(1.00)	(-)	(-)	(-)	(-)	(-)	(1.00)	
Mr. Tusshar Kapoor	0.90	-	-	-	-	-	0.90	
	(0.60)	(-)	(-)	(-)	(-)	(-)	(0.60)	
<b>Rent paid</b>								
Mr. Jeetendra Kapoor	46.65	-	-	-	-	-	46.65	
	(44.00)	(-)	(-)	(-)	(-)	(-)	(44.00)	
Mrs. Shobha Kapoor	1,246.49	-	-	-	-	-	1,246.49	
	(723.67)	(-)	(-)	(-)	(-)	(-)	(723.67)	
Mr. Tusshar Kapoor	11.69	-	-	-	-	-	11.69	
	(12.13)	(-)	(-)	(-)	(-)	(-)	(12.13)	
Ms. Ekta Kapoor	146.27	-	-	-	-	-	146.27	
	(12.49)	(-)	(-)	(-)	(-)	(-)	(12.49)	
<b>Location Hire</b>								
Balaji Films & Telly Investments Limited	-	-	41.00	-	-	-	41.00	
	(-)	(-)	(91.24)	(-)	(-)	(-)	(91.24)	
Capital Advances given	-	-	-	-	-	-	0.00	
M/s. J K Developers	(-)	(-)	(-)	(-)	(400.00)	(-)	(400.00)	
<b>Capital Advances returned</b>								
M/s. J K Developers	-	-	-	-	400.00	-	400.00	
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	
<b>Interest received on Capital Advances</b>								
M/s. J K Developers	-	-	-	-	56.27	-	56.27	
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	
<b>Purchase of rights</b>								
Balaji Films & Telly Investments Limited	-	-	101.00	-	-	-	101.00	
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	

# NOTES

forming part of the consolidated financial statements

## NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

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	₹ in Lakhs
							Total
<b>Remuneration</b>							
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)	286.09	-	-	-	-	-	286.09
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Artist fees</b>							
Mr. Tusshar Kapoor	50.00	-	-	-	-	-	50.00
	(21.50)	(-)	(-)	(-)	(-)	(-)	(21.50)
<b>Legal and Professional charges</b>							
Mr. Ramesh Sippy	-	1.20	-	-	-	-	1.20
	(-)	(3.20)	(-)	(-)	(-)	(-)	(3.20)
<b>Sale of film rights</b>							
Raksha Entertainment Pvt Ltd	-	-	-	31.39	-	-	31.39
	(-)	(-)	(-)	(116.45)	(-)	(-)	(116.45)
<b>Dividend paid</b>							
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)
<b>Amount receivable as at March 31, 2015</b>							
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)
Ms. Ekta Kapoor *	100.00	-	-	-	-	-	100.00
	(100.00)	(-)	(-)	(-)	(-)	(-)	(100.00)
Raksha Entertainment Pvt Ltd	-	-	-	9.76	-	-	9.76
	(-)	(-)	(-)	(31.45)	(-)	(-)	(31.45)
<b>Amount payable as at March 31, 2015</b>							
Balaji Films & Telly Investments Limited	-	-	-	-	-	-	-
	(-)	(-)	(10.44)	(-)	(-)	(-)	(10.44)
<b>Investment as on March 31, 2015</b>							
IPB Capital Advisors LLP	-	-	-	-	-	0.50	0.50
	(-)	(-)	(-)	(-)	(-)	(0.50)	(0.50)

\* - Deposit for leased property

### Note

- 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.
- Figures in bracket relate to the previous year.

## NOTES

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### 23.8 Income in foreign currency

	For the year ended March 31, 2015	₹ in Lakhs For the year ended March 31, 2014
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	₹ in Lakhs For the year ended March 31, 2014
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

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

	For the year ended March 31, 2015	₹ in Lakhs For the year ended March 31, 2014
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)	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 ₹ 68.63 Lacs (previous year ₹ 59.61 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, 2015	₹ in Lakhs As at March 31, 2014
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

## NOTES

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### NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

#### II Movement in net liability recognized in the Balance Sheet

	As at March 31, 2015	As at March 31, 2014
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)

₹ in Lakhs

#### 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
Current Service Cost	9.43	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

₹ in Lakhs

#### IV Return on Plan Assets

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

₹ in Lakhs

#### V Reconciliation of defined benefits commitments

	For the year ended March 31, 2015	For the year ended March 31, 2014
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

₹ in Lakhs

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## VI Reconciliation of plan assets

	For the year ended March 31, 2015	For the year ended March 31, 2014
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
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
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



## NOTES

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### NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

#### 23.13 Components of Deferred tax Assets / (Liabilities)

	As at March 31, 2015	As at March 31, 2014
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	-
<b>Deferred tax asset/ (liability)-net</b>	<b>Total 569.35</b>	<b>252.77</b>

₹ in Lakhs

#### 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).

#### 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:

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

₹ in Lakhs

	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	-	-	-	-	-	-
<b>Total Revenue</b>	<b>23,344.79</b>	<b>13,348.06</b>	<b>10,919.28</b>	<b>27,134.33</b>	<b>34,264.07</b>	<b>40,482.39</b>
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)	<b>848.82</b>	<b>(1119.88)</b>
Tax expense			-	-	(286.17)	(599.47)
<b>Profit for the year</b>	<b>4,431.98</b>		<b>(469.40)</b>	<b>(2,627.48)</b>	<b>562.65</b>	<b>(1719.35)</b>
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
<b>Total assets</b>					<b>43,061.53</b>	<b>43,470.06</b>
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
<b>Total Liabilities</b>					<b>4,884.15</b>	<b>5,204.10</b>
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 group 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 group in the previous year had two reportable geographical segments based on location of customers:

- Revenue from customers within India – Local

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ii) Revenue from customers outside India – Export

	Export Previous Year	Local Previous Year	₹ in Lakhs Total 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

**NOTE 23 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)**

**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%
		<b>1.000</b>	<b>100.00%</b>		<b>1.000</b>	<b>100%</b>
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 Ralhan	0.500	25.00%	Mohit Ralhan	0.500	25.00%
	IPM Capital Advisors LLP	0.500	25.00%	IPM Capital Advisors LLP	0.500	25.00%
		<b>2.000</b>	<b>100.00%</b>		<b>2.000</b>	<b>100%</b>
Event Media LLP	Balaji Telefilms Limited	0.510	51.00%	-	-	-
	Select Media Holdings Limited	0.490	49.00%	-	-	-
		<b>1.000</b>	<b>100.00%</b>			

**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.

(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 the 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 Lacs 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**

			Share of profit or loss	
	As % of consolidated net assets	Amount (₹ Lacs)	As % of consolidated profit or loss	Amount (₹ Lacs)
<b>Subsidiaries:</b>				
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)
<b>Associates:</b>				
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.

**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)

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Managing Director)

**Ekta Kapoor**  
(Director)

Place : Mumbai  
Date : May 20, 2015

For **Snehal & Associates**  
Chartered Accountants

**Sameer Nair**  
(Group Chief Executive Officer)

**D.G.Rajan**  
(Director)

**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

# DIRECTORS' REPORT

Your Directors take pleasure in presenting the 9th Annual Report together with the audited statement of accounts of the Company for the year ended March 31, 2015.

## FINANCIAL RESULTS:

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

Particulars	₹ in Lacs	
	2014-15	2013-14
<b>Income</b>		
Turnover	10,976.30	27,169.34
Other income	97.28	9.31
<b>Total</b>	<b>11,073.58</b>	<b>27,178.65</b>
<b>Expenditure</b>	<b>11,544.84</b>	<b>29,752.50</b>
<b>(Loss) / Profit before depreciation, interest &amp; tax</b>	<b>(471.26)</b>	<b>(2,573.85)</b>
Finance costs	1.21	18.45
Depreciation and amortization	63.62	35.18
<b>(Loss) / Profit before tax</b>	<b>(536.09)</b>	<b>(2,627.48)</b>
Provision for taxation	-	-
<b>(Loss) / Profit after tax</b>	<b>(536.09)</b>	<b>(2,627.48)</b>
Balance brought forward from previous year	(4,006.57)	(1,379.09)
<b>Depreciation on account of transitional provisions of Schedule II of Companies Act 2013</b>	<b>(1.64)</b>	-
<b>Total</b>	<b>(4,544.30)</b>	<b>(4,006.57)</b>
Appropriations :	-	-
<b>General reserve</b>	<b>(4,544.30)</b>	<b>(4,006.57)</b>
<b>Balance carried to the balance sheet</b>	<b>(4,544.30)</b>	<b>(4,006.57)</b>

## OPERATIONS AND BUSINESS PERFORMANCE:

Balaji Motion Pictures Limited (BMPL) achieved a turnover of ₹ 11,073.58 Lacs as against ₹ 27,178.65 Lacs achieved during the previous fiscal. In the current financial year, BMPL has reported loss of ₹ 536.09 Lacs, as against loss of ₹ 2,627.48 Lacs in the previous fiscal.

## FINANCIAL STATEMENTS:

The Audited Financial Statements for the year ended March 31, 2015, are annexed to this Report.

## TRANSFER TO RESERVES:

The Company does not propose to transfer any amount to the reserves.

## DIVIDEND:

In view of the loss, your Directors do not recommend any dividend for the financial year ended March 31, 2015.

## PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any Deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014.

## MATERIAL CHANGES AND COMMITMENTS:

In our view, there are no material changes and commitments occurred between end of the current financial year 2014-15 and the date of this report, which have effect over the financial position of the Company.

## DIRECTORS:

Mr. V.B. Dalal was appointed as Additional (Non-Executive) Director of the Company w.e.f. August 12, 2014. As per the provisions of Section 161 of the Companies Act, 2013 he will hold office upto the date of the ensuing Annual General Meeting of the Company. Directors recommend his appointment as Independent Director for a term of five years at the ensuing Annual General Meeting pursuant to Section 149(10) of the Companies Act, 2013 w.e.f. August 31, 2015. The Company has received notice under Section 160 of the Companies Act, 2013, together with requisite deposit proposing appointment of Mr. V.B. Dalal as Director of the Company.

## DIRECTORS' REPORT (Contd.)

In accordance with the Articles of Association of the Company, Mrs. Shobha Kapoor, Director, retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offer herself for reappointment.

### DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

### BOARD EVALUATION:

Schedule IV of Companies Act, 2013 mandates that annual performance evaluation of Directors should be carried out by Independent Directors and annual performance evaluation of Independent Directors should be carried out by other Directors to the exclusion of Director being evaluated.

The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance evaluation of Executive/Non-Executive/Independent Directors. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement.

The following are the criteria on the basis of which the Directors are evaluated:

- 1 Knowledge to perform the role.
- 2 Time and Level of Participation.
- 3 Performance of Duties and Level of Oversight.
- 4 Professional Conduct and Independence.

Feedback on each Director is encouraged to be provided as a part of the survey.

### MANAGEMENT:

During the year under review, following appointment and resignations of Directors & Key Managerial Personnel have taken place:

#### Appointment:

Name	Designation	Effective Date
Mr. D.K. Vasal	Director	May 15, 2014.
Mr. V.B. Dalal	Director	August 12, 2014.
Ms. Harshada Eklahare	Company Secretary	February 6, 2015

#### Resignation:

Name	Designation	Effective Date
Ms. Alpana Mishara	Chief Executive Officer	May 1, 2014.
Mr. Tanuj Garg	Chief Executive Officer	January 3, 2014.
Ms. Nivedita Nayak	Company Secretary	December 20, 2014

### AUDITORS:

#### Statutory Audit:

M/s Deloitte Haskins & Sells LLP, Chartered Accountants and M/s Snehal & Associates, Chartered Accountants, Joint Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

M/s Snehal & Associates, Chartered Accountants, do not wish to continue as Statutory Auditors and have furnished their No Objection Letter in this regard. Further, M/s Deloitte Haskins & Sells LLP, Chartered Accountants have furnished a certificate to the effect that their reappointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for reappointment.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

#### Cost Audit:

In accordance with Companies (Cost Records and Audit) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable to Balaji Motion Pictures Limited.



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## DIRECTORS' REPORT (Contd.)

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### Secretarial Audit:

Pursuant to the provisions of Section 204 of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s K.C. Nevatia & Associates as Secretarial Auditors of the Company.

The Secretarial Audit Report is appended as Annexure I to the Board's Report.

### DIRECTOR QUALIFICATION IN SECRETARIAL AUDIT REPORT

According to the records of the Company, Ms. Ekta Kapoor, Managing Director of the Company has been paid a total sum of ₹ 1,24,35,000/-, by way of Managerial Remuneration during the F.Y. 2014-15. As per provisions of Section 197 read with Schedule V to the Companies Act, 2013, she was entitled for Managerial Remuneration of ₹ 84 Lacs for the full year. However the Company had made an application to Central Government, Ministry of Corporate Affairs, New Delhi for approval of remuneration payable to the Managing Director @ ₹ 5 Crores per financial year w.e.f. 01-04-2014 to 31-08-2016. The Central Government vide its letter dated 18th May 2015, has approved her remuneration amounting to ₹ 1,20,00,000/- per annum for the period from 01.04.2014 to 09.11.2015 and ₹ 60,00,000/- per annum for the period from 10.11.2015 to 31.08.2016. Accordingly Ms. Ekta Kapoor was paid excess remuneration of ₹ 4,35,000/-.

### BOARD EXPLANATION

The Company will recover the excess amount of Rs. 4,35,000 out of the total income and then the total remuneration paid to Ms. Ekta Kapoor, Managing Director, will be as per the limit approved by the Central Government.

### COMMITTEES OF THE BOARD:

Currently, the Board has the following Committees:

Audit Committee.

Nomination and Remuneration Committee.

#### Audit Committee:

The current composition of Audit Committee is as follows:

Chairman	:	Mr. D. G. Rajan - Independent Director.
Members	:	Mr. Jeetendra Kapoor – Non-Executive Director Mr. Pradeep Sarda - Independent Director Mr. D.K. Vasal - Independent Director *Mr. V.B. Dalal- Independent Director

Company Secretary : Ms. Harshada Eklahare

\*Mr. V.B. Dalal is a member of the Committee w.e.f. August 12, 2014.

All the recommendations made by the Audit Committee during the year were accepted by the Board.

#### Nomination and Remuneration Committee:

The current composition of Nomination and Remuneration Committee is as follows:

Chairman	:	Mr. Ashutosh Khanna- Independent Director
Members	:	Mr. Jeetendra Kapoor – Non –Executive Director Mr. Pradeep Sarda - Independent Director *Mr. D.K. Vasal - Independent Director

\*Mr. D.K. Vasal is a member of the Nomination and Remuneration Committee w.e.f. May 15, 2014.

### CONSERVATION OF ENERGY:

The operations of the Company are not energy intensive. Adequate measures and steps have been taken to reduce energy consumption, wherever possible. Further the Company has spread awareness among the employees on the need to conserve energy, which is well adopted by the employees. We constantly evaluate new technologies and invest into this to make our infrastructure more energy efficient. As energy cost forms a very small part of the total cost, the impact on cost is not material.

### TECHNOLOGY ABSORPTION:

The Company is in the Media and Entertainment industry and carries out research and innovation, on need basis, in creating content in various segments of entertainment as part of its regular ongoing business.

Our business is such that there is not much scope for new technology absorption, adaptation and innovation. However, the Company continues to use the latest technologies for improving the productivity and quality of its services and products, wherever possible.

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# DIRECTORS' REPORT

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## FOREIGN EXCHANGE EARNINGS AND OUTGO:

Earning in foreign exchange was ₹ 813.63 Lacs (Previous year ₹ 104,17.14 Lacs).  
Expenditure in foreign exchange was ₹ 796.32 Lacs (Previous year ₹ 4,03.90 Lacs).

## MEETINGS OF THE BOARD:

During the year under review, Four (4) meetings of the Board of Directors were held on May 15, 2014, August 12, 2014, October 30, 2014 & February 6, 2015. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

## DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013,

- a. In the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to any material departures.
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- c. Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The annual accounts for the financial year ended March 31, 2015, had been prepared on a 'going concern' basis.
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of Annual Return in Form MGT-9 is appended as Annexure II to the Board' Report.

## RELATED PARTY TRANSACTIONS:

All related party transactions of the Company are placed before the Audit Committee as also the Board for approval. Transactions with the related parties are disclosed in Note No. 20.4 (b) in 'Notes forming part of the financial statements' annexed to the Financial Statements of the year.

## FIXED DEPOSITS:

During the year under review the Company has not accepted any fixed deposit and as such, no amount of principal or interest was outstanding as on the balance sheet date.

## DISCLOSURE UNDER RULE 5(2) AND RULE 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014:

The requisite details relating to the remuneration of the specified employees covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure III to this Report.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

Particulars of Contracts or Arrangements made with related parties referred to in Section 188 (1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as Annexure IV to the Board's Report.

## VARIATIONS IN NETWORTH OF THE COMPANY:

The networth of the Company as on March 31, 2015 is (₹ 1,544.30) Lacs as compared to networth of (₹1,006.57) Lacs as on March 31, 2014.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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

## ACKNOWLEDGEMENTS:

Your Directors express their appreciation for the contribution made by the employees and their dedicated service and commitment to the Company's growth.

For and on behalf of the Board of Directors,

Mumbai  
May 20, 2015

**Jeetendra Kapoor**  
Chairman

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# ANNEXURES TO THE BOARD REPORT

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## ANNEXURES I

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Company's Financial Year from 1st April, 2014 to 31st March, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel)]

To,  
The Members,  
**Balaji Motion Pictures Limited**  
Mumbai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Balaji Motion Pictures Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

Based on our verification of **Balaji Motion Pictures Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2015**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

1. Companies Act
  - a) The Companies Act, 1956 (the Old Act) and the rules made thereunder for the period upto 31st March, 2014;
  - b) The Companies Act, 2013 (the Act) and the rules made thereunder for specified sections notified and came into effect from 12th September, 2013 and Sections and Rules notified and came into effect from 1st April, 2014;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, were not attracted to the Company during the financial year under report.
4. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
5. Employees Provident Fund and Miscellaneous Provisions Act, 1952
6. Employees State Insurance Act, 1948
7. Equal Remuneration Act, 1976
8. Indian Contract Act, 1872
9. Income Tax Act, 1961 to the extent of Tax Deducted at Source under various Section and T.D.S. Returns filed.
10. Indirect Tax Laws relating to collections, deductions, wherever applicable, payments made and returns filed.
11. Maharashtra Stamp Act, 1958
12. Industrial Dispute Act, 1947
13. Maternity Benefits Act, 1961
14. Minimum Wages Act, 1948
15. Negotiable Instruments Act, 1881
16. Payment of Bonus Act, 1965
17. Payment of Gratuity Act, 1972
18. Payment of Wages Act, 1936
19. Contract Labour (Regulations & Abolition) Act, 1970
20. Shops and Establishment Act.
21. The Copyright Act, 1957
22. Trade Marks Act, 1999

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## ANNEXURES TO THE BOARD REPORT (Contd.)

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23. Indian Registration Act, 1908
24. Limitation Act, 1963
25. The Cinematograph Act, 1952

**According to the records of the Company, Ms. Ekta Kapoor, Managing Director of the Company has been paid a total sum of ₹ 1,24,35,000/-, by way of Managerial Remuneration during the F.Y. 2014-15. As per provisions of Section 197 read with Schedule V to the Companies Act, 2013, she was entitled for Managerial Remuneration of ₹ 84 Lacs for the full year. However the Company had made an application to Central Government, Ministry of Corporate Affairs, New Delhi for approval of remuneration payable to the Managing Director @ ₹ 5 Crores per financial year w.e.f. 01-04-2014 to 31-08-2016. The Central Government vide its letter dated 18th May 2015, has approved her remuneration amounting to ₹ 1,20,00,000/- per annum for the period from 01.04.2014 to 09.11.2015 and ₹ 60,00,000/- per annum for the period from 10.11.2015 to 31.08.2016. Accordingly Ms. Ekta Kapoor was paid excess remuneration of ₹ 4,35,000/-.**

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India and the Company is not a Listed Company.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / Debentures / Sweat Equity.
- (ii) Redemption / Buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / Amalgamation / Reconstruction etc.
- (v) Foreign technical collaborations.

For **K. C. Nevatia & Associates**  
Company Secretaries  
Sd/-

Place: Mumbai  
Date: 20th May, 2015

**K. C. Nevatia**  
Proprietor  
FCS No.: 3963  
CP No.: 2348

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## ANNEXURES TO THE BOARD REPORT (Contd.)

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To,  
The Members  
**Balaji Motion Pictures Limited**  
Mumbai

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whereever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **K. C. Nevatia & Associates**  
Company Secretaries  
Sd/-

Place: Mumbai  
Date: 20th May, 2015

**K. C. Nevatia**  
Proprietor  
FCS No.: 3963  
CP No.: 2348



# ANNEXURES TO THE BOARD REPORT (Contd.)

## ANNEXURES II

### FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS:

1.	<b>CIN</b>	U22300MH2007PLC168515
2.	<b>Registration Date</b>	09/03/2007
3.	<b>Name of the Company</b>	M/s Balaji Motion Pictues Limited.
4.	<b>Category/Sub-category of the Company</b>	Company Limited by Shares.
5.	<b>Address of the Registered office &amp; contact details</b>	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400053. Tel: +91-022-40698000, Fax: +91-022-40698181 Email: investor@balajitelefilms.com Website: www.balajitelefilms.com
6.	<b>Whether listed company</b>	Unlisted Company.
7.	<b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any.</b>	N.A

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Media & Entertainment	591	100%

#### III. PARTICULARS OF HOLDING, SUBSIDAIARY AND ASSOCIATE COMPANIES:

Name and address of the Company	CIN/GLN	Holding/Subsidiary Associate	% of Shares Held	Applicable Section
M/s Balaji Telefilms Limited	L99999MH1994PLC082802.	Holding Company	100%	2(46)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

Sr. No.	Name	Type of Shares/ Debentures	No. of Shares	Amt per Share (₹)	Total Value
1	M/s Balaji Telefilms Limited	Equity Shares	2,99,99,994	10/-	29,99,99,940
2	Mr. Jeetendra Kapoor jointly with M/s Balaji Telefilms Limited	Equity Shares	1	10/-	10/-
3	Ms. Shobha Kapoor jointly with Ms/ Balaji Telefilms Limited	Equity Shares	1	10/-	10/-
4	Ms. Ekta Kapoor jointly with M/s Balaji Telefilms Limited.	Equity Shares	1	10/-	10/-
5	Mr. Tusshar Kapoor jointly with M/s Balaji Telefilms Limited.	Equity Shares	1	10/-	10/-
6.	Mr. Deepoo Vaswani jointly with M/s Balaji Telefilms Limited.	Equity Shares	1	10/-	10/-
7.	Mr. Ramesh Sippy jointly with M/s Balaji Telefilms Limited.	Equity Shares	1	10/-	10/-
	<b>Total</b>		<b>3,00,00,000</b>	<b>10/-</b>	<b>30,00,00,000</b>

## ANNEXURES TO THE BOARD REPORT (Contd.)

### B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M/s Balaji Telefilms Limited	3,00,00,000	100%	0	3,00,00,000	100%	0	0
	<b>Total</b>	<b>3,00,00,000</b>	<b>100%</b>	<b>0</b>	<b>3,00,00,000</b>	<b>100%</b>	<b>0</b>	<b>0</b>

### C) Change in Promoters' Shareholding

There is no change in the Shareholding of Promoters between the period April 1, 2014 to March 31, 2015.

### D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

It is a wholly-owned Subsidiary of Balaji Telefilm Limited.

### E) Shareholding of Directors and Key Managerial Personnel:

It is a wholly-owned Subsidiary of Balaji Telefilm Limited. None of the Directors or Key Managerial Personnel hold shares in the Company.

### V. Indebtedness of the Company including interest outstanding/accrued but not due for payment.

The Company has not availed any loan during the year and it is a debt-free Company.

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Ekta Kapoor	Tusshar Kapoor	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,15,05,000	Nil	<b>1,15,05,000</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	<b>Nil</b>
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	<b>Nil</b>
2	Stock Option	Nil	Nil	<b>Nil</b>
	Sweat Equity	Nil	Nil	<b>Nil</b>
	Commission -as % of profit -others, specify	Nil	Nil	<b>Nil</b>
5	Others, - Sitting Fee	Nil	25,000	<b>25000</b>
6	*Others:- Reimbursement	9,30,000	Nil	<b>9,30,000</b>
	<b>Total (A)</b>	<b>1,24,20,000</b>	<b>25,000</b>	<b>1,24,60,000</b>
	Ceiling as per Central Government Approval			<b>1,20,00,000</b>

\*Reimbursement is not included in the ceiling for reimbursement.

## ANNEXURES TO THE BOARD REPORT (Contd.)

### B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors					Total Amount
		D.G.Rajan	Ashutosh Khanna	D.K.Vasal	V.B.Dalal	Pradeep Sarda	
1	Independent Directors						
	Fee for attending board committee meetings	85,000	85,000	85,000	75,000	35,000	3,65,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>						<b>3,65,000</b>
2	Other Non-Executive Directors						
	Fee for attending board committee meetings	85,000					85,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total (2)</b>	85,000					<b>85,000</b>
	<b>Total (B)=(1+2)</b>						<b>45,00,000</b>
	<b>Total Managerial Remuneration</b>						<b>1,69,60,000</b>
	Overall Ceiling as per the Act						<b>Not applicable</b>

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,97,011	62,525
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission		
	- as % of profit	Nil	Nil
	others, specify...	Nil	Nil
5	Others, please specify	Nil	Nil
	<b>Total</b>	<b>2,97,011</b>	<b>62,525</b>

\*Salary paid to Mrs. Nivedita Nayak upto the period December 21, 2014.

\*\*Salary paid to Ms. Harshada Eklahare from the period February 6, 2015.

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for the year ending March 31, 2015.

## ANNEXURES TO THE BOARD REPORT (Contd.)

### ANNEXURE III

#### Disclosure under Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

(i) The following details are given hereunder in respect of employees employed throughout the year and were in receipt of not less ₹ 60 Lacs p.a.

Employee Name	Designation	Educational qualification	Age	Experience (in years)	Date of Joining	Gross Remuneration paid	Previous Employment and Designation	Whether such employee holds by himself or alongwith his spouse or dependent children not less than 2% of the Equity Shares of the Company	Whether such employee is a relative of any Director or Manager and if yes name of the Director or Manager.
Ms. Ekta Kapoor	Managing Director	Graduate	40	20	November 10, 1994	1,24,35,000	Nil	Yes	Yes. She is daughter of Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor and sister of Mr. Tusshar Kapoor.

### ANNEXURE IV

#### Particulars of contract/arrangements made with related parties

[Pursuant to Clause H of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts), Rules, 2014- AOC-2]

#### Details of Contracts or Arrangements or transactions not at arms length basis:

There were no contract or arrangements or transactions entered in to during the year ended March 31, 2015, which were not at arm's length basis.

#### Details of Contracts or Arrangements or transactions at arms length basis:

The detail of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2015 are as follows:

Name of Related Party	Nature of Relationship	Duration of Contract	Salient Terms	Amount. (₹ in Lacs.)
Mr. Jeetendra Kapoor	Chairman	Three year	Rent agreement	15.55
Ms. Ekta Kapoor	Managing Director	Three year	Rent agreement	13.24

# INDEPENDENT AUDITORS' REPORT

To the Members of Balaji Motion Pictures Limited

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Balaji Motion Pictures 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 loss and its cash flows for the year ended on that date.

## Emphasis of Matter

Attention is invited to Note 20.12 of the financial statements regarding remuneration paid to the Managing Director which is in excess of the relevant provisions of the Act by ₹48.31 lacs for which the Central Government approval is awaited, as explained in the note.

Our opinion is not qualified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

- 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.
- As required by Section 143 (3) of the Act, we report that:
  - 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;
  - 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;
  - 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;
  - 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;
  - 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;
  - 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:
    - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 20.1 to the financial statements;
    - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - There were no amount which were 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

(Firm's Registration No: 110314W)

**Snehal Shah**

Proprietor

(Membership No: 40016)

Mumbai, Dated: May 20, 2015



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# ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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## RE: BALAJI MOTION PICTURES LIMITED

(Referred to in paragraph 1 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 explanation given to us, no material discrepancies were noticed on such verification.
- (ii) The activities of the Company and the nature of its 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 Company has not granted any loans, secured or unsecured, to companies, firms or other parties 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 commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of goods and services. During the course of our audit we have not observed any major weakness in such internal control system.
- (v) The Company has not accepted deposits from the public during the year.
- (vi) According to the information and explanations given to us, in our opinion, the Company has, *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 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 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) There were no dues of Income-tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited as on March 31, 2015 on account of disputes.
  - (d) There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
- (viii) The accumulated losses of the Company at the end of the financial year are not less than fifty per cent of its net worth and the Company has incurred cash losses during the financial year covered by our audit 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.

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- (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.
- (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  
(Firm's Registration No: 110314W)

**Snehal Shah**  
Proprietor  
(Membership No: 40016)  
Mumbai, dated: May 20, 2015

# BALANCE SHEET

as at March 31, 2015

Particulars	Note No.	₹ in Lacs	
		As at March 31, 2015	As at March 31, 2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	3,000.00	3,000.00
(b) Reserves and surplus	4	(4,544.30)	(4,006.57)
		(1,544.30)	(1,006.57)
<b>2 Current liabilities</b>			
(a) Short-term borrowings	5	9,981.75	10,965.37
(b) Trade payables	20.3	289.32	744.24
(c) Other current liabilities	6	207.57	1,353.01
		10,478.64	13,062.62
<b>TOTAL</b>		<b>8,934.34</b>	<b>12,056.05</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	7		
Tangible assets		397.84	158.87
(b) Long-term loans and advances	8	3,794.69	2,809.34
		4,192.53	2,968.21
<b>2 Current assets</b>			
(a) Inventories	9	2,238.50	5,871.76
(b) Trade receivables	10	138.78	679.18
(c) Cash and cash equivalents	11	252.85	673.82
(d) Short-term loans and advances	12	2,111.68	1,713.69
(e) Other current assets	13	-	149.39
		4,741.81	9,087.84
<b>TOTAL</b>		<b>8,934.34</b>	<b>12,056.05</b>
<b>See accompanying notes forming part of the financial statements.</b>			

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)

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Director)

**Ekta Kapoor**  
(Managing Director)

Place : Mumbai  
Date : May 20, 2015

For **Snehal & Associates**  
Chartered Accountants

**Sameer Nair**  
(Group Chief Executive Officer)

**D.G. Rajan**  
(Director)

**Snehal Shah**  
(Proprietor)

**Harshada Eklahare**  
(Company Secretary)

**Sanjay Dwivedi**  
(Group Chief Financial Officer)

Place : Mumbai  
Date : May 20, 2015

Place : Mumbai  
Date : May 20, 2015

# STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2015

Particulars	Note No.	₹ in Lacs	
		For the year ended March 31, 2015	For the year ended March 31, 2014
1 Revenue from Operations	14	10,976.30	27,169.34
2 Other income	15	97.28	9.31
<b>3 Total Revenue (1+2)</b>		<b>11,073.58</b>	<b>27,178.65</b>
<b>4 Expenses</b>			
(a) Cost of films produced / acquired / distributed	16	10,265.04	28,113.36
(b) Employee benefits expense	17	505.63	778.20
(c) Finance costs	18	1.21	18.45
(d) Depreciation / Amortisation expense (Refer note 20.14)	7	63.62	35.18
(e) Other expenses	19	774.17	860.94
<b>Total Expenses</b>		<b>11,609.67</b>	<b>29,806.13</b>
5 (Loss) for the year (3-4)		<b>(536.09)</b>	<b>(2,627.48)</b>
6 Earnings per equity share (of ₹10/- each):			
Basic and diluted earnings per share	20.8	(1.79)	(8.76)
<b>See accompanying notes forming part of the financial statements.</b>			

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)

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Director)

**Ekta Kapoor**  
(Managing Director)

Place : Mumbai  
Date : May 20, 2015

For **Snehal & Associates**  
Chartered Accountants

**Sameer Nair**  
(Group Chief Executive Officer)

**D.G.Rajan**  
(Director)

**Snehal Shah**  
(Proprietor)

**Harshada Eklahare**  
(Company Secretary)

**Sanjay Dwivedi**  
(Group Chief Financial Officer)

Place : Mumbai  
Date : May 20, 2015

Place : Mumbai  
Date : May 20, 2015

# CASH FLOW STATEMENT

for the year ended March 31, 2015

₹ in Lacs

Particulars	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
<b>A. Cash Flow from Operating Activities</b>		
(Loss) before tax	(536.09)	(2,627.48)
Adjustment for:		
Depreciation / Amortisation	63.62	35.18
Interest income on fixed deposit with bank	(0.09)	(6.17)
Excess provision for earlier years written back	(6.63)	(3.14)
Advances written off	142.51	-
Loss on fixed asset written off	-	0.55
Loss on sale of fixed asset	-	0.06
Operating (loss) before working capital changes	(336.68)	(2,601.00)
(Increase) in trade and other receivables	(834.43)	(2,136.17)
Decrease/ (Increase) in inventories	3,633.27	8,806.31
Increase/ (decrease) in trade and other payables	(1,595.37)	209.30
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>866.79</b>	<b>4,278.44</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of fixed assets	(304.23)	(122.24)
Sale of fixed assets	-	1.30
Interest Received	0.09	6.17
<b>Net cash flow (used in) investing activities (B)</b>	<b>(304.14)</b>	<b>(114.77)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from short-term borrowings	5,187.23	10,316.23
Repayment of short-term borrowings	(6,170.85)	(13,922.70)
<b>Net cash flow (used in) financing activities (C)</b>	<b>(983.62)</b>	<b>(3,606.47)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(420.97)</b>	<b>557.20</b>
Cash and cash equivalents at the beginning of the year	673.82	116.62
<b>Cash and cash equivalents at the end of the year</b>	<b>252.85</b>	<b>673.82</b>
<b>See accompanying notes forming part of the financial statements.</b>		

**Note:**

Components of cash and cash equivalents include cash and bank balances in current and deposit accounts (Refer note 11)

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)

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Director)

**Ekta Kapoor**  
(Managing Director)

Place : Mumbai  
Date : May 20, 2015

For **Snehal & Associates**  
Chartered Accountants

**Sameer Nair**  
(Group Chief Executive Officer)

**D.G.Rajan**  
(Director)

**Snehal Shah**  
(Proprietor)

**Harshada Eklahare**  
(Company Secretary)

**Sanjay Dwivedi**  
(Group Chief Financial Officer)

Place : Mumbai  
Date : May 20, 2015

Place : Mumbai  
Date : May 20, 2015



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# NOTES

forming part of the financial statements

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## NOTE 1 CORPORATE INFORMATION

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.

## 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 financial 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 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.

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.

### Inventories

Items of inventory are carried at lower of cost and net realizable 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 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

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 other cases, 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 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.

#### 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.

# NOTES

## forming part of the 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.

### NOTE 3 SHARE CAPITAL

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Authorised		
35,000,000 Equity shares of ₹10/ each	3,500.00	3,500.00
	<b>3,500.00</b>	<b>3,500.00</b>
Issued, Subscribed and fully paid-up		
30,000,000 Equity shares of ₹10/ each	3,000.00	3,000.00
(All the above shares are held by Balaji Telefilms Limited, the holding company and its nominees)		
<b>TOTAL</b>	<b>3,000.00</b>	<b>3,000.00</b>

#### Note:

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

### NOTE 4 RESERVES AND SURPLUS

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>(Deficit) in Statement of Profit and Loss</b>		
Opening balance	(4,006.57)	(1,379.09)
Less: Depreciation on account of transitional provision of Schedule II to the Companies Act, 2013 (Refer note 20.14)	(1.64)	-
Add: (Loss) for the year	(536.09)	(2,627.48)
<b>TOTAL</b>	<b>(4,544.30)</b>	<b>(4,006.57)</b>

# NOTES

forming part of the financial statements

## NOTE 5 SHORT-TERM BORROWINGS

₹ in Lacs

Particulars	As at March 31, 2015	As at March 31, 2014
Loans and advances from Holding Company (Unsecured)	9,981.75	10,965.37
(Refer note 20.4(b))		
<b>TOTAL</b>	<b>9,981.75</b>	<b>10,965.37</b>

## NOTE 6 OTHER CURRENT LIABILITIES

₹ in Lacs

Particulars	As at March 31, 2015	As at March 31, 2014
Other payables		
(a) Temporarily overdrawn book balances	-	225.35
(b) Other payables		
(i) Statutory liabilities	3.12	100.67
(ii) Advances from customers	204.45	1,026.99
<b>TOTAL</b>	<b>207.57</b>	<b>1,353.01</b>

## NOTE 7 FIXED ASSETS

(₹ in Lacs)

	Gross Block				Depreciation / Amortisation				Net Block	
	As at April 01, 2014	Additions	Deletions	As at March 31, 2015	Upto March 31, 2014	For the year	On deductions	Adjusted in reserves	Upto March 31, 2015	As at March 31, 2015
<b>Tangible Assets</b>										
Computers	19.79	-	-	19.79	6.45	5.31	-	0.84	12.60	7.19
	(7.19)	(12.97)	(0.37)	(19.79)	(4.76)	(2.06)	(0.37)	(-)	(6.45)	(13.34)
Office Equipment	39.48	4.03	-	43.51	1.54	9.62	-	-	11.16	32.35
	(9.17)	(31.78)	(1.47)	(39.48)	(0.54)	(1.02)	(0.02)	(-)	(1.54)	(37.94)
Plant and Machinery-Computer	17.30	-	(-)	17.30	16.05	0.44	(-)	0.80	17.29	0.01
	(17.36)	(-)	(0.06)	(17.30)	(13.24)	(2.84)	(0.03)	(-)	(16.05)	(1.25)
Plant and Machinery-Others	69.19	146.20	-	215.39	6.18	14.23	-	-	20.41	194.98
	(-)	(69.19)	(-)	(69.19)	(-)	(6.18)	(-)	(-)	(6.18)	(63.01)
Furniture and Fixtures	7.85	-	(-)	7.85	0.08	0.86	-	-	0.94	6.91
	(1.65)	(6.78)	(0.58)	(7.85)	(0.05)	(0.18)	(0.15)	(-)	(0.08)	(7.77)
Lease Hold improvements	68.29	-	-	68.29	34.11	22.72	-	-	56.83	11.46
	(68.29)	(-)	(-)	(68.29)	(11.35)	(22.76)	(-)	(-)	(34.11)	(34.18)
Vehicles	1.52	154.00	-	155.52	0.14	10.44	-	-	10.58	144.94
	(-)	(1.52)	(-)	(1.52)	(-)	(0.14)	(-)	(-)	(0.14)	(1.38)
<b>TOTAL</b>	<b>223.42</b>	<b>304.23</b>	<b>-</b>	<b>527.65</b>	<b>64.55</b>	<b>63.62</b>	<b>-</b>	<b>1.64</b>	<b>129.81</b>	<b>397.84</b>
	<b>(103.66)</b>	<b>(122.24)</b>	<b>(2.48)</b>	<b>(223.42)</b>	<b>(29.94)</b>	<b>(35.18)</b>	<b>(0.57)</b>	<b>(-)</b>	<b>(64.55)</b>	<b>(158.87)</b>

### Note:

Figures in brackets denote previous year figures

# NOTES

forming part of the financial statements

## NOTE 8 LONG-TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(a) Security Deposits (refer note below)	201.00	239.24
(b) Capital Advance (refer note 20.4(b))	-	400.00
(c) Advance to vendors	2,835.56	1,239.39
(d) Advance income- tax (Net of provisions ₹ 101.94 lacs (as at March 31,2014, ₹ 101.94 lacs))	758.13	930.71
<b>TOTAL</b>	<b>3,794.69</b>	<b>2,809.34</b>

**Note:** Security Deposits includes:

(a) Deposits given to two of the Directors for the properties taken on lease from them (also refer note 20.4 (b))

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Amount outstanding as at the year-end	200.00	200.00
Maximum amount outstanding at any time during the year for the above deposits.	200.00	200.00

(b) Deposits given to holding company for the properties taken on lease from the holding company (also refer note 20.4 (b))

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Amount outstanding as at the year end	1.00	1.00

## NOTE 9 INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Films	2,238.50	5,871.76
<b>TOTAL</b>	<b>2,238.50</b>	<b>5,871.76</b>

## NOTE 10 TRADE RECEIVABLES (UNSECURED, CONSIDERED GOOD)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>Trade receivables</b>		
(a) Outstanding for a period exceeding six months from the date they were due for payment	137.41	57.18
(b) Other Trade receivables	1.37	622.00
<b>TOTAL</b>	<b>138.78</b>	<b>679.18</b>

## NOTE 11 CASH AND CASH EQUIVALENTS

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(a) Cash on hand	4.76	1.12
(b) Balances with banks		
(i) In current accounts	247.55	664.70
(ii) Fixed deposits with bank	0.54	8.00
<b>TOTAL</b>	<b>252.85</b>	<b>673.82</b>

# NOTES

forming part of the financial statements

## NOTE 12 SHORT-TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(a) Security Deposit	35.00	-
(b) Loans and advances to employees	0.12	5.77
(c) Prepaid expenses	17.57	12.27
(d) Balances with government authorities (VAT, service tax etc.)	437.98	528.56
(e) Advance to vendors	1,621.01	1,167.09
<b>TOTAL</b>	<b>2,111.68</b>	<b>1,713.69</b>

## NOTE 13 OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(a) Unbilled revenue	-	149.37
(b) Interest accrued on fixed deposits with banks	-	0.02
<b>TOTAL</b>	<b>-</b>	<b>149.39</b>

## NOTE 14 REVENUE FROM OPERATIONS

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Sale of Services</b>		
Sale of Film rights	10,919.28	27,134.33
<b>Other Operating Income</b>		
Recovery of advances written-off	57.02	35.01
<b>TOTAL</b>	<b>10,976.30</b>	<b>27,169.34</b>

## NOTE 15 OTHER INCOME

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Interest income		
On Fixed Deposit with bank	0.09	6.17
On Income-tax Refund	32.92	-
On Capital advance given to related party	56.27	-
(b) Excess Provision for earlier years written back (net)	6.63	3.14
(c) Foreign Exchange Gain (net)	1.37	-
<b>TOTAL</b>	<b>97.28</b>	<b>9.31</b>



# NOTES

forming part of the financial statements

## NOTE 16 COST OF FILM PRODUCED / ACQUIRED / DISTRIBUTED

₹ in Lacs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Opening stock of films	5,871.76	14,678.07
Less: Service tax credit availed*	-	73.50
	5,871.76	14,604.57
Add: Cost of production / acquisition/ distribution		
Acquisition Cost	161.98	431.07
Purchase of costumes and dresses	47.01	138.31
Purchase of tapes / raw stock / negative	98.12	284.23
Artistes, Directors and other technician fees	1,530.47	4,958.53
Shooting and location expenses (Refer Note 20.10)	758.58	1,402.39
Set properties and equipment hire charges	365.82	879.28
Insurance expense	11.50	105.36
Line production cost	1,105.05	2,547.93
Marketing and Distribution Expenses	2,171.59	7,617.55
Other production expenses	381.66	1,015.91
	6,631.78	19,380.55
	12,503.54	33,985.12
Less: Closing stock of films	2,238.50	5,871.76
<b>TOTAL</b>	<b>10,265.04</b>	<b>28,113.36</b>

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

## NOTE 17 EMPLOYEE BENEFITS EXPENSE

₹ in Lacs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries and wages	477.19	738.75
Contributions to Provident and Other Funds	21.69	32.02
Staff welfare expenses	6.75	7.43
<b>TOTAL</b>	<b>505.63</b>	<b>778.20</b>

## NOTE 18 FINANCE COST

₹ in Lacs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest on delayed payment of taxes etc.	1.21	18.45
<b>TOTAL</b>	<b>1.21</b>	<b>18.45</b>

# NOTES

forming part of the financial statements

## NOTE 19 OTHER EXPENSES

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Power and fuel	10.41	17.92
Rent including lease rentals (Refer Note 20.10)	90.49	76.32
Repairs and maintenance - Machinery	5.60	6.30
Repairs and maintenance - Others	24.71	50.45
Rates and taxes	3.97	84.15
Communication expenses	6.15	9.02
Legal and Professional charges	348.01	304.19
Business promotion expenses	44.53	93.07
Travelling and Conveyance Expenses	14.98	45.81
Donations and contributions	0.41	0.59
Directors Sitting Fees	4.75	2.39
Loss on sale of fixed assets	-	0.06
Loss on fixed asset written off	-	0.55
Foreign exchange loss (net)	-	38.94
Advances written off	142.51	-
Miscellaneous expenses *	77.65	131.18
<b>TOTAL</b>	<b>774.17</b>	<b>860.94</b>

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

## NOTE 20 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS

**20.1** 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.

### 20.2 Auditors Remuneration

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
For Statutory Audit	9.70	9.70
For Tax Audit	1.00	1.00
For Taxation matters	2.50	2.50
Reimbursement of expenses	0.27	0.23
For Service tax	1.66	1.66
<b>TOTAL</b>	<b>15.13</b>	<b>15.09</b>

# NOTES

forming part of the financial statements

## NOTE 20 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (contd.)

**20.3** 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.

### 20.4 Related Party Transactions

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

Name of the Related Party	Relationship
Balaji Telefilms Limited	Holding Company
Marinating films Private Limited	Fellow Subsidiary
Bolt Media Limited	Fellow Subsidiary
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 (till June 30, 2014)	Relative of Key management person
Balaji Films & Telly Investments Limited	Key management person having significant influence
Raksha 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

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

Nature of Transactions	Holding Company	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 a Key management person	₹ in Lacs
							Total
<b>Loan Received</b>							
Balaji Telefilms Limited	5,187.23	-	-	-	-	-	5,187.23
	(10,316.23)	(-)	(-)	(-)	(-)	(-)	(10,316.23)
<b>Loan Repaid</b>							
Balaji Telefilms Limited	6,170.85	-	-	-	-	-	6,170.85
	(13,922.70)	(-)	(-)	(-)	(-)	(-)	(13,922.70)
<b>Rent Paid</b>							
Balaji Telefilms Limited	-	-	-	-	-	-	-
	(12.00)	(-)	(-)	(-)	(-)	(-)	(12.00)
Mr. Jeetendra Kapoor	-	15.55	-	-	-	-	15.55
	(-)	(14.67)	(-)	(-)	(-)	(-)	(14.67)
Ms. Ekta Kapoor	-	13.24	-	-	-	-	13.24
	(-)	(12.49)	(-)	(-)	(-)	(-)	(12.49)
<b>Deposit paid</b>							
Balaji Telefilms Limited	-	-	-	-	-	-	-
	(1.00)	(-)	(-)	(-)	(-)	(-)	(1.00)

## NOTES

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### NOTE 20 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (contd.)

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

₹ in Lacs

Nature of Transactions	Holding Company	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 a Key management person	Total
<b>Equipment Hire charges</b>							
Balaji Telefilms Limited	4.68	-	-	-	-	-	4.68
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Capital Advances given</b>							
M/s. J K Developers	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(400.00)	(400.00)
<b>Capital Advances returned</b>							
M/s. J K Developers	-	-	-	-	-	400.00	400.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Interest received on capital advances</b>							
M/s. J K Developers	-	-	-	-	-	56.27	56.27
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Purchase of rights</b>							
Balaji Telefilms Limited	62.00	-	-	-	-	-	62.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Balaji Films & Telly Investments Limited	-	-	-	-	101.00	-	101.00
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Directors sitting fees</b>							
Mr. Jeetendra Kapoor	-	0.85	-	-	-	-	0.85
	(-)	(0.40)	(-)	(-)	(-)	(-)	(0.40)
Mr. Tushar Kapoor	-	0.25	-	-	-	-	0.25
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Remuneration</b>							
Ms. Ekta Kapoor	-	124.35	-	-	-	-	124.35
	(-)	(81.05)	(-)	(-)	(-)	(-)	(81.05)

# NOTES

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## NOTE 20 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (contd.)

(b) Details of Transactions with related parties during the year							₹ in Lacs
Nature of Transactions	Holding Company	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 a Key management person	Total
<b>Artist fees</b>							
Mr. Tusshar Kapoor	-	50.00	-	-	-	-	50.00
	(-)	(21.50)	(-)	(-)	(-)	(-)	(21.50)
<b>Legal and Professional charges</b>							
Mr. Ramesh Sippy	-	-	1.20	-	-	-	1.20
	(-)	(-)	(3.20)	(-)	(-)	(-)	(3.20)
<b>Sale of film rights</b>							
Raksha Entertainment Pvt Ltd	-	-	-	-	31.39	-	31.39
	(-)	(-)	(-)	(-)	(116.45)	(-)	(116.45)
<b>Amount payable As at March 31, 2015</b>							
Balaji Telefilms Limited	10,040.65	-	-	-	-	-	10,040.65
	(10,965.37)	(-)	(-)	(-)	(-)	(-)	(10,965.37)
<b>Amount receivable As at March 31, 2015</b>							
Mr. Jeetendra Kapoor*	-	100.00	-	-	-	-	100.00
	(-)	(100.00)	(-)	(-)	(-)	(-)	(100.00)
Ms. Ekta Kapoor*	-	100.00	-	-	-	-	100.00
	(-)	(100.00)	(-)	(-)	(-)	(-)	(100.00)
Balaji Telefilms Limited	1.00	-	-	-	-	-	1.00
	(1.00)	(-)	(-)	(-)	(-)	(-)	(1.00)
Raksha Entertainment Pvt Ltd	-	-	-	-	9.76	-	9.76
	(-)	(-)	(-)	(-)	(31.45)	(-)	(31.45)

(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.



# NOTES

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## NOTE 20 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (contd.)

(ii) Figures in bracket relate to the previous year.

\* - Deposit for leased property

### 20.5 Earnings in foreign currency

	For the year ended March 31, 2015	For the year ended March 31, 2014
Sale of Film Rights	813.63	10,417.14

### 20.6 Expenditure in foreign currency

	For the year ended March 31, 2015	For the year ended March 31, 2014
Line Production Charges	155.96	-
Set properties and equipment hire charges	225.10	-
Shooting and location expenses	285.34	402.93
Artistes, Directors and other technician fees	36.16	-
Travelling and Conveyance Expenses	34.98	0.97
Other Production Expenses	58.79	-

### 20.7 Employee Benefits

a) Defined Contribution Plans

Both the employees and the Company make predetermined contributions to the provident fund. Amount recognized as expense amounts to ₹ 21.68 Lacs (previous year ₹ 34.01 Lacs).

b) Defined Benefit Plans

I Reconciliation of asset / (liability) recognized in the Balance Sheet (under Prepaid Expenses refer Note 12)

	As at March 31, 2015	As at March 31, 2014
Fair Value of plan assets as at the end of the year	15.53	14.25
Present Value of Obligation as at the end of the year	(4.53)	(10.04)
Net (assets) / liability in the Balance Sheet	(11.00)	(4.21)

## NOTES

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### NOTE 20 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (contd.)

#### II Movement in net liability recognized in the Balance Sheet

	As at March 31, 2015	As at March 31, 2014
Net (assets)/liability as at the beginning of the year	(4.21)	1.13
Net expense recognized in the Statement of Profit and Loss	(6.79)	(1.18)
Contribution during the year	-	(4.15)
Net liability/(assets) in the Balance Sheet	(11.00)	(4.21)

₹ in Lacs

#### III Expense Recognized in the Statement of profit and loss (Under the head "Employee benefits expenses" refer Note 17)

	For the year ended March 31, 2015	For the year ended March 31, 2014
Current Service Cost	4.60	5.89
Interest Cost	(1.55)	0.81
Expected Return on Plan assets	1.24	(0.78)
Actuarial (gains)/losses	(11.08)	(7.10)
Expense / (gain) charged to the Statement of Profit and Loss	(6.79)	(1.18)

₹ in Lacs

#### IV Return on Plan Assets

	For the year ended March 31, 2015	For the year ended March 31, 2014
Expected return on plan assets	1.24	0.78
Actuarial gains / (losses)	0.04	0.37
Actual return on plan assets	1.28	1.15

₹ in Lacs

#### V Reconciliation of defined benefits commitments

	For the year ended March 31, 2015	For the year ended March 31, 2014
Commitments at beginning of the year	10.03	10.07
Current Service Cost	4.60	5.89
Interest Cost	0.93	0.81
Actuarial (gains)/losses	(11.04)	(6.73)
Benefits paid	-	-
Settlement cost	-	-
Commitments at year end	4.53	10.03

₹ in Lacs

## NOTES

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### NOTE 20 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (contd.)

#### VI Reconciliation of plan assets

	For the year ended March 31, 2015	For the year ended March 31, 2014
Fair Value of plan assets at beginning of the year	14.25	8.94
Expected return on plan assets	1.24	0.78
Actuarial gains/(losses)	0.04	0.37
Employer contribution	-	4.15
Benefits paid	-	-
Fair Value of plan assets at year end	15.53	14.25

₹ in Lacs

#### 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
On Plan liability (gains) / losses	(11.84)	(4.32)	0.14	(0.31)	(2.66)
On Plan assets gains / (losses)	0.04	0.37	0.16	0.24	0.25

₹ in Lacs

#### VIII Actuarial Assumptions

	For the year ended March 31, 2015	For the year ended March 31, 2014
Mortality Table (LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount Rate (per annum)	8.09%	9.31%
Expected Rate of return on Plan assets (per annum)	8.09%	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.

# NOTES

forming part of the financial statements

## NOTE 20 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (contd.)

### Composition of plan assets

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

### 20.8 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) (Loss) for the year attributable to equity share holders (₹ in Lacs)	(536.10)	(2,627.48)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	30,000,000	30,000,000
(c) Earnings per share - Basic and diluted (₹)	(1.79)	(8.76)
(d) Nominal value of shares (₹)	10	10

**20.9** In accordance with the Accounting Standard 22 on "Accounting for Taxes on Income" (AS 22), deferred tax assets and liabilities should be recognized for all timing differences. However, considering the present financial position and accumulated tax losses carried forward and the requirement of the AS 22 regarding certainty/virtual certainty, the deferred tax asset is not accounted for. However, the same will be reassessed at subsequent Balance Sheet date and will be accounted for in the year of certainty/virtual certainty in accordance with the aforesaid AS 22.

### 20.10 Lease Transactions

Amount of lease rentals charged to the statement of profit and loss in respect of operating leases is ₹ 79.12 Lacs (previous year ₹170.55 Lacs).

### 20.11 Segment Information

#### (A) Information about primary segments

The primary segment of the Company is business segment which comprises of carrying on the business of production and / or distribution of motion pictures and films. As the Company operates in a single primary business segment, therefore the question of disclosing the primary segment information does not arise.

#### (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	16,752.20	27,169.34
B) Carrying amount of assets	-	12,056.05	12,056.05
C) Addition to fixed assets	-	122.24	122.24

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## NOTES

forming part of the financial statements

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### NOTE 20 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (contd.)

- 20.12** Pursuant to the Shareholders' approval at the Extra Ordinary General Meeting on August 9, 2013, BMPL has paid remuneration to the Managing Director. The 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 the Company has filed an application with the Central Government.
- 20.13** The Company did not have any long term contracts including derivative contracts for which any provision is required for foreseeable losses
- 20.14** 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 ₹ 1.64 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 ₹ 13.40 and loss after tax for the year is higher by ₹ 13.40 consequent to the change in the useful life of the assets.
- 20.15** The accumulated losses of ₹ 4544.30 Lacs as at March 31, 2015 have fully eroded the networth of the Company. The financial statement of the Company have, however been prepared on a going concern basis, which is dependent upon continuing and committed availability of finance from the Holding Company (Refer Note 20.4 (b)) as sanctioned by the Board and its future profitability. The Company has identified the Film Business as its strategic growth area for the group and has various projects currently under production/development and the management is fully confident about the long-term profitability of its movie businesses which has a long gestation period in terms of setting up various in-house functions for optimal utilization of resources, scalability and its monetization.
- 20.16** 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.
- 20.17** The figures of the previous year have been regrouped wherever necessary to correspond with those of the current year.

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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)

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Director)

**Ekta Kapoor**  
(Managing Director)

Place : Mumbai  
Date : May 20, 2015

For **Snehal & Associates**  
Chartered Accountants

**Sameer Nair**  
(Group Chief Executive Officer)

**D.G.Rajan**  
(Director)

**Snehal Shah**  
(Proprietor)

**Harshada Eklahare**  
(Company Secretary)

**Sanjay Dwivedi**  
(Group Chief Financial Officer)

Place : Mumbai  
Date : May 20, 2015

Place : Mumbai  
Date : May 20, 2015



# DIRECTORS' REPORT

Your Directors have pleasure in presenting their 3rd Directors' Report of the Company together with the Audited Accounts of the Company for the year ended March 31, 2015.

## FINANCIAL RESULTS

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

Particulars	₹ in Lacs	
	2014-2015	2013-2014
<b>Income from operations</b>	<b>1,462.86</b>	<b>474.98</b>
<b>Total expenditure</b>	<b>1,438.59</b>	<b>545.77</b>
<b>Operating Profit / (Loss)</b>	<b>24.27</b>	<b>(70.79)</b>
Finance Costs	-	-
Depreciation	2.21	22.62
<b>Profit / (Loss) for the Year before tax</b>	<b>22.07</b>	<b>(93.41)</b>
Provision for tax	4.45	-
<b>Profit / (Loss) for the Year after tax</b>	<b>17.62</b>	<b>(93.41)</b>
<b>Profit / (Loss) brought forward from previous year</b>	<b>(145.40)</b>	<b>(51.99)</b>
<b>Profit / (Loss) carried to the Balance Sheet</b>	<b>(127.78)</b>	<b>(145.40)</b>

## OPERATIONS AND BUSINESS PERFORMANCE

During the year under review, the Company made a net profit of ₹ 22.07 Lacs as compared to a net loss of ₹ 93.41 Lacs in the previous year.

## DIVIDEND

In view of the loss, your Directors do not recommend any dividend for the financial year ended March 31, 2015.

## TRANSFER TO RESERVES

The Company does not propose to transfer any amount to the reserves.

## PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any Deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014.

## DIRECTORS

In accordance with the Articles of Association of the Company, Mr. Tusshar Kapoor retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

## AUDITORS

M/s. Snehal & Associates, Chartered Accountants, the Statutory Auditors will retire at the conclusion of ensuing Annual General Meeting and are eligible for reappointment.

M/s Snehal & Associates, Chartered Accountants, do not wish to continue as Statutory Auditors and have furnished their No Objection Letter in this regard. Further, on the recommendation of the Audit Committee, it was decided to appoint M/s Deloitte Haskins & Sells LLP, Chartered Accountants as Statutory Auditors of the Company for the financial year 2015-16. M/s Deloitte Haskins & Sells LLP, Chartered Accountants have furnished a certificate to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for appointment.

## AUDITOR'S REPORT

The observations of the Auditors in their report read with relevant notes to accounts are self-explanatory and do not require further explanation.

## CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:

The particulars relating to conservation of energy and technology absorption are not applicable to the Company. Hence the Company is not required to give information as required under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.

However, all possible efforts are being made to conserve and optimize the use of energy, wherever possible.

## FOREIGN EXCHANGE EARNINGS AND OUTGO

There are no foreign exchange earnings or outgo during the year under review.

## MEETINGS OF THE BOARD:

During the year under review, Four (4) meetings of the Board of Directors were held on May 15, 2014, August 12, 2014, October 30, 2014 & February 6, 2015. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

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## DIRECTORS' REPORT (Contd.)

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### DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013,

- a. In the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to any material departures.
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- c. Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The annual accounts for the financial year ended March 31, 2015 had been prepared on a 'going concern' basis.
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of Annual Return in Form MGT-9 is annexed to the Board Report.

### MATERIAL EVENTS AFTER THE BALANCE SHEET DATE:

No material events have occurred between end of the current financial year 2014-15 and the date of this report, which have effect over the financial position of the Company.

### RELATED PARTY TRANSACTIONS:

All related party transactions of the Company are placed before the Board for approval. Transactions with the related parties are disclosed in Note No. 18.4 in 'Notes forming part of the financial statements' annexed to the Financial Statements of the year.

### FIXED DEPOSITS:

During the year under review the Company has not accepted any fixed deposit and as such, no amount of principal or interest was outstanding as on the balance sheet date.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

There were no contract or arrangements or transactions entered in to during the year ended March 31, 2015, which were not at arm's length basis.

There are no material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2015

### VARIATIONS IN NETWORTH OF THE COMPANY:

The networth of the Company as on March 31, 2015 is ₹ (122.78) Lacs as compared to networth of ₹ (140.40) Lacs as on March 31, 2014.

### PARTICULARS OF EMPLOYEES:

The Company does not have any employees whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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

### ACKNOWLEDGEMENTS:

Your Directors wish to thank all stakeholders for their cooperation and support. Your Directors also wish to thank all their employees for their dedicated services.

For and on behalf of Board of Directors

Place: Mumbai  
Date: May 20, 2015

**Jeetendra Kapoor**  
Chairman

# ANNEXURES TO THE BOARD REPORT

## FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS:

1.	<b>CIN</b>	U74900MH2012PLC237999
2.	<b>Registration Date</b>	19/11/2012
3.	<b>Name of the Company</b>	M/s BOLT MEDIA LIMITED
4.	<b>Category/Sub-category of the Company</b>	Company Limited by Shares.
5.	<b>Address of the Registered office &amp; contact details</b>	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400053. Tel: +91-022-40698000, Fax: +91-022-40698181 Email: investor@balajitelefilms.com Website: www.balajitelefilms.com
6.	<b>Whether listed company</b>	Unlisted Company.
7.	<b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any.</b>	N.A

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

S.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Media & Entertainment	591	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Name and address of the Company	CIN/GLN	Holding/Subsidiary Associate	% of Shares Held	Applicable Section
M/s Balaji Telefilms Limited	L99999MH1994PLC082802.	Holding Company	100%	2 (46)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

Sr. No.	Name	Type of Shares/ Debentures	No. of Shares	Amt per Share (₹)	Total Value
1	M/s. Balaji Telefilms Limited	Equity Shares	49994	10/-	499940
2	Mr. Jeetendra Kapoor jointly with Balaji Telefilms Limited	Equity Shares	1	10/-	10/-
3	Mrs. Shobha Kapoor jointly with Balaji Telefilms Limited	Equity Shares	1	10/-	10/-
4	Ms. Ekta Kapoor jointly with Balaji Telefilms Limited.	Equity Shares	1	10/-	10/-
5	Mr. Tushar Kapoor jointly with Balaji Telefilms Limited.	Equity Shares	1	10/-	10/-
6.	Mr. Deepoo Vaswani jointly with Balaji Telefilms Limited.	Equity Shares	1	10/-	10/-
7.	Mr. Ramesh Sippy jointly with Balaji Telefilms Limited.	Equity Shares	1	10/-	10/-
		<b>Total</b>	<b>50000</b>	<b>10/-</b>	<b>500000</b>

## ANNEXURES TO THE BOARD REPORT (Contd.)

### B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M/s Balaji Telefilms Limited	50000	100%	0	50000	100%	0	0
	<b>Total</b>	<b>50000</b>	<b>100%</b>	<b>0</b>	<b>50000</b>	<b>100%</b>	<b>0</b>	<b>0</b>

### C) Change in Promoters' Shareholding:

There is no change in the Shareholding of Promoters between the period April 1, 2014 to March 31, 2015.

### D) Shareholding Pattern of top Shareholders:

#### (Other than Directors, Promoters and Holders of GDRs and ADRs):

The entire Share of the Company is held by its Holding Company 'Balaji Telefilms Limited'.

### E) Shareholding of Directors and Key Managerial Personnel:

It is a wholly-owned Subsidiary of Balajia Telefilm Limited. None of the Directors or Key Managerial Personnel hold shares in the Company.

### V) Indebtedness of the Company including interest outstanding/accrued but not due for payment.

The Company has not availed any loan during the year and it is a debt-free Company.

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

The Company does not have a Managing Director, Whole-Time Director and/or Manager.

### B. Remuneration to other directors

None of the Directors receive any remuneration from the Company.

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

The Company is not required to appoint Key Managerial Personnel.

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for the year ended March 31, 2015.

# INDEPENDENT AUDITORS' REPORT

To the Members of Bolt Media Limited

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Bolt Media 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, 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 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 no pending litigations on its financial position ;
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

For **Snehal & Associates**  
Chartered Accountants  
FRN: 110314W

**Snehal Shah**  
Proprietor  
Membership No.: 040016  
Mumbai, dated: May 20, 2015



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# ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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## RE: BOLT MEDIA LIMITED

(Referred to in paragraph 1 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 explanation given to us, no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:

According to information and explanation given to us, the nature of inventories of the Company are such that sub clauses (a), (b), (c) of clause (ii) of paragraph 3 of the Companies (Auditor's Report) Order, 2015 (the Order) are not applicable to the company.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties 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 commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit we have not observed any major weakness in such internal control system.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013 for any of the services rendered by 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, Income-tax, Service Tax 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, Service Tax 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) There were no statutory dues unpaid by the Company as on March 31, 2015.
- (viii) Since the Company is incorporated on November 19, 2012 clause (viii) of paragraph 3 of the Order is not applicable to the Company.
- (ix) In our opinion and according to the information and explanations given to us, the Company does not have any borrowings from the banks and financial institutions. Consequently, the question of commenting on the default in repayment of dues does not arise.
- (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 any 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 on or by the Company was noticed or reported during the year.

For **Snehal & Associates**  
Chartered Accountants  
FRN: 110314W

**Snehal Shah**  
Proprietor  
Membership No.: 040016  
Mumbai, dated: May 20, 2015

# BALANCE SHEET

as at March 31, 2015

Particulars	Note No.	₹ in Lacs	
		As at March 31, 2015	As at March 31, 2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	5.00	5.00
(b) Reserves and surplus	4	(127.78)	(145.40)
		(122.78)	(140.40)
<b>2 Current liabilities</b>			
(a) Short-term borrowings	5	576.83	452.98
(b) Trade payables		76.18	134.92
(c) Other current liabilities	6	5.03	150.51
(d) Short Term Provisions	7	2.61	0.48
		660.66	738.89
<b>TOTAL</b>		<b>537.88</b>	<b>598.49</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	8		
Tangible assets		4.55	0.75
(b) Long-term loans and advances	9	77.99	35.89
		82.54	36.64
<b>2 Current assets</b>			
(a) Inventories	10	9.68	478.27
(b) Trade receivables	11	337.19	23.43
(c) Cash and cash equivalents	12	88.72	17.45
(d) Short-term loans and advances	13	19.75	42.71
		455.34	561.85
<b>TOTAL</b>		<b>537.88</b>	<b>598.49</b>
<b>See accompanying notes forming part of the financial statements.</b>			

In terms of our report attached  
For **Snehal & Associates**  
Chartered Accountants

For and on behalf of the Board of Directors

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Director)

**D. G. Rajan**  
(Director)

**Sameer Nair**  
(Group Chief Executive Officer)

**Sanjay Dwivedi**  
(Group Chief Financial Officer)

**Snehal Shah**  
Proprietor

**Vaibhav Modi**  
(Chief Executive Officer)

Place : Mumbai  
Date : May 20, 2015

Place : Mumbai  
Date : May 20, 2015

# STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2015

Particulars	Note No.	₹ in Lacs	
		For the year ended March 31, 2015	For the year ended March 31, 2014
<b>1 Revenue</b>			
Revenue from Operations	14	1,462.86	474.98
<b>Total Revenue</b>		<b>1,462.86</b>	<b>474.98</b>
<b>2 Expenses</b>			
(a) Cost of Production	15	1,307.62	375.99
(b) Employee benefits expense	16	89.65	139.63
(c) Other expenses	17	41.31	30.15
(d) Depreciation	8	2.21	22.62
<b>Total Expenses</b>		<b>1,440.80</b>	<b>568.39</b>
<b>3 Profit / (Loss) for the Period</b>		<b>22.07</b>	<b>(93.41)</b>
<b>4 Tax expense:</b>			
(a) Current Tax		4.45	-
(b) Deferred Tax		-	-
		<b>4.45</b>	<b>-</b>
<b>5 Profit for the Period</b>		<b>17.62</b>	<b>(93.41)</b>
<b>6 Earnings per equity share (of ₹10/- each):</b>			
Basic and diluted earnings per share	18.6	35.23	0
<b>See accompanying notes forming part of the financial statements.</b>			

In terms of our report attached  
For **Snehal & Associates**  
Chartered Accountants

For and on behalf of the Board of Directors

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Director)

**D. G. Rajan**  
(Director)

**Sameer Nair**  
(Group Chief Executive Officer)

**Sanjay Dwivedi**  
(Group Chief Financial Officer)

**Snehal Shah**  
Proprietor

**Vaibhav Modi**  
(Chief Executive Officer)

Place : Mumbai  
Date : May 20, 2015

Place : Mumbai  
Date : May 20, 2015

# CASH FLOW STATEMENT

for the year ended March 31, 2015

Particulars	₹ in Lacs	
	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before tax	22.07	(93.41)
Adjustments for:		
Depreciation	2.21	22.62
<b>Operating profit/(loss) before working capital changes</b>	<b>24.28</b>	<b>(70.79)</b>
(Increase) in trade and other receivables	(290.80)	(14.03)
(Increase) in inventories	468.59	(440.28)
Increase in trade and other payables	(202.08)	166.50
Cash from operations	(0.01)	(358.60)
Income-tax refund received/(paid)	(46.54)	(25.84)
<b>Net cash (used in) operating activities (A)</b>	<b>(46.55)</b>	<b>(384.44)</b>
<b>B. Cash flow from Investing Activities</b>		
Purchase of fixed assets	<b>(6.03)</b>	<b>(0.86)</b>
<b>C. Cash Flow from Financing Activities</b>		
Issue of Equity Share Capital	-	-
Proceeds from short-term borrowings	123.85	379.85
Repayment of short-term borrowings	-	-
<b>Net cash flow from financing activities (C)</b>	<b>123.85</b>	<b>379.85</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>71.27</b>	<b>(5.45)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	17.45	22.90
<b>Cash and cash equivalents at the end of the year</b>	<b>88.72</b>	<b>17.45</b>

In terms of our report attached  
For **Snehal & Associates**  
Chartered Accountants

For and on behalf of the Board of Directors

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Director)

**D. G. Rajan**  
(Director)

**Sameer Nair**  
(Group Chief Executive Officer)

**Sanjay Dwivedi**  
(Group Chief Financial Officer)

**Snehal Shah**  
Proprietor

**Vaibhav Modi**  
(Chief Executive Officer)

Place : Mumbai  
Date : May 20, 2015

Place : Mumbai  
Date : May 20, 2015

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# NOTES

forming part of the financial statements

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## NOTE 1 CORPORATE INFORMATION

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

### Basis of 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 / materialized.

### Fixed assets

Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation / amortization 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.

### 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

Liability in respect of gratuity is computed based upon actuarial valuation done at the end of each financial year using 'Projected Unit Credit Method' carried out by an independent actuary. 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 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 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.



# 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.

## 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.

## 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.

## NOTE 3 SHARE CAPITAL

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>(a) Authorised</b>		
50,000 Equity Shares of ₹10/- each with voting rights	5.00	5.00
	<b>5.00</b>	<b>5.00</b>
<b>(b) Issued, Subscribed and fully paid-up</b>		
50,000 Equity Shares of ₹10/- each with voting rights	5.00	5.00
(All the above shares are held by Balaji Telefilms Limited, the holding company and its nominees)		
<b>TOTAL</b>	<b>5.00</b>	<b>5.00</b>

## NOTE 4 RESERVES AND SURPLUS

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>(Deficit) in Statement of Profit and Loss</b>		
Opening balance	(145.40)	(51.99)
Add: Profit / (Loss) for the year	17.62	(93.41)
<b>TOTAL</b>	<b>(127.78)</b>	<b>(145.40)</b>

## NOTE 5 SHORT-TERM BORROWINGS

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Loans and advances from the Holding Company (Unsecured)	576.83	452.98
<b>TOTAL</b>	<b>576.83</b>	<b>452.98</b>

## NOTES

forming part of the financial statements

### NOTE 6 OTHER CURRENT LIABILITIES

₹ in Lacs

Particulars	As at March 31, 2015	As at March 31, 2014
Other payables		
(i) Statutory liabilities	4.02	6.20
(ii) Advances from customers	1.01	144.31
<b>TOTAL</b>	<b>5.03</b>	<b>150.51</b>

### NOTE 7 SHORT TERM PROVISIONS

₹ in Lacs

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for gratuity	2.61	0.48
<b>TOTAL</b>	<b>2.61</b>	<b>0.48</b>

### NOTE 8 FIXED ASSETS

(₹ in Lacs)

	Gross Block			Depreciation / Amortisation				Net Block		
	As at April 01, 2014	Additions	Deletions	As at March 31, 2015	Upto March 31, 2014	For the year	On deductions	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
<b>Tangible Assets</b>										
Computers	0.86	1.53	-	2.39	0.12	0.84	-	0.96	1.43	0.75
	(-)	(-)	-	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Plant and Machinery- Computer	-	4.50	-	4.50	-	1.38	-	1.38	3.12	0.75
	(-)	(-)	-	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Sets & Studios	22.50	-	-	22.50	22.50	-	-	22.50	-	-
	(-)	(22.50)	(-)	(22.50)	(-)	(-)	(22.50)	(22.50)	(-)	(-)
<b>TOTAL</b>	<b>23.36</b>	<b>6.03</b>	<b>-</b>	<b>6.89</b>	<b>22.62</b>	<b>2.22</b>	<b>-</b>	<b>2.34</b>	<b>4.55</b>	<b>1.49</b>
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

### NOTE 9 LONG TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)

₹ in Lacs

Particulars	As at March 31, 2015	As at March 31, 2014
Advance Tax (Net of Provision)	77.99	35.89
<b>TOTAL</b>	<b>77.99</b>	<b>35.89</b>

# NOTES

forming part of the financial statements

## NOTE 10 INVENTORIES

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Serials	9.68	478.27
<b>TOTAL</b>	<b>9.68</b>	<b>478.27</b>

## NOTE 11 TRADE RECEIVABLES (UNSECURED, CONSIDERED GOOD)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>Trade receivables</b>		
(a) Outstanding for a period exceeding six months from the date they were due for payment	7.63	-
(b) Other Trade receivables	329.56	23.43
<b>TOTAL</b>	<b>337.19</b>	<b>23.43</b>

## NOTE 12 CASH AND CASH EQUIVALENTS

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(a) Cash on hand	11.44	0.23
(b) Balances with banks in current account	77.28	17.22
<b>TOTAL</b>	<b>88.72</b>	<b>17.45</b>

## NOTE 13 SHORT-TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(a) Security Deposit	0.05	0.05
(b) Balances with government authorities (service tax)	8.75	42.44
(c) Advance to vendors	10.95	0.22
<b>TOTAL</b>	<b>19.75</b>	<b>42.71</b>

## NOTE 14 REVENUE FROM OPERATIONS

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Commissioned Sales	1,459.11	469.48
Service Income	3.75	5.50
<b>TOTAL</b>	<b>1,462.86</b>	<b>474.98</b>

## NOTES

forming part of the financial statements

### NOTE 15 COST OF SERIES PRODUCED

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Cost of TV Series Produced</b>		
Opening stock of Serials/Tapes/Content	478.27	37.99
Add: Cost of production / acquisition		
Purchase of costumes and dresses	13.82	17.59
Purchase of tapes	0.03	6.09
Artists, junior artists, dubbing artists fees	159.74	117.89
Directors, technicians and other fees	309.12	350.64
Shooting and location expenses	216.06	162.02
Food and refreshments	26.12	21.18
Set properties and equipment hire charges	72.73	78.59
Other production expenses	38.87	60.50
Insurance charges	2.54	1.78
	839.03	816.27
	1317.30	854.26
Less: Closing stock of Serials/Tapes/Content	9.68	478.27
<b>TOTAL</b>	<b>1,307.62</b>	<b>375.99</b>

### NOTE 16 EMPLOYEE BENEFIT EXPENSE

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries and wages	87.52	139.95
Contributions to Provident and Other Funds	2.13	(0.32)
<b>TOTAL</b>	<b>89.65</b>	<b>139.63</b>

### NOTE 17 OTHER EXPENSES

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Electricity charges	-	0.36
Insurance	0.47	-
Rates and taxes	1.73	1.26
Telephone charges	-	0.11
Repairs & Maintenance	0.06	1.88
Legal and Professional charges	35.36	24.24
Director Sitting Fees	0.40	0.30
Business Promotion	0.43	0.14
Travelling and Conveyance Expenses	-	0.02
Miscellaneous expenses	2.86	1.84
<b>TOTAL</b>	<b>41.31</b>	<b>30.15</b>

# NOTES

forming part of the financial statements

## NOTE 18 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS

### 18.1 Payment to Auditors

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
For Statutory Audit	0.75	0.75
For Tax Audit	0.50	0.50
For other services	1.00	1.50
Service Tax	0.28	0.34
<b>TOTAL</b>	<b>2.53</b>	<b>3.09</b>

18.2 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.

### 18.3 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
Balaji Telefilms Limited	Holding Company
Balaji Motion Pictures Limited	Fellow Subsidiary Company

### 18.4

#### (b) Details of Transactions with related parties during the period

Nature of Transactions	Holding Company	Key Management Person	Relative of Key Management Person	₹ in Lacs
				Total
<b>Loan Received</b>				
Balaji Telefilms Limited	410.02	-	-	410.02
	(479.86)	-	-	(479.86)
<b>Loan Repaid</b>				
Balaji Telefilms Limited	535.44			535.44
	(100.02)			(100.02)
<b>Loan payable as at March 31, 2015</b>				
Balaji Telefilms Limited	577.36	-	-	577.36
	(452.98)	-	-	(452.98)

#### 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.



## NOTES

forming part of the financial statements

### 18.5 Employee Benefits

a) Defined Contribution Plans

Since, the number of employees are less than 20, no contribution to provident fund is being made.

b) Defined Benefit Plans

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

	For the year 2014-2015	For the year 2013-2014
Fair Value of plan assets as at the end of the year	-	-
Present Value of Obligation as at the end of the year	(2.61)	(0.48)
Net assets / (liability) in the Balance Sheet	(2.61)	(0.48)

₹ in Lacs

#### II Movement in net liability recognized in the Balance Sheet

	For the year 2014-2015	For the year 2013-2014
Net (assets)/ liability as at the beginning of the year	0.48	0.80
Net expense recognized in the Statement of Profit and Loss	2.13	(0.32)
Contribution during the year	-	-
Net liability / (assets) as at the end of the year	2.61	0.48

₹ in Lacs

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

	For the year 2014-2015	For the year 2013-2014
Current Service Cost	0.26	0.76
Interest Cost	0.04	-
Expected Return on Plan assets	-	-
Actuarial (gains) / losses	1.84	0.04
Expense charged to the Statement of Profit and Loss	2.13	0.80

₹ in Lacs

#### IV Return on Plan Assets

	For the year 2014-2015	For the year 2013-2014
Expected return on plan assets	-	-
Actuarial gains / (losses)	1.84	(1.64)
Actual return on plan assets	1.84	(1.64)

₹ in Lacs

## NOTES

forming part of the financial statements

### V Reconciliation of defined benefits commitments

	For the year 2014-2015	For the year 2013-2014
Commitments at beginning of the year	0.48	0.80
Current Service Cost	0.26	1.26
Interest Cost	0.04	0.06
Actuarial (gains)/ losses	1.84	(1.64)
Benefits paid	-	-
Settlement cost	-	-
Commitments at year end	2.61	0.48

₹ in Lacs

### VI Reconciliation of plan assets

	For the year 2014-2015	For the year 2013-2014
Fair Value of plan assets at beginning of the year	-	-
Expected return on plan assets	-	-
Actuarial gains/ (losses)	1.84	(1.64)
Employer contribution	-	-
Benefits paid	-	-
Fair Value of plan assets at year end	1.84	(1.64)

₹ in Lacs

### VII Experience Adjustment

	For the year 2014-2015	For the year 2013-2014
On Plan liability losses	1.58	(1.52)
On Plan assets gains / (losses)	-	-

### VIII Actuarial Assumptions

	For the year 2014-2015	For the year 2013-2014
Mortality Table (LIC)	1994-96 (Ultimate)	1994-96 (Ultimate)
Discount Rate (per annum)	8.03%	8.00%
Expected Rate of return on Plan assets (per annum)		
Rate of escalation in Salary(per annum)	5.00%	5.00%

₹ in Lacs

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.

# NOTES

forming part of the financial statements

## 18.6 Earning per share

Earnings per share is calculated by dividing the profit / (losses) attributable to equity shareholders by the weighted average number of equity shares outstanding during the period as under :

	For the year 2014-2015	For the year 2013-2014
(a) Profit / (Loss) for the period attributable to equity share holders (₹ in Lacs)	17.62	(93.41)
(b) Weighted average number of equity shares outstanding during the year (Nos.)	50,000	50,000
(c) Earnings / (loss) per share - Basic and diluted (₹)	35.23	0
(d) Nominal value of shares (₹)	10	10

**18.7** In accordance with the Accounting Standard 22 on "Accounting for Taxes on Income" (AS 22), deferred tax assets and liabilities should be recognized for all timing differences. However, considering the present financial position and accumulated tax losses carried forward and the requirement of the AS 22 regarding certainty/virtual certainty, the deferred tax asset is not accounted for. However, the same will be reassessed at subsequent Balance Sheet date and will be accounted for in the year of certainty/virtual certainty in accordance with the aforesaid AS 22. As Company has taxable losses for the period, no provision for Income Tax has been made.

## 18.8 Segment Information

The primary segment of the Company is business segment which comprises of carrying on the business of production, serials and advertisement. As the Company operates in a single primary business segment, therefore the question of disclosing the primary segment information does not arise.

Secondary Segment:

The Company caters to the needs of the domestic market and hence there are no other reportable geographical segments.

In terms of our report attached  
For **Snehal & Associates**  
Chartered Accountants

For and on behalf of the Board of Directors

**Jeetendra Kapoor**  
(Chairman)

**Shobha Kapoor**  
(Director)

**D. G. Rajan**  
(Director)

**Sameer Nair**  
(Group Chief Executive Officer)

**Sanjay Dwivedi**  
(Group Chief Financial Officer)

**Snehal Shah**  
Proprietor

**Vaibhav Modi**  
(Chief Executive Officer)

Place : Mumbai  
Date : May 20, 2015

Place : Mumbai  
Date : May 20, 2015

# DIRECTORS' REPORT

Your Directors have pleasure in presenting their Directors' Report of the Company together with the Audited Accounts of the Company for the year ended March 31, 2015.

## FINANCIAL RESULTS:

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

Particulars	₹ in Lacs	
	2014-2015	2013-2014
<b>INCOME FROM OPERATIONS</b>	<b>439.49</b>	<b>84.01</b>
<b>Total expenditure</b>	<b>602.90</b>	<b>73.68</b>
<b>Operating (Loss)/Profit</b>	<b>(163.41)</b>	<b>10.33</b>
Finance Costs	4.60	-
Depreciation	0.05	1.31
<b>(LOSS)/PROFIT FOR THE YEAR BEFORE TAX</b>	<b>(168.05)</b>	<b>9.02</b>
Provision for tax	2.72	-
<b>Profit / (Loss) for the Year after tax</b>	<b>(170.77)</b>	<b>9.02</b>
<b>Profit / (Loss) brought forward from previous year</b>	<b>9.02</b>	<b>9.81</b>
<b>Profit / (Loss) carried to the Balance Sheet</b>	<b>(151.94)</b>	<b>18.83</b>

## OPERATIONS AND BUSINESS PERFORMANCE:

During the year the Company has become Subsidiary of Balaji Telefilms Limited. During the year under review, the Company made a net loss of ₹ 170.77 Lacs as compared to a net profit of ₹ 9.02 Lacs in the previous year.

## DIVIDEND:

In view of the loss, your Directors do not recommend any dividend for the financial year ended March 31, 2015.

## TRANSFER TO RESERVES:

The Company does not propose to transfer any amount to the reserves.

## PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any Deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014.

## DIRECTORS:

Mrs. Shobha Kapoor was appointed as Additional (Non-Executive) Director of the Company with effect from December 8, 2014. As per the provisions of Section 161 of the Companies Act, 2013 she will hold office upto the date of the ensuing Annual General Meeting of the Company. The Directors recommend her appointment as Director of the Company. The Company has received notice under Section 160 of the Companies Act, 2013, together with requisite deposit proposing appointment of Mrs. Shobha Kapoor as Director of the Company.

Ms. Ekta Kapoor was appointed as Additional (Non-Executive) Director of the Company with effect from December 8, 2014. As per the provisions of Section 161 of the Companies Act, 2013 she will hold office upto the date of the ensuing Annual General Meeting of the Company. The Directors recommend her appointment as Director of the Company. The Company has received notice under Section 160 of the Companies Act, 2013, together with requisite deposit proposing appointment of Ms. Ekta Kapoor as Director of the Company.

Mr. V.B. Dalal was appointed as Additional (Non-Executive) Director of the Company with effect from December 8, 2014. As per the provisions of Section 161 of the Companies Act, 2013 he will hold office upto the date of the ensuing Annual General Meeting of the Company. The Directors recommend his appointment as Director of the Company. The Company has received notice under Section 160 of the Companies Act, 2013, together with requisite deposit proposing appointment of Mr. V.B. Dalal as Director of the Company.

## AUDITORS:

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors will retire at the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

The Company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for reappointment.

## AUDITOR'S REPORT:

The observations of the Auditors in their report read with relevant notes to accounts are self-explanatory and do not require further explanation.

## CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:

The particulars relating to conservation of energy and technology absorption are not applicable to the Company. Hence the Company is not required to give information as required under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.

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## DIRECTORS' REPORT (Contd.)

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However, all possible efforts are being made to conserve and optimize the use of energy, wherever possible.

### FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review there are no foreign exchange earnings or outgo.

### EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of Annual Return in Form MGT-9 is annexed to the Board Report.

### MATERIAL EVENTS AFTER THE BALANCE SHEET DATE:

No material events have occurred between end of the current financial year 2014-15 and the date of this report, which have effect over the financial position of the Company.

### MEETINGS OF THE BOARD:

During the year under review, after the joint venture, Five (5) Board Meetings were held on October 1, 2014, October 14, 2014, December 8, 2014, December 24, 2014 and February 6, 2015. The intervening gap between two Board Meetings was not more than One Hundred and Twenty Days.

### DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) In the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to any material departures.
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- c) Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The annual accounts for the financial year ended March 31, 2015, had been prepared on a 'going concern' basis.
- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### RELATED PARTY TRANSACTIONS:

All related party transactions of the Company are placed before the Board for approval. Transactions with the related parties are disclosed in Note No. 19.3 (b) in 'Notes forming part of the financial statements' annexed to the Financial Statements of the year.

### FIXED DEPOSITS:

During the year under review the Company has not accepted any fixed deposit and as such, no amount of principal or interest was outstanding as on the balance sheet date.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

There were no contract or arrangements or transactions entered into during the year ended March 31, 2015, which were not at arm's length basis.

There are no material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2015

### VARIATIONS IN NETWORTH OF THE COMPANY:

The networth of the Company as on March 31, 2015 is ₹ 194.06 Lacs as compared to networth of ₹ 19.83 Lacs as on March 31, 2014.

### PARTICULARS OF EMPLOYEES:

The Company does not have any employees whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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

### ACKNOWLEDGEMENTS:

Your Directors wish to thank all stakeholders for their cooperation and support. Your Directors also wish to thank all their employees for their dedicated services.

For and on behalf of the Board of Directors,

Mumbai, May 19, 2015

**Shobha Kapoor**  
Chairperson



# DIRECTORS' REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

## I. REGISTRATION & OTHER DETAILS:

1.	<b>CIN</b>	U74120MH2011PTC220971
2.	<b>Registration Date</b>	16/08/2011
3.	<b>Name of the Company</b>	M/s MARINATING FILMS PRIVATE LIMITED
4.	<b>Category/Sub-category of the Company</b>	Company Limited by Shares.
5.	<b>Address of the Registered office &amp; contact details</b>	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai-400053. Tel: +91-022-40698000, Fax: +91-022-40698181 Email: investor@balajitelefilms.com Website: www.balajitelefilms.com
6.	<b>Whether listed company</b>	Unlisted Company.
7.	<b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any.</b>	N.A

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Media & Entertainment	591	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Name and address of the Company	CIN/GLN	Holding/Subsidiary Associate	% of Shares Held	Applicable Section
M/s Balaji Telefilms Limited	L99999MH1994PLC082802.	Holding Company	100%	2 (46)

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

Sr. No.	Name	Type of Shares/ Debentures	No. of Shares	Amt per Share (₹)	Total Value
1	M/s. Balaji Telefilms Limited	Equity Shares	5100	10/-	51000
2	M/s. Balaji Telefilms Limited	Preference Shares	3450000	10/-	34500000
3	Mr. Anand Mishra	Equity Shares	2450	10/-	24500
4	Mr. Sunny Arora	Equity Shares	2450	10/-	24500
	<b>Total</b>		<b>3460000</b>	<b>10/-</b>	<b>34600000</b>

## B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Anand Mishra	5000	50%	0	2450	0.07%	0	49.93%
2	Mr. Sunny Arora	5000	50%	0	2450	0.07%	0	49.93%
	<b>Total</b>	<b>100000</b>	<b>100%</b>	<b>0</b>	<b>4900</b>	<b>0.14%</b>	<b>0</b>	<b>99.86%</b>

## ANNEXURES TO THE BOARD REPORT

### C) Change in Promoters' Shareholding:

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Anand Prakash Mishra				
	At the beginning of the year	5000	50%	5000	50%
	Transfer of Shares as on December 24, 2014	2550	2.55%	2450	2.45%
	At the end of the year			2450	2.45%
2	Mr. Sunny Arora				
	At the beginning of the year	5000	50%	5000	50%
	Transfer of Shares as on December 24, 2014	2550	2.55%	2450	2.45%
	At the end of the year			2450	2.45%

### D) Shareholding Pattern of top Shareholders:

#### (Other than Directors, Promoters and Holders of GDRs and ADRs):

The entire Share Capital of the Company is held by the Holding Company, Promoters and the Directors of the Company.

### E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Anand Mishra	5000	50%	0	2450	0.07%	0	49.93%
2	Mr. Sunny Arora	5000	50%	0	2450	0.07%	0	49.93%
	<b>Total</b>	<b>100000</b>	<b>100%</b>	<b>0</b>	<b>4900</b>	<b>0.14%</b>	<b>0</b>	<b>99.86%</b>

### V. INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT:

The Company has not availed any loan during the year and it is a debt-free Company.

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

The Company does not have a Managing Director, Whole-Time Director and/or Manager.

#### B. Remuneration to other Directors :

None of the Directors receive any remuneration from the Company.

#### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

The Company is not required to appoint Key Managerial Personnel.

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for the year ended March 31, 2015.

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# INDEPENDENT AUDITORS' REPORT

## To the Members of Marinating Films Private Limited

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### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Marinating Films Private 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 loss 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 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;

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- (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 does not have any pending litigations on its financial position in its 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 were no amounts which were 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

# ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

## RE: MARINATING FILMS PRIVATE LIMITED

(Referred to in paragraph 1 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 explanation given to us, material discrepancies noticed on such verification have been charged to the Statement of Profit and Loss.
- (ii) The activities of the Company and the nature of its 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 Company has not granted any loans, secured or unsecured, to companies, firms or other parties 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 commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. During the course of our audit we have not observed any major weakness in such internal control system.
- (v) The Company has not accepted deposits from the public during the year.
- (vi) According to the information and explanations given to us, in our opinion, the Company has, *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 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 us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues including Provident fund, Employees' State Insurance, Sales-tax, Wealth-tax, Customs duty, Excise duty, Value Added Tax, cess and any other material statutory dues applicable to it with the appropriate authorities, except for income-tax and service tax which have not been regularly deposited with the authorities and there have been delays in large number of cases.
- (b) Details of 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 are given below:

Name of Statute	Nature of dues	Amount (₹ 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 Company subsequent to the year-end.

- (c) There were no dues of Income-tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited as on March 31, 2015 on account of disputes.
- (d) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
- (viii) The accumulated losses of the Company at the end of the financial year are not less than fifty per cent of its net worth and the Company has incurred cash losses during the financial year covered by our audit. The Company did not incur cash loss 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.



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- (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.
  - (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

# BALANCE SHEET

as at March 31, 2015

Particulars	Note No.	₹ in Lacs	
		As at March 31, 2015	As at March 31, 2014
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	346.00	1.00
(b) Reserves and surplus	4	(151.94)	18.83
		194.06	19.83
<b>2 Non-current liabilities</b>			
(a) Long term borrowings	5	-	1.27
<b>3 Current liabilities</b>			
(a) Trade payables	19.2	223.33	8.87
(b) Other current liabilities	6	43.04	16.24
		266.37	26.37
<b>TOTAL</b>		<b>460.43</b>	<b>46.20</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
Tangible assets	7	0.48	11.72
(b) Long-term loans and advances	8	16.59	2.00
		17.07	13.72
<b>2 Current assets</b>			
(a) Inventories	9	267.51	-
(b) Trade receivables	10	164.47	7.14
(c) Cash and cash equivalents	11	6.66	8.50
(d) Short-term loans and advances	12	4.72	16.84
		443.36	32.48
<b>TOTAL</b>		<b>460.43</b>	<b>46.20</b>
<b>See accompanying notes forming part of the financial statements</b>			

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)

**Shobha Kapoor**  
(Director)

**Sameer Nair**  
(Group Chief Executive Officer)

Place : Mumbai  
Date : May 20, 2015

**V. B. Dalal**  
(Director)

**Sunny Arora**  
(Director)

**Sanjay Dwivedi**  
(Group Chief Financial Officer)

**Anand Prakash Mishra**  
(Director)

# STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2015

₹ in Lacs

Particulars	Note No.	For the Year March 31, 2015	For the Year March 31, 2014
1 Revenue from Operations	13	432.06	83.57
2 Other Income	14	7.43	0.44
<b>Total Revenue</b>		<b>439.49</b>	<b>84.01</b>
<b>3 Expenses</b>			
(a) Cost of Production	15	517.95	22.15
(b) Employee benefits expense	16	33.21	11.39
(c) Finance Cost	17	4.60	-
(d) Depreciation	7	0.05	1.31
(e) Other expenses	18	51.73	40.13
<b>Total Expenses</b>		<b>607.54</b>	<b>74.99</b>
<b>4 (Loss)/Profit for the year</b>		<b>(168.05)</b>	<b>9.02</b>
<b>5 Tax expense:</b>			
(a) Current tax		-	-
(b) Short provision of taxation in respect of earlier year		2.72	-
		<b>2.72</b>	<b>-</b>
<b>6 (Loss)/Profit for the year</b>		<b>(170.77)</b>	<b>9.02</b>
7 Earnings per share (of ₹ 10/- each)			
Basic and diluted earnings per share	19.4	(1,680.49)	90.22
<b>See accompanying notes forming part of the financial statements</b>			

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)

**Shobha Kapoor**  
(Director)

**Sameer Nair**  
(Group Chief Executive Officer)

Place : Mumbai  
Date : May 20, 2015

**V. B. Dalal**  
(Director)

**Sunny Arora**  
(Director)

**Sanjay Dwivedi**  
(Group Chief Financial Officer)

**Anand Prakash Mishra**  
(Director)

# CASH FLOW STATEMENT

for the year ended March 31, 2015

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	
<b>A. Cash Flow from Operating Activities</b>		
Net (Loss) before tax		(168.05)
Adjustments for the period		
Depreciation	0.05	
Credit balances written back	(6.70)	
Bad Debts	1.90	
Fixed assets written off	11.72	
<b>Operating loss before working capital changes</b>	<b>6.97</b>	
(Increase) in trade and other receivables	(143.34)	
(Increase) in inventories	(267.51)	
Increase in trade and other payables	240.21	(163.67)
Direct taxes paid		(14.59)
<b>Net cash (used in) operating activities (A)</b>		<b>(346.31)</b>
<b>B. Cash Flow from Investing Activities (B)</b>		
Purchase of fixed assets	(0.53)	<b>(0.53)</b>
<b>C. Cash Flow from Financing Activities</b>		
Issue of Preference Share Capital	345.00	
<b>Net cash flow from financing activities (C)</b>		<b>345.00</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>		<b>(1.84)</b>
Cash and cash equivalents at the beginning of the period		8.50
<b>Cash and cash equivalents at the end of the period</b>		<b>6.66</b>

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)

**Shobha Kapoor**  
(Director)

**Sameer Nair**  
(Group Chief Executive Officer)

Place : Mumbai  
Date : May 20, 2015

**V. B. Dalal**  
(Director)

**Sunny Arora**  
(Director)

**Sanjay Dwivedi**  
(Group Chief Financial Officer)

**Anand Prakash Mishra**  
(Director)

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# NOTES

forming part of the financial statements

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## NOTE 1 CORPORATE INFORMATION

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 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 financial 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 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.

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.

### Inventories

Items of inventory are carried at lower of cost or net realizable value.

### Revenue recognition

Revenue is recognised as and when the relevant event is delivered and technical clearance is received from the broadcasting channels.

Revenue (income) is recognized when risk and reward is transferred and no significant uncertainty as to its determination and realization exists.

### Employee benefits

Provision for Gratuity has been accounted for in accordance with the provisions of Payment of Gratuity Act, 1972.

### 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).

# NOTES

forming part of the financial statements

## 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.

## NOTE 3 SHARE CAPITAL

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>(a) Authorised</b>		
50,000 (Previous year 50,000) Equity Shares of ₹10/- each	5.00	5.00
34,50,000 (Previous year Nil) Zero Dividend Optionally convertible redeemable preference shares of ₹10/- each	345.00	-
	350.00	5.00
<b>(b) Issued, Subscribed and fully paid-up</b>		
10,000 (Previous year 10,000) Equity Shares of ₹10/- each	1.00	1.00
34,50,000 (Previous year Nil) Zero Dividend Optionally convertible redeemable preference shares of ₹10/- each (Refer note 19.3)	345.00	-
	346.00	-

### Notes:

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

Name of Equity Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Balaji Telefilms Limited	5,100	51.00%	-	-
Anand Prakash Mishra	2,450	24.50%	5,000	50%
Sunny Satish Arora	2,450	24.50%	5,000	50%

(ii) All the Equity Shares have the same rights as to dividends, voting and in case of repayment of capital.

(iii) Movement of Zero Dividend Optionally Redeemable Convertible Preference Shares during the year

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	₹ in Lacs	No. of Shares held	₹ in Lacs
Preference Shares outstanding at the beginning of the year	-	-	-	-
Add: Issue of Preference Shares during the year	3,450,000	345.00	-	-
Preference Shares outstanding at the end of the year	3,450,000	345.00	-	-

(a) These Preference Shares are redeemable at par at anytime at the option of the Board but not later than 20 years from the date of allotment.

(b) The holder of these Preference Shares shall have an option to exercise their right for converting the same into Equity Shares at anytime before these are redeemable in the ratio of 1 Equity Shares of ₹ 10/- each for every 1 Preference Shares of ₹ 10/- each held.



## NOTES

forming part of the financial statements

### NOTE 4 RESERVES AND SURPLUS

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>(Deficit)/Surplus in Statement of Profit and Loss</b>		
Opening balance	18.83	9.81
Add:(Loss)/Profit for the year	(170.77)	9.02
<b>TOTAL</b>	<b>(151.94)</b>	<b>18.83</b>

### NOTE 5 LONG-TERM BORROWINGS

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>Loans and Advances from: (Refer note 19.3)</b>		
(i) Marinating Films Partnership	-	1.00
(ii) Sunny Arora	-	0.27
<b>TOTAL</b>	<b>-</b>	<b>1.27</b>

### NOTE 6 OTHER CURRENT LIABILITIES

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>Other payables</b>		
(i) Statutory liabilities	43.04	9.24
(ii) Advances from customers	-	7.00
<b>TOTAL</b>	<b>43.04</b>	<b>16.24</b>

### NOTE 7 FIXED ASSETS

Fixed Assets	Gross Block				Depreciation / Amortisation				Net Block
	As at April 01, 2014	Additions	Deletions	As at March 31, 2015	Upto March 31, 2014	For the year	On Deduction	Upto March 31, 2015	As at March 31, 2015
<b>Tangible Assets</b>									
Computers	-	0.53	-	0.53	-	0.05	-	0.05	0.48
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Office Equipment	1.01	-	1.01	-	0.20	-	0.20	-	-
	(1.01)	(-)	(-)	(1.01)	(0.11)	(0.10)	(-)	(0.20)	(0.81)
Plant and Machinery-Others	6.98	-	6.98	-	1.33	-	1.33	-	-
	(6.98)	(-)	(-)	(6.98)	(0.70)	(0.63)	(-)	(1.33)	(5.65)
Furniture and Fixtures	6.49	-	6.49	-	1.23	-	1.23	-	-
	(6.49)	(-)	(-)	(6.49)	(0.65)	(0.58)	(-)	(-)	(5.26)
<b>TOTAL</b>	<b>14.48</b>	<b>0.53</b>	<b>14.48</b>	<b>0.53</b>	<b>2.76</b>	<b>0.05</b>	<b>2.76</b>	<b>0.05</b>	<b>0.48</b>
	<b>(14.48)</b>	<b>(-)</b>	<b>(-)</b>	<b>(14.48)</b>	<b>(1.46)</b>	<b>(1.31)</b>	<b>(-)</b>	<b>(2.76)</b>	<b>(11.72)</b>

**Note:**

Figures in brackets denote previous year figures

# NOTES

forming part of the financial statements

## NOTE 8 LONG TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Security Deposit	2.00	2.00
Advance income-tax (Net of provisions ₹2.72 lacs (as at March 31, 2014 Nil))	14.59	-
<b>TOTAL</b>	<b>16.59</b>	<b>2.00</b>

## NOTE 9 INVENTORIES

(At lower of cost and net realisable value)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
Events	267.51	-
<b>TOTAL</b>	<b>267.51</b>	<b>-</b>

## NOTE 10 TRADE RECEIVABLES (UNSECURED, CONSIDERED GOOD)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
<b>Trade receivables</b>		
(a) Outstanding for a period exceeding six months from the date they were due for payment	7.14	-
(b) Other Trade receivables	157.33	7.14
<b>TOTAL</b>	<b>164.47</b>	<b>7.14</b>

## NOTE 11 CASH AND CASH EQUIVALENTS

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(a) Cash on hand	-	2.62
(b) Balances with banks in current accounts	6.66	5.88
<b>TOTAL</b>	<b>6.66</b>	<b>8.50</b>

## NOTE 12 SHORT-TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)

Particulars	₹ in Lacs	
	As at March 31, 2015	As at March 31, 2014
(a) Balances with government authorities (service tax)	4.72	16.84
<b>TOTAL</b>	<b>4.72</b>	<b>16.84</b>

## NOTE 13 REVENUE FROM OPERATIONS

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Service Income - Event management	427.06	83.57
Sale of Rights	5.00	-
<b>TOTAL</b>	<b>432.06</b>	<b>83.57</b>

# NOTES

forming part of the financial statements

## NOTE 14 OTHER INCOME

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Interest income		
-On Income-tax refund	0.73	0.44
(b) Sundry Credit balances for earlier years written back	6.70	-
<b>TOTAL</b>	<b>7.43</b>	<b>0.44</b>

## NOTE 15 COST OF PRODUCTION

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Acquisition Cost	24.50	-
Purchase of costumes and dresses	12.21	-
Artists, Directors and other technicians fees	231.39	3.51
Shooting and location expenses	179.12	9.76
Set Properties and Equipment Hire Charges	185.13	5.75
Marketing Expenses	21.91	-
Other production expenses	131.20	3.13
	785.46	22.15
Less: Closing stock of Content	267.51	-
<b>TOTAL</b>	<b>517.95</b>	<b>22.15</b>

## NOTE 16 EMPLOYEE BENEFITS EXPENSE

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries and wages	30.21	11.39
Gratuity	3.00	-
<b>TOTAL</b>	<b>33.21</b>	<b>11.39</b>

## NOTE 17 FINANCE COST

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest on delayed payment of taxes etc.	4.60	-
<b>TOTAL</b>	<b>4.60</b>	<b>-</b>

# NOTES

forming part of the financial statements

## NOTE 18 OTHER EXPENSES

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Electricity charges	0.52	1.05
Rent (Refer note 19.5)	3.98	3.20
Repairs and Maintenance-others	0.41	-
Communication expenses	0.32	0.33
Legal and Professional charges	23.32	11.60
Business Promotion	0.80	-
Travelling and Conveyance Expenses	1.07	14.76
Bad debts written off	1.90	-
Fixed assets written off	11.72	-
Miscellaneous expenses	7.69	9.19
<b>TOTAL</b>	<b>51.73</b>	<b>40.13</b>

## NOTE 19 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS

### 19.1 Auditors Remuneration

Particulars	₹ in Lacs	
	For the year ended March 31, 2015	For the year ended March 31, 2014
For Statutory Audit	3.00	0.25
For Service tax	0.37	0.03
<b>TOTAL</b>	<b>3.37</b>	<b>0.28</b>

19.2 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.

### 19.3 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
Sunny Arora	Key management person
Anand Prakash Mishra	Key management person
Marinating Films Partnership	Key management person having significant influence
Balaji Telefilms Limited	Holding Company

# NOTES

forming part of the financial statements

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

Nature of Transactions	Holding Company	Key Management Person	Key Management Person having significant influence	₹ in Lacs
				Total
<b>Sale of Rights</b>				
Balaji Telefilms Limited	5.00	-	-	5.00
	(-)	(-)	(-)	(-)
<b>Issue of Preference Shares</b>				
Balaji Telefilms Limited	345.00	-	-	345.00
	(-)	(-)	(-)	(-)
<b>Remuneration</b>				
Anand Prakash Mishra	-	15.61	-	15.61
	(-)	(2.50)	(-)	(2.50)
Sunny Arora	-	14.60	-	14.60
	(-)	(2.50)	(-)	(2.50)
<b>Sundry Credit balances for earlier years written back</b>				
Marinating Films Partnership	-	-	1.00	1.00
	(-)	(-)	(-)	(-)
Sunny Arora	-	0.27	-	0.27
	(-)	(-)	(-)	(-)
<b>Long term borrowings</b>				
Marinating Films Partnership	-	-	-	-
	(-)	(-)	(1.00)	(1.00)
Sunny Arora	-	-	-	-
	(-)	(0.27)	(-)	(0.27)
<b>Amount receivable as at March 31, 2015</b>				
Balaji Telefilms Limited	0.25	-	-	0.25
	(-)	(-)	(-)	(-)
<b>Preference Shares as at March 31, 2015</b>				
Balaji Telefilms Limited	345.00	-	-	345.00
	(-)	(-)	(-)	(-)

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

(ii) Figures in bracket relate to the previous year.

### 19.4 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) (Loss) / Profit for the year attributable to equity share holders (₹ in Lacs)	(168.05)	9.02
(b) Weighted average number of equity shares outstanding during the year (Nos.)	10,000	10,000
(c) Earnings per share - Basic and diluted (₹)	(1,680.49)	90.22
(d) Nominal value of shares (₹)	10	10

The effect of Optionally Convertible Redeemable Preference Shares is not considered since the results are anti dilutive.

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## NOTES

forming part of the financial statements

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### NOTE 19 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (CONTD.)

#### 19.5 Lease Transactions

Amount of lease rentals charged to the statement of profit and loss in respect of operating leases is ₹ 3.98 Lacs (previous year ₹ 3.20 Lacs).

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

19.7 The Company is primarily engaged in the business of event management relating to film and television industry which, in the context of Accounting Standard 17 on "Segment Reporting", constitutes a single reportable segment.

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

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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)

**Shobha Kapoor**  
(Director)

**Sameer Nair**  
(Group Chief Executive Officer)

Place : Mumbai  
Date : May 20, 2015

**V. B. Dalal**  
(Director)

**Sunny Arora**  
(Director)

**Sanjay Dwivedi**  
(Group Chief Financial Officer)

**Anand Prakash Mishra**  
(Director)



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# INDEPENDENT AUDITORS' REPORT

To The Partners of Event Media LLP

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## Report on the Financial Statements

We have audited the accompanying financial statements of Event Media LLP (the LLP), which comprise the Balance Sheet as at March 31, 2015, the Statement of Income and Expenditure 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 Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Fund in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) 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.

## Auditor's 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 ICAI. Those Standards require that we comply with the 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 the internal control relevant to the LLP'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 LLP'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 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 LLP as at March 31, 2015; and
- (b) in the case of the Statement of Income and Expenditure, of the excess of expenditure over income of the LLP; and
- (c) in case of the Cash Flow Statement, of the cash flows of the LLP for the year ended on that date.

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

# BALANCE SHEET

as at March 31, 2015

Particulars	Note No.	₹ in Lacs As at March 31, 2015
<b>A EQUITY AND LIABILITIES</b>		
<b>Partners' funds</b>		
(a) Partners' capital accounts	3	(43.59)
		(43.59)
<b>Current liabilities</b>		
(a) Short-term borrowings	4	425.66
(b) Trade payables	14.2	3.90
(c) Other current liabilities	5	12.49
		442.05
<b>TOTAL</b>		<b>398.46</b>
<b>B ASSETS</b>		
<b>Non-current assets</b>		
(a) Long-term loans and advances	6	78.64
		78.64
<b>Current assets</b>		
(a) Trade Receivables	7	216.47
(b) Cash and cash equivalents	8	102.32
(c) Short-term loans and advances	9	1.03
		319.82
<b>TOTAL</b>		<b>398.46</b>
<b>See accompanying notes forming part of the financial statements</b>		

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

**A. B. Jani**  
(Partner)

Place : Mumbai  
Date : May 20, 2015

For and on behalf of the Balaji Telefilms Limited

**Shobha Kapoor**  
(Partner)

For and on behalf of the Select Media Holdings Private Limited

**Rajnish Khanuja**  
(Partner)

# STATEMENT OF PROFIT AND LOSS

for the period from October 1, 2014 to March 31, 2015.

Particulars	Note No.	₹ in Lacs For the period from October 1, 2014 to March 31, 2015
<b>Revenue:</b>		
Revenue from Operations	10	918.00
<b>Total Revenue</b>		<b>918.00</b>
<b>Expenses:</b>		
(a) Cost of Production	11	947.60
(b) Finance cost	12	12.49
(c) Other expenses	13	2.50
<b>Total Expenses</b>		<b>962.59</b>
<b>(Loss) for the year after taxation transferred to Partners' capital account</b>		<b>(44.59)</b>
<b>See accompanying notes forming part of the financial statements</b>		

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

**A. B. Jani**  
(Partner)

Place : Mumbai  
Date : May 20, 2015

For and on behalf of the Balaji Telefilms Limited

**Shobha Kapoor**  
(Partner)

For and on behalf of the Select Media Holdings Private Limited

**Rajnish Khanuja**  
(Partner)

# CASH FLOW STATEMENT

for the period from October 1, 2014 to March 31, 2015

Particulars	₹ in Lacs
	As at March 31, 2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net (Loss) before tax	(44.59)
(Increase) in trade and other receivables	(217.50)
Increase in trade and other payables	3.90
Cash from operations	(258.19)
Income-tax (tax deducted at source)	(78.64)
<b>Net cash (used in) operating activities (A)</b>	<b>(336.83)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	-
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>	
Capital contribution received	1.00
Proceeds from short-term borrowings	438.15
<b>Net cash (used in) financing activities (C)</b>	<b>439.15</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>102.32</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>102.32</b>

**Note:**

Components of cash and cash equivalents include cash and bank balances in current account (Refer Note 8)

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

**A. B. Jani**  
(Partner)

Place : Mumbai  
Date : May 20, 2015

For and on behalf of the Balaji Telefilms Limited

**Shobha Kapoor**  
(Partner)

For and on behalf of the Select Media Holdings Private Limited

**Rajnish Khanuja**  
(Partner)

# NOTES

## forming part of the financial statements

### NOTE 1 CORPORATE INFORMATION

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 Private Limited. It is involved in organizing and/or managing events relating to film and television industry.

### NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

#### Basis of preparation of financial statements

- (i) The financial statements have been prepared to comply with accounting principles generally accepted in India, including the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI).
- (ii) As asset/liability is classified as current if it is expected to be realized / settled within twelve month after the reporting date as the case may be. All other assets / liabilities are classified as non-current.

#### 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.

#### Revenue recognition

Revenue is recognised as and when the relevant event is delivered and technical clearance is received from the broadcasting channels.

Revenue (income) is recognized when risk and reward is transferred and no significant uncertainty as to its determination and realization exists.

#### 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 period-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.

#### 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.

#### 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..

### NOTE 3: PARTNERS' CAPITAL ACCOUNT

Particulars	₹ in Lacs
	As at March 31, 2015
Capital contributions received during the period	1.00
Less: Share of (deficit) in Statement of Profit and Loss	(44.59)
Balance carried to Balance Sheet	<b>(43.59)</b>

# NOTES

forming part of the financial statements

## Note: Partners Accounts

Name	Share	Contribution } received	Share in Profit/(Loss)	Share in (Loss)	Closing balance
Balaji Telefilms Limited	51%	0.51	50%	(22.295)	(21.785)
Select Media Holdings Private Limited	49%	0.49	50%	(22.295)	(21.805)
	<b>100%</b>	<b>1.00</b>	<b>100%</b>	<b>(44.59)</b>	<b>(43.59)</b>

## NOTE 4: SHORT-TERM BORROWINGS (UNSECURED)

Particulars	₹ in Lacs As at March 31, 2015
Loans from partner [Refer note below]	
(i) Balaji Telefilms Limited	425.66
<b>TOTAL</b>	<b>425.66</b>

**Note:**  
Loans from partner bears an interest rate of 12% per annum, simple interest on reducing balance basis and is repayable on demand basis, unless otherwise agreed by the partners in writing.

## NOTE 5 : OTHER CURRENT LIABILITIES

Particulars	₹ in Lacs As at March 31, 2015
Interest accrued and due on: (Refer note below)	
(i) Loan from partner	12.43
(ii) Capital contribution from partners	0.06
<b>TOTAL</b>	<b>12.49</b>

**Note:**  
The interest on capital and loans given by the partners would be at 12% per annum simple interest payable on quarterly basis or on settlement of loan, whichever is earlier.

## NOTE 6: LONG-TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)

Particulars	₹ in Lacs As at March 31, 2015
Advance payment of income-tax (Tax deducted at source)	78.64
<b>TOTAL</b>	<b>78.64</b>

## NOTE 7: TRADE RECEIVABLES (UNSECURED, CONSIDERED GOOD)

Particulars	₹ in Lacs As at March 31, 2015
<b>Trade receivables</b>	
(a) Outstanding for a period exceeding six months from the date they were due for payment	-
(b) Other trade receivables	216.47
<b>TOTAL</b>	<b>216.47</b>

## NOTE 8: CASH AND CASH EQUIVALENTS

Particulars	₹ in Lacs As at March 31, 2015
Balances with banks in current account	102.32
<b>TOTAL</b>	<b>102.32</b>

## NOTE 9: SHORT-TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)

Particulars	₹ in Lacs As at March 31, 2015
Balance with Government Authorities (Service tax)	1.03
<b>TOTAL</b>	<b>1.03</b>



# NOTES

forming part of the financial statements

## NOTE 10: REVENUE FROM OPERATIONS

Particulars	₹ in Lacs
	For the period from October 1, 2014 to March 31, 2015
Service income - Organising/Managing events	918.00
<b>TOTAL</b>	<b>918.00</b>

## NOTE 11: COST OF PRODUCTION

Particulars	₹ in Lacs
	For the period from October 1, 2014 to March 31, 2015
Purchase of costumes and dresses	17.27
Purchase of tapes	0.70
Artists, junior artists, dubbing artists fees	499.58
Directors, technicians and other fees	90.25
Shooting and location expenses	62.35
Food and refreshments	5.94
Set properties and equipment hire charges	27.96
Insurance charges	0.61
Other production expenses	242.94
<b>TOTAL</b>	<b>947.60</b>

## NOTE 12 : FINANCE COST

Particulars	₹ in Lacs
	For the period from October 1, 2014 to March 31, 2015
<b>Interest on:</b>	
Loans from partner	12.43
Capital contribution from partners	0.06
<b>TOTAL</b>	<b>12.49</b>

## NOTE 13: OTHER EXPENSES

Particulars	₹ in Lacs
	For the period from October 1, 2014 to March 31, 2015
Legal and Professional charges (Refer note 14.1)	2.50
<b>TOTAL</b>	<b>2.50</b>

## NOTE 14 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS

### 14.1 Payment to Auditors (excluding service tax)

Particulars	₹ in Lacs
	For the period from October 1, 2014 to March 31, 2015
For Statutory Audit	2.50
<b>TOTAL</b>	<b>2.50</b>

# NOTES

forming part of the financial statements

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

## 14.3 Related Party Transactions

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

Name of the Related Party	Relationship
Mrs. Shobha Kapoor	Key management person
Balaji Telefilms Limited	Holding Company, Partner
Select Media Holdings Private Limited	Company having significant influence, Partner

### (b) Details of Transactions with related parties during the period

Nature of Transactions	Holding Company	Company having significant influence
Loan Received		
Balaji Telefilms Limited	1,149.75	-
Loan Repaid		
Balaji Telefilms Limited	711.63	-
Interest on loan and capital		
Balaji Telefilms Limited	12.46	-
Select Media Holdings Private Limited		0.03
Loan payable (including interest accrued and due) as at March 31, 2015		
Balaji Telefilms Limited	438.12	-

**14.4** In accordance with the Accounting Standard 22 on "Accounting for Taxes on Income" (AS 22), deferred tax assets and liabilities should be recognized for all timing differences. However, considering the present financial position and accumulated tax losses carried forward and the requirement of the AS 22 regarding certainty/virtual certainty, the deferred tax asset is not accounted for. However, the same will be reassessed at subsequent Balance Sheet date and will be accounted for in the year of certainty/virtual certainty in accordance with the aforesaid AS 22.

**14.5** The Company is primarily engaged in the business of organizing and/or managing events relating to film and television industry, which, in the context of Accounting Standard 17 on 'Segment Reporting', constitutes a single reportable segment.

**14.6** The accumulated losses of ₹ 43.49 Lacs as at March 31, 2015 have fully eroded the networth of the LLP. The financial statement of the LLP have, however been prepared on a going concern basis, which is dependent upon continuing and committed availability of finance from the Holding Company (Refer Note 14.3 (b)) and its future profitability. The LLP has identified the Event Business as its strategic growth area and has various projects currently under development and the Partners are fully confident about the long-term profitability of its businesses.

**14.7** The LLP was incorporated on October 1, 2014 and hence there are no figures of the Previous Period.

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

For and on behalf of the Balaji Telefilms Limited

**A. B. Jani**  
(Partner)

**Shobha Kapoor**  
(Partner)

Place : Mumbai  
Date : May 20, 2015

For and on behalf of the Select Media Holdings Private Limited

**Rajnish Khanuja**  
(Partner)



## NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the Members of Balaji Telefilms Limited will be held on Monday, August 31, 2015, at 3:00 P.M., at 'The Club' 197, D.N. Nagar, Andheri (West), Mumbai- 400053, to transact the following business:

### ORDINARY BUSINESS:

**1. Adoption of Financial Statements:**

To receive, consider and adopt the Audited Standalone & Consolidated Balance Sheet as at March 31, 2015 and the Statement of Profit & Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.

**2. Declaration of Dividend:**

To declare dividend for the financial year ended on March 31, 2015.

**3. Re-Appointment of Director:**

To appoint a Director in place of Mr. Tusshar Kapoor (DIN 00005088), who retires by rotation and being eligible, seeks re-appointment.

**4. Appointment of Auditors:**

To appoint M/s Deloitte Haskins and Sells LLP, Chartered Accountants, Mumbai, as Statutory Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and for that purpose to pass following resolution as Ordinary resolution:

**"RESOLVED** that pursuant to the provisions of Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, and pursuant to the recommendation of the Audit Committee of the Board of Directors of the Company, M/s Deloitte Haskins and Sells LLP, Chartered Accountants (Firm Registration No: 117366W/W-100018), be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditor.

**RESOLVED FURTHER** that any one of the Directors and the Company Secretary be and are hereby severally authorised to do such other acts, deeds and things as are necessary to give effect to this resolution."

### SPECIAL BUSINESS:

**5. Reappointment of Mrs. Shobha Kapoor (DIN 00005124) as Managing Director of the Company:**

To consider and, if thought fit, to pass, with or without modification, the following resolution as Special Resolution:

**"RESOLVED** that pursuant to the provisions of Section 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and pursuant to recommendations of the Nomination & Remuneration Committee, the consent of the Company be and is hereby accorded for re-appointment of Mrs. Shobha Kapoor as Managing Director of the Company for a further period of 3 (three) years commencing from November 10, 2015 on following terms and conditions:

- 1. Basic Salary:** an amount not exceeding ₹ 10,00,000 p.m. (i.e. ₹ 1,20,00,000/- p.a.) as Basic Salary and
- 2. Perquisites, Allowances & Benefits:**

**Part "A"**

**(a) Housing:**

Managing Director shall be entitled to house rent allowance subject to the ceiling of 50% of the basic salary.

**(b) Leave Travel Concession/Allowance:**

Earned Leave and Leave Travel Concession /Allowance for self and family not exceeding 10% of the basic salary.

**(c) Personal Medical and Accident Insurance:**

Personal Medical and Accident Insurance and any other coverage in accordance with the Rules & Regulations of the Company.

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## NOTICE (Contd.)

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- (d) **Club Fees:**  
Fees of maximum 2 (Two) Clubs (inclusive of Admission and Life Membership fees) to be paid to the Managing Director.
- (e) **Medical & Other Allowances:**  
Medical and other allowances not exceeding 30% of the basic salary.

### PART "B"

- (a) **Company's contribution to Provident and Other Fund:** Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (b) **Leave Encashment:** Encashment of leave at the end of tenure will be permitted in accordance with the rules of the Company.

The above perquisites shall not be included in the computation of the ceiling on remuneration.

### PART "C"

- (a) **Car:** The Company shall provide such chauffeur driven Car to the Managing Director as may be desired by her for business of the Company.
- (b) **Telephone:** Personal mobile phone and telephone facilities at the residence of the Managing Director for use of Company's business.
- (c) **Entertainment Expenses:** The reimbursement of actual and properly incurred Entertainment Expenses by the Managing Director for legitimate business of the Company.

Any other perquisites, benefits, facilities, allowances and expense as may be decided by the Board from time to time as per the Rules/Schemes of the Company as applicable to Board Members.

However, the aggregate of basic remuneration and value of perquisites shall not exceed the maximum remuneration allowable under Section 197 read with Schedule V to the Companies Act, 2013 without approval of the Central Government.

Perquisites shall be valued as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, perquisites shall be valued at actual cost.

**RESOLVED FURTHER** that in the event of loss or inadequacy of profits in any financial year during the term of the Managing Director, Mrs. Shobha Kapoor will be paid the remuneration by way of Salary & Perquisites, Allowances & Benefits as specified above as minimum remuneration.

**RESOLVED FURTHER** that the office of Mrs. Shobha Kapoor as Managing Director shall not be liable to retire by rotation.

**RESOLVED FURTHER** that any Director of the Company or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution including filing of necessary forms with the Registrar of Companies."

### 6 Reappointment of Ms. Ekta Kapoor (DIN 00005093) as Joint Managing Director of the Company:

To consider and, if thought fit, to pass, with or without modification, the following resolution as Special Resolution:

**RESOLVED** that pursuant to the provisions of Section 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), and pursuant to recommendations of the Nomination & Remuneration Committee, the consent of the Company be and is hereby accorded for re-appointment of Ms. Ekta Kapoor as Joint Managing Director of the Company for a further period of 3 (three) years commencing from November 10, 2015 on following terms and conditions:

1. **Basic Salary:** an amount not exceeding ₹ 10,00,000 p.m. (i.e. ₹ 1,20,00,000/- p.a.) as Basic Salary and

**Perquisites, Allowances & Benefits:**

**Part "A"**

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## NOTICE (Contd.)

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- (a) **Housing:**  
Joint Managing Director shall be entitled to house rent allowance subject to the ceiling of 50% of the basic salary.
- (b) **Leave Travel Concession/Allowance:**  
Earned Leave and Leave Travel Concession /Allowance for self and family not exceeding 10% of the basic salary.
- (c) **Personal Medical and Accident Insurance:**  
Personal Medical and Accident Insurance and any other coverage in accordance with the Rules & Regulations of the Company.
- (d) **Club Fees:**  
Fees of maximum 2 (Two) Clubs (inclusive of Admission and Life Membership fees) to be paid to the Joint Managing Director.
- (e) **Medical & Other Allowances:**  
Medical and other allowances not exceeding 30% of the basic salary.

### PART "B"

- (a) **Company's contribution to Provident and Other Fund:** Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (b) **Leave Encashment:** Encashment of leave at the end of tenure will be permitted in accordance with the rules of the Company.

The above prerequisites shall not be included in the computation of the ceiling on remuneration.

### PART "C"

- (a) **Car:** The Company shall provide such chauffer driven Car to the Joint Managing Director as may be desired by her for business of the Company.
- (b) **Telephone:** Personal mobile phone and telephone facilities at the residence of the Joint Managing Director for use of Company's business.
- (c) **Entertainment Expenses:** The reimbursement of actual and properly incurred Entertainment Expenses by the Joint Managing Director for legitimate business of the Company.

Any other prerequisites, benefits, facilities, allowances and expense as may be decided by the Board from time to time as per the Rules/Schemes of the Company as applicable to Board Members.

However, the aggregate of basic remuneration and value of prerequisites shall not exceed the maximum remuneration allowable under Section 197 read with Schedule V to the Companies Act, 2013 without approval of the Central Government.

Prerequisites shall be valued as per Income Tax Rules, wherever applicable, and in the absence of any such Rules, prerequisites shall be valued at actual cost.

**RESOLVED FURTHER** that in the event of loss or inadequacy of profits in any financial year during the term of the Joint Managing Director, Ms. Ekta Kapoor will be paid remuneration by way of Salary & Prerequisites, Allowances & Benefits as specified above as minimum remuneration.

**RESOLVED FURTHER** that the office of Ms. Ekta Kapoor as Joint Managing Director shall be liable to retire by rotation.

**RESOLVED FURTHER** that any Director of the Company or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution including filing of necessary forms with the Registrar of Companies."

## NOTICE (Contd.)

**7. Appointment Mr. V.B. Dalal (DIN 00247971) as an Independent Director of the Company:**

To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**RESOLVED** that pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder, read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, as amended from time to time, Mr. V.B. Dalal, who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. August 12, 2014 and who holds office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of independence under Section 149 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the Office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years commencing from August 31, 2015, and he shall not be liable to retire by rotation.

**RESOLVED FURTHER** that any Director of the Company or the Company Secretary be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the above resolution including filing of necessary forms with the Registrar of Companies."

**8. Appointment of Mr. Arun Kumar Purwar (DIN 00026383) as an Independent Director of the Company:**

To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**RESOLVED** that pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, as amended from time to time, Mr. Arun Kumar Purwar, who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. May 20, 2015 and who holds office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and who has submitted a declaration that he meets the criteria of independence under Section 149 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the Office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years commencing from August 31, 2015, and he shall not be liable to retire by rotation.

**RESOLVED FURTHER** that any Director of the Company or the Company Secretary be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the above the resolution including filing of necessary forms with the Registrar of Companies."

**9. Increase in Authorized Share Capital and Re-Classification of the Share Capital:**

To consider and if thought fit, to pass with or without modification (s) the following resolution as an Ordinary Resolution:

**RESOLVED** that pursuant to the provisions of Section 61 and other applicable provisions of the Companies Act, 2013 and the rules issued thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Authorised Share Capital of the Company be and is hereby increased from ₹17,00,00,000 (Rupees Seventeen Crores only) comprising of 8,50,00,000 (Eight Crores Fifty Lacs) Equity Shares of ₹2 (Rupees Two) each to ₹20,00,00,000 (Rupees Twenty Crores only) comprising of 8,50,00,000 (Eight Crores Fifty Lacs) Equity Shares of ₹2 (Rupees Two) each and 1,50,00,000 (One Crore Fifty Lacs) Preference Shares of ₹2 (Rupees Two) each.

**RESOLVED FURTHER** that any Director of the Company or the Company Secretary be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the above the resolution including filing of necessary forms with the Registrar of Companies."

**10. Alteration of the Capital Clause of the Memorandum of Association:**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Ordinary Resolution:

**RESOLVED** that pursuant to the provisions of Sections 13 and 61 and other applicable provisions of the Companies Act, 2013 and the rules issued there under (including any statutory modification or re-enactment thereof for the time being in force), the existing Clause V of the Memorandum of Association of the Company be and is hereby deleted and substituted by the following:

- V. The Authorized Share Capital of the Company is ₹20,00,00,000 (Rupees Twenty Crores only) comprising of:  
8,50,00,000 (Eight Crores Fifty Lacs) Equity Shares of ₹2 (Rupees Two each) ₹ 17,00,00,000/- (Rupees Seventeen Crores.)  
1,50,00,000 (One Crore Fifty Lacs) Preference Shares of ₹2 (Rupees Two each) ₹ 3,00,00,000/- (Rupees Three Crores).



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## NOTICE (Contd.)

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**RESOLVED FURTHER** that, for the purpose of giving effect to this resolution, the Board (which expression shall also include a Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things, including delegation of any of its powers herein conferred to its Directors, Company Secretary or any other officer(s):

### 11. Further Issue of Securities:

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

**“RESOLVED** that pursuant to the provisions of Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and applicable rules made thereunder, to the extent notified and in effect (the “Companies Act”), the Foreign Exchange Management Act, 1999 (FEMA), as amended, the Rules, Regulations, Guidelines, Notifications and Circulars, if any, prescribed by the Government of India, Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI) including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “ICDR Regulations”) or any other competent authority, from time to time, to the extent applicable including enabling provisions of the Listing Agreements entered into with the Stock Exchanges (the “Listing Agreements”) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to approvals, consents, permissions and sanctions as might be required and subject to such conditions as might be prescribed while granting such approvals, consents, permissions and sanctions and which may be agreed to by, the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), be and is hereby authorized on behalf of the Company, to create, offer, issue and allot in one or more tranches, by way of a rights issue, bonus issue, public issue, preferential issue, qualified institutions placement (QIP), private placement or a combination thereof of Equity Shares or through an issuance of fully / partly convertible debentures, preference shares convertible or non-convertible into Equity Shares, and / or any other financial instruments or securities convertible or non-convertible into Equity Shares or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form, whether rupee denominated or denominated in foreign currency (hereinafter collectively referred to as the “Securities”) or any combination of Securities, to all eligible investors, including residents and / or non-residents and / or institutions / banks and / or incorporated bodies and / or individuals and / or trustees or otherwise, and whether or not such investors are Members of the Company (collectively the “Investors”), through one or more prospectus and / or letter of offer or circular, and / or on private placement basis, at such time or times, at such price or prices, and on such terms and conditions considering the prevailing market conditions and other relevant factors wherever necessary, for, or which upon exercise or conversion of all Securities so issued and allotted, could give rise to the issue of Equity Shares of ₹2 each (Rupees Two) or Preference Shares of ₹ 2 each (Rupees Two) aggregating upto ₹50 Crores in one or more tranche or tranches, at such price or prices, (whether at prevailing market price(s) or at permissible premium to market price(s) in terms of applicable regulations) at the Board’s discretion including the discretion to determine the categories of Investors, considering the prevailing market conditions and other relevant factors wherever necessary, to whom the offer, issue and allotment of Securities shall be made to the exclusion of others, in such manner, including allotment to stabilizing agent in terms of green shoe option, if any, exercised by the Company, and where necessary in consultation with the Book Running Lead Managers and / or Underwriters and / or Stabilizing Agent and / or other Advisors or otherwise on such terms and conditions, including issue of Securities as fully or partly paid, making of calls and manner of appropriation of application money or call money, in respect of different class(es) of investor(s) and/or in respect of different Securities, as the Board may in its absolute discretion decide at the time of issue of the Securities.

**RESOLVED FURTHER** that in case of a qualified institutions placement (QIP) pursuant to the ICDR Regulations, the allotment of Securities (or any combination of the Securities as decided by the Board) shall only be made to Qualified Institutional Buyers (QIBs) within the meaning of the ICDR Regulations, such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of this resolution at such price being not less than the price determined in accordance with the pricing formula provided under the ICDR Regulations.

**RESOLVED FURTHER** that in the event that Equity Shares are issued to Qualified Institutional Buyers (QIBs) under the ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares and at such price being not less than the price determined in accordance with the pricing formula provided under the ICDR Regulations.

**RESOLVED FURTHER** that the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

- (a) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted; and

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## NOTICE (Contd.)

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- (b) in the event of consolidation and / or division of outstanding Equity Shares into smaller number of Equity Shares (including by way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.

**RESOLVED FURTHER** that, without prejudice to the generality of the above, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, issue of additional Equity Shares, variation of the conversion price of the Securities or period of conversion of Securities into Equity Shares during the duration of the Securities and the Board be and is hereby authorized, in its absolute discretion, in such manner as it may deem fit, to dispose off such of the Securities that are not subscribed.

**RESOLVED FURTHER** that the Board be and is hereby authorized to create, issue, offer and allot such number of Equity Shares as may be required to be issued and allotted, including issue and allotment of Equity Shares upon conversion of any debentures, warrants or other Securities referred to above or as may be necessary in accordance with the terms of the offer, and all such Equity Shares shall be issued in accordance with the terms of the Memorandum and Articles of Association and shall rank *pari passu* inter se and with the then existing Equity Shares of the Company in all respects.

**RESOLVED FURTHER** that, for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of terms and conditions for issuance of Securities including the number of Securities that may be offered in domestic and international markets and proportion thereof, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, entering into and executing arrangements for managing, underwriting, marketing, listing, trading and providing legal advise as well as acting as depository, custodian, registrar, stabilizing agent, paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalize, approve and issue any document(s), including but not limited to prospectus and/or letter of offer and/or circular, documents and agreements including filing of registration statements, prospectus and other documents (in draft or final form) with any Indian or Foreign Regulatory Authority or Stock Exchanges and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER** that, for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorized on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India.

**RESOLVED FURTHER** that:

- i the offer, issue and allotment of the aforesaid Equity Shares shall be made at such time or times as the Board may in its absolute discretion decide, subject, however, to applicable guidelines, notifications, rules and regulations;
- ii. the Equity Shares to be issued by the Company as stated aforesaid shall rank *pari-passu* with all existing Equity Shares of the Company;
- iii the Equity Shares to be offered and allotted shall be in dematerialized form;
- iv the Company do apply for listing of the new Equity Shares as may be issued with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited or any other Stock Exchange(s);
- v the Company do apply to the National Securities Depository Limited and/or Central Depository Services (India) Limited for admission of the Securities; and
- vi the Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of the above mentioned Equity Shares and also shall be entitled to vary, modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient;

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## NOTICE (Contd.)

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- vii. the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final offer document(s), placement document or offering circular, as the case may be, execution of various transaction documents, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER** that the Board be and is hereby authorised to create necessary charge on such of the assets and properties (whether present or future) of the Company in respect of Securities and to approve, accept, finalize and execute facilities, sanctions, undertakings, agreements, promissory notes, credit limits and any of the documents and papers in connection with the issue of Securities.

**RESOLVED FURTHER** that the Equity Shares shall be issued and allotted within 12 months from the date of this resolution or such other time as may be allowed under the ICDR Regulations.

**RESOLVED FURTHER** that the Board be and is hereby authorized to delegate all or any its powers herein conferred by this resolution to any Committee of Director or Directors or any one or more executives of the Company to give effect to the above resolutions.”

### 12. Alteration of Articles of Association:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED** that pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (incorporation) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the new Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER** that any one of the Directors and the Company Secretary be and are hereby severally authorised to do such other acts, deeds and things as are necessary to give effect to this resolution.”

Mumbai, May 20, 2015

#### Regd. Office:

C-13, Balaji House, Dalia Industrial Estate,  
Opp. Laxmi Industries, New Link Road,  
Andheri (West), Mumbai - 400 053.

**By order of the Board of Directors  
For Balaji Telefilms Limited**

Sd/-

**Simmi Singh Bisht**

Company Secretary & Compliance Officer

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## NOTICE (Contd.)

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### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT A MEETING OF THE COMPANY SHALL BE ENTITLED TO APPOINT ANY PERSON WHETHER A MEMBER OR NOT AS PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. Instruments appointing proxies, in order to be valid and effective, must be delivered at the Registered Office of the Company not later than forty-eight hours before the commencement of the meeting i.e. by August 29, 2015.
2. As per Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company provided that not less than three days of notice in writing is given to the Company.
4. Members / proxies should bring duly filled Attendance Slips sent herewith for attending the meeting.
5. Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting. A person so authorized shall have the right to vote, on behalf of the body corporate which he or she represents.
6. In case of joint holders attending the Meeting, only the holder whose name appears higher on the Register of Members will be entitled to vote at the meeting.
7. The relevant Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Items Nos. 5 to 12 of the accompanying Notice are annexed thereto.
8. Relevant documents referred to in the accompanying Notice & in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours upto the date of the Meeting.
9. The Register of Members and Share Transfer Books will remain closed from August 27, 2015 to August 31, 2015 (both days inclusive).
10. Members whose shareholding is in the electronic mode are requested to notify all changes with respect to their address, email id, ECS mandate and bank details to their respective Depository Participants.
11. Members are requested to address all correspondences, including dividend mandates, etc. to the Registrar and Share Transfer Agents – Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032, Telangana.
12. Pursuant to the requirements of the Listing Agreements with Stock Exchanges on Corporate Governance, the information about the Directors proposed to be appointed or re-appointed is given in the Annexure to the Notice.
13. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956 (the relevant sections of Companies Act, 2013 are not yet notified), the Company has transferred on due dates, the unpaid or unclaimed dividends for the financial year ended March 31, 2007 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on August 30, 2014 (date of the last Annual General Meeting) on the website of the Company ([www.balajitelefilms.com](http://www.balajitelefilms.com)), as also on the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)).
14. Across the world, there is an increasing focus on doing our share to help save our environment from further degradation. Recognizing this trend, the Ministry of Corporate Affairs ("MCA") has vide Circular Nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011, respectively, taken a 'Green Initiative in Corporate Governance', by allowing paperless compliances through electronic mode. In view of the Company's strong focus on the environment and eco-sustainability, Balaji Telefilms Limited proposes to send all documents / communications to its shareholders through email. We request you to kindly update your email id with your respective Depository Participant and make this effort of your Company a grand success.

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## NOTICE (Contd.)

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### **Process for Voting through electronic means:**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide members the facility to exercise votes on the items of business given in the notice through electronic voting system to members holding shares as on August 24, 2015, (End of day) being the Cut-off date fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform provided by Karvy Computershare Private Limited.

#### **A General Instructions:**

- 1 A member may exercise his vote at any General Meeting through E-voting system in accordance with Section 108 read with Rule 20 of the Companies (Management and Administration) Rules, 2014.
- 2 During the E-voting period, Members of the Company, holding shares either in physical form or dematerialized form, as on cut-off date i.e. August 24, 2015, may cast their vote electronically.
- 3 The facility for voting, through polling paper shall also be available at the meeting and members attending the meeting who have not already cast their vote by Remote E-voting shall be able to exercise their right at the meeting.
- 4 The members who have cast their vote by Remote E-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- 5 The e-Voting shall remain open from August 28, 2015 (9.00 a.m.) till August 30, 2015 (5.00 p.m.).
- 6 The facility for e-voting shall remain open for three days and shall close at 5.00 P.M. on the date preceding the date of the Annual General Meeting.
- 7 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail k.c.nevatia@yahoo.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO."
8. The Board of Directors at their meeting held on May 20, 2015, has appointed Mr.K.C,Nevatia, Practicing Company Secretary (Membership No. 3963 & CP No. 2348) having address as J-2 Jolly Highrise Apartments, 10th Floor, 241-A, Pali Mala Road, Bandra (W), Mumbai- 400050 as the scrutinizer to the voting process (E-Voting and poll) in a fair and transparent manner.
9. The Chairman will at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer by use of polling paper for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote E-voting facility.
10. Since the Company is required to provide facility to the members to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on August 24, 2015 and not casting their vote electronically, may cast their vote at the Annual General Meeting by poll.
11. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a Consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
12. The Results shall be declared within three days of the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.balajitelefilms.com](http://www.balajitelefilms.com) and on the website of Karvy and communicated to the BSE and NSE Limited.
13. Please note that the members who have exercised their right to vote by electronic means shall not be eligible to vote by way of poll at the meeting. The poll process shall be conducted and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the relevant rules. In such an event, votes cast under Poll taken together with the votes cast through E-voting shall be counted for the purpose of passing of resolution(s).

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## NOTICE (Contd.)

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### **B The procedure and instructions for e-voting are as under:**

- 1 Open your web browser during the voting period and navigate to 'http://evoting.karvy.com.
- 2 Enter the login credentials (i.e. user-id & password) as mentioned in the E-Voting Notice. EVEN (E Voting Event Number) USER ID PASSWORD/PIN. Your folio/DP and Client ID will be your user-ID.

User-ID for Members holding shares in Demat Form:

- For NSDL: 8 Characters DP ID followed by 8 digits Client ID.
- For CDSL: 16 digits beneficiary ID.

For Members holding shares in Physical Form:

- EVENT No. followed by Folio Number registered with the Company.
- Password: Your Unique password is printed on the E-Voting Notice/email forwarded through electronic notice.

Enter the verification code i.e. please enter the alphabets and number in the exact same way as they are displayed for security reasons.

- 3 In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of Karvy's e-voting website <https://evoting.karvy.com>.
- 4 The e-Voting period commences on August 28, 2015 and ends on August 30, 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of i.e. August 24, 2015, may cast their vote electronically.
- 5 After entering these details appropriately, click on "Login".
- 6 Members will now reach 'Password Change menu wherein they are required to mandatorily change their login password field. The new password has to be minimum eight characters consisting of at least one upper caste (A-Z), one lower caste (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for E-Voting through Karvy Computershare Private Limited E-Voting platform. System will prompt you to change your password and update any contact details like mobile no., email ID etc. on 1st Login. You may also enter the 'Secret Question' and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 7 You need to login again with the new credentials.
- 8 On successful login, system will prompt to select the 'Event' i.e. 'Balaji Telefilms Limited'.
- 9 If you are holding shares in Demat form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any Company where the System Provider was Karvy Computershare Private Limited, then you can use your existing user-id and password for casting your vote.
- 10 On the voting page, you will see Resolution description and against the same, the option FOR/AGAINST/ABSTAIN for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the members do not want to cast, select 'ABSTAIN'. After selecting the resolution you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
- 11 Once you 'CONFIRM' your vote on the Resolution, you will not be allowed to modify your vote.
- 12 Members are requested to carefully read the instructions on the E-Voting Notice before exercising their vote on the resolution.
- 13 In case a person has become Member of the Company after the dispatch of AGM Notice but on or before the cut-off date i.e. August 24, 2015, the member may approach the Company for issuance of User ID and Password for exercising the right to vote by electronic means



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## NOTICE (Contd.)

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- a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> Event number+ Folio No. or DP ID Client ID to 9212993399
- b. If e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Member may call Karvy's toll free number 1-800-3454-001.
- d. Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com).

**By order of the Board of Directors  
For Balaji Telefilms Limited**

Sd/-  
**Simmi Singh Bisht**  
Company Secretary & Compliance Officer

Mumbai, May 20, 2015

**Regd. Office:**

C-13, Balaji House, Dalia Industrial Estate,  
Opp. Laxmi Industries, New Link Road,  
Andheri (West), Mumbai - 400 053.

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

**Item No. 5**

The present tenure of Mrs. Shobha Kapoor, aged 66 years, will expire on November 9, 2015. She was appointed on the Board of the Company w.e.f. November 10, 1994. Considering the progress made by the Company under the able guidance and supervision of Mrs. Shobha Kapoor and her expertise in the industry and on the basis of recommendation of Nomination & Remuneration Committee, it is proposed to reappoint Mrs. Shobha Kapoor as Managing Director of the Company for a further period of 3 years w.e.f. November 10, 2015.

The remuneration proposed to be paid to Mrs. Shobha Kapoor is as specified in Item No. 5 of the AGM Notice.

The Board recommends the resolution as set out in Item No. 5 of the Resolution for your approval.

None of the Directors, Key Managerial Personnel or their relatives except Mrs. Shobha Kapoor, Mr. Jeetendra Kapoor, Ms. Ekta Kapoor and Mr. Tusshar Kapoor being related to each other are concerned or interested in the resolution.

**Item No. 6**

The present tenure of Ms. Ekta Kapoor, aged 40 years, will expire on November 9, 2015. She was appointed on the Board of the Company w.e.f. November 10, 1994. Considering the progress made by the Company under the able guidance and supervision of Ms. Ekta Kapoor and her expertise in the industry and on the basis of recommendation of Nomination & Remuneration Committee, it is proposed to reappoint Ms. Ekta Kapoor as Joint Managing Director of the Company for a further period of 3 years w.e.f. November 10, 2015.

Ms. Ekta Kapoor is the creative brain behind the Company's most successful and famous shows. She ventured into Television Serial production at the age of 19. In no time, she altered the face of Indian Television Industry and continues to dominate till date. Her shows have broken all previous records of Television Serial production and popularity in India. She is a graduate by qualification.

The remuneration proposed to be paid to Ms. Ekta Kapoor is as specified in Item No. 6 of the notice.

The Board recommends the resolution as set out in Item No. 6 of the Resolution for your approval.

# NOTICE (Contd.)

None of the Directors, Key Managerial Personnel or their Relatives except Ms. Ekta Kapoor, Mr. Jeetendra Kapoor, Mrs. Shobha Kapoor and Mr. Tusshar Kapoor being related to each other are concerned or interested in resolution.

## INFORMATION REQUIRED UNDER SCHEDULE V, PART II, CLAUSE (B) (IV) FOR ITEM NO. 5 AND 6

### General Information:

#### 1. Nature of Industry:

It is a Media & Entertainment Industry. The financial year 2014-15 was a turning point for the Indian Entertainment and Media Industry as it saw the building blocks for future growth being laid down including ongoing digitization in the cable sector and consolidation in the film exhibition business. The media sector is also taking cue from the current Government's optimistic outlook and positive business sentiment strengthened by a number of growth promoting policy initiatives taken in the recent months.

The Indian Entertainment and Media Industry is expected to grow at close to 13% in 2015 over the previous year with television growing at robust 14.46% and digital at 44%.

2. **Date of commencement of Commercial Production:** The Company was incorporated on November 10, 1994. Immediately after incorporation, the Company had commenced production of serials and gradually engaged in the activities of production and distribution of serials, films and other entertainment programmes. The Company operates its Films business also through its wholly owned subsidiary, Balaji Motion Pictures Limited.

3. **In case of new Companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** N.A

4. **Financial Performance based on given indicators:** The financial data as per last audited Balance Sheet as on 31st March, 2015 is as under:

Particulars	(₹ in Lacs )
Revenues	20,969.22
Expenditure	19,694.89
Operating Profit	1,274.33
Other Income	1,020.91
Profit Before Taxes	1,505.85
Income Tax	278.60
Profit After Taxes	1,227.25

#### 4. Foreign Investments or Collaborators:

At present the Company does not have any participation in any foreign investment. A foreign body corporate (STAR MIDDLE EAST FZ-LLC (a STAR group entity) holds 1,69,48,194 shares, totaling 25.99% of the share capital of the Company.

### II: Information about the Appointees:

#### 1. Background details

Mrs. Shobha Kapoor is the Managing Director of the Company. She is married to the popular bollywood actor Mr. Jeetendra Kapoor and is mother of Ms. Ekta Kapoor and Mr. Tusshar Kapoor. She has been involved with the Company since its inception. One of the pioneers of the Indian Television industry, Mrs. Shobha Kapoor has been associated with television content production since the early 90's when the Company was producing popular content for Doordarshan.

Ms. Ekta Kapoor is the Joint Managing Director of the Company. She is daughter of Mr. Jeetendra Kapoor and Mrs. Shobha Kapoor and sister of Mr. Tusshar Kapoor. Ms. Ekta Kapoor is the creative brain behind the Company's most successful and famous shows. She ventured into Television Serial production at the age of 19. In no time, she altered the face of Indian television industry and continues to dominate till date. Her shows have broken all previous records of Television Serial production and popularity in India.

## NOTICE (Contd.)

### 2. Past remuneration:

Name	Designation	Basic Salary (₹)	Perquisites, allowances & benefits	Commission	Total
Mrs Shobha Kapoor	Managing Director	1,03,35,000	-	16,00,000	1,19,35,000
Ms Ekta Kapoor	Joint Managing Director	Nil	Nil	Nil	Nil

Employer Contribution of ₹ 6,62,400 to Provident Fund and reimbursement of ₹ 15,000 is not included in the computation of the ceiling on managerial reimbursement.

All above figures are per annum and pertains to FY 14-15.

### 3. Recognition and awards

Among others, following is the short list of few of the awards won by Mrs. Shobha Kapoor, Managing Director and Ms Ekta Kapoor, Joint Managing Director:

Awarding Entity	Year	Award	Awardee
Ernst & Young	2001	Entrepreneur of the Year	Ms Ekta Kapoor
The Economic Times Award	2002	Business Woman of the Year	Ms Ekta & Ms Shobha Kapoor
Indian Telly Awards	2003	Best CEO of the year	Ms Shobha Kapoor
Foundation for promotion of Film Art & Craft	2003	Achiever of the Year	Ms Shobha Kapoor
American Biographical Institute	2003	Woman of the Year	Ms Ekta Kapoor
Indian Telly Awards	2004	Creative Director of The Year	Ms Ekta Kapoor
Indian Telly Awards	2006	Hall of Fame	Ms Ekta Kapoor
Star Parivaar Awards	2010	Special Honour	Ms Ekta Kapoor
3rd Boroplus Gold Awards	2010	Hall of Fame	Ms Ekta Kapoor
Indo-American Society	2010	Most Outstanding Woman Entrepreneur award	Ms Ekta Kapoor
National Media Network Film And TV Awards	2011	Most Successful Film & TV Producer	Ms Ekta Kapoor
Dadasaheb Phalke Academy Awards	2012	'Phalke Icon Producer Award' for Film & Television	Ms Ekta Kapoor
Asia Pacific Entrepreneurship Awards	2015	Woman Entrepreneur of the Year	Ms. Ekta Kapoor

The Company has achieved following Awards in last few years due to the joint efforts of Mrs. Shobha Kapoor, Managing Director and Ms. Ekta Kapoor, Joint Managing Director.

## NOTICE (Contd.)

Awarding Entity	Year	Award	Winner
Indian Telly Awards	2009	Best Ensemble	Bandini
International Trade Awards	2009	Outstanding Exporter of the Year - Media	Balaji Telefilms Limited
Zee Rishtey Awards	2009	Favorite Serial	Pavitra Rishta
Indian Telly Awards	2010	Most Consistent Production House of the Decade	Balaji Telefilms
Indian Telly Awards	2010	Most Popular Drama Series	Pavitra Rishta
3rd Boroplus Gold Awards	2010	Highest Gainer on TRP Charts of the Year	Pavitra Rishta
FICCI Frames Excellence Honours	2011	Best TV Show (Fiction)	Pavitra Rishta
FICCI Frames Excellence Honours	2012	Best Fiction Show	Bade Acche Lagte Hain
Television Style Award	2015	Most Stylish Beta Award	Shabbir Ahluwalia- Kumkum Bhagya
Television Style Award	2015	Most Stylish Beti Award	a) Sriti Jha- Kumkum Bhagya. b) Nia Sharma- Jamai Raja- Jamai Raja
Television Style Award	2015	Most Stylish Couple Award	Shakti Arora and Radhika Madan- Meri Aashiqui Tumse Hi.
Television Style Award	2015	Style Icon of the Year (Male) Award	Ronit Roy - Itna Karo Na Mujhe Pyaar
Television Style Award	2015	Style Icon of the Year (Female) Award	Paridhi Sharma- Jodha Akbar

Balaji Motion Pictures Limited, wholly owned subsidiary of the Company has achieved following National Awards amongst many others, due to the joint efforts of Mrs. Shobha Kapoor and Ms. Ekta Kapoor

### National Awards 2012

Best Actress : Vidya Balan for The Dirty Picture

Best Costumes: Niharika Khan for The Dirty Picture

Best Makeup : Vikram Gaekwad for The Dirty Picture

### 4. Job profile and suitability

As Managing Director and Joint Managing Director, Mrs. Shobha Kapoor and Ms. Ekta Kapoor respectively are responsible for the conception of different shows produced by the Company and the overall management of the Company.

Having been instrumental in steering the Company towards being the leader in the television industry in India, both Mrs. Shobha Kapoor and Ms. Ekta Kapoor come with almost two decade's worth of experience in this domain. They have produced over 100 shows for various entertainment channels in India. With this extensive experience, they are ideally placed to ensure that the Company continues to make quality content within a budget specified by the channel, on very stringent timelines.

Balaji Telefilms Limited has launched several critically acclaimed television serials and movies in its short tenure within the industry. Balaji's creativity is demonstrated by its series of well received serials that have garnered high TRP ratings. The Company has few serials in the pipeline that include programmes like Pavitra Rishta, Bade Achche Lagte Hai, Parichay, Kya Hua Tera Vaada and Gumraah which is gaining popularity amongst audiences. Films are also poised to become a USP for Balaji Telefilms, through its wholly owned subsidiary Balaji Motion Pictures Limited (BMPL). The Company is confident of leveraging its existing creative abilities and know-how to produce films with rich content, while maintaining cost efficiencies. Some successful offerings from the Company's film catalogue comprise 'Raagini MMS', 'Once upon a time in Mumbai', 'Shootout at Lokhandwala', 'Kya Kool Hain Hum', 'Lootera', 'Main Tera Hero', 'Ek Villain' with 'Dirty Picture' being one of the boldest film in India that won three National Film Awards including Best Actress, three Filmfare Awards and seven Screen Awards including Best Picture and Best Director.

Mrs. Shobha Kapoor's and Ms. Ekta Kapoor's leadership and involvement has been significant in steering the Company towards being a frontrunner in the Indian Television industry. They have led teams to conceptualize TV shows and have produced over 100 shows for major broadcasters across the country. Their creativity is highly regarded as a prime driving force for the Company to fulfill audience expectations. They have a great understanding of India's demographic profile and never cease to deliver appealing content to the masses. Their innovation and creativity has helped create for Balaji Motion Pictures a brand identity of its own. Consequently their efforts have well positioned Balaji Telefilms to cater to the rapidly growing Indian Entertainment space as their commitment to the Company is sure to demonstrate excellent growth going forward.

## NOTICE (Contd.)

### 5. Remuneration proposed:

As specified in Item No. 5 & 6 of the Notice respectively.

### 6. Comparative Remuneration profile with respect to Industry, size of the company, profile of the Position and Person:

₹ in Lacs

Company/Group	Employee	Designation	Total Remuneration
Balaji Telefilms Limited	Sameer Nair	Group Chief Executive Officer	282.09
Balaji Motion Pictures Limited	Shubhodip Pal	Chief Executive Officer	140.00
ZEE Entertainment Enterprises Limited	Punit Goenka	Managing Director	507.00
Entertainment Network (India) Limited	Prashant Pandey	Managing Director	260.22
HT Media	Shobhana Bhartia	Managing Director	294.78
HT Media	Rajiv Verma	Whole-Time Director	272.95

Note:

The above information has been collated from publicly available information from the declared financial results of the above companies.

As can be seen from the above list, the proposed fixed remuneration of the Managing Director and the Joint Managing Director is comparable even to the Professional Senior Management of the Company.

### 7. Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel:

Mr. Jeetendra Kapoor and Mr. Tusshar Kapoor are relatives of both the appointees, who are also inter se related to each other.

Save and except for receipt of rent for immovable property by the appointees and their relatives viz. Mr. Jeetendra Kapoor and Mr. Tusshar Kapoor and receipt of dividend by them, if declared by the Company on the share capital held by them, they do not have any material pecuniary relationship with the Company. During Financial Year 2014-15, a part of land owned by the Company was sold to M/s JK Developers, a sole proprietary firm owned by Mr. Jeetendra Kapoor, relative of appointees.

### III: Other Information:

#### 1. Reason for inadequate Profit:

The content production space is highly competitive with a varied number of producers in the market competing for the content business. As a result, even though the cost of production has gone up in recent years, the average realisation per hour has almost remained the same, resulting in muted profit in recent years.

#### 2. Steps taken or proposed to be taken for improvement:

In recent years, the Company has put in an aggressive plan to have more number of shows on air and also to go in for high value niche, non-fiction, reality shows, resulting in growth in top line and operating profit. The same is visible in the performance of the Company over the past two years.

The wholly-owned subsidiary company, Bolt Media Limited, has also improved its performance over the previous year. To further increase the share in the content and the allied space, the Company is looking at creating Intellectual Property Rights (IPRs) of event/shows and similar activities through its acquisition of Marinating Films Private Limited and the formation of Event Media LLP during the year 2014-15. These entities already have IPs to marquee properties such as Box Cricket League, Television Style Awards, Indian Telly Calendar and Box Office Awards, among others. We believe all of these initiatives will become big properties in the years ahead.

The Balaji Group has launched Brand EK- By Ekta Kapoor, a premium and affordable brand for apparels and accessories. The brand was launched amidst much fanfare at the Television Style Awards on Colors TV earlier this year. Capitalising on the popularity of Balaji's television shows and their iconic characters, the fashion line is an endeavour to strike a chord with Indian audiences inspired by tele-actors across the globe. Brand EK officially gives the consumers a chance to dress like their favourite TV stars.

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## NOTICE (Contd.)

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The Company has also incorporated a new subsidiary – Chhayabani Balaji Entertainment Private Limited, in partnership with the local well-known media company Chhayabani Private Limited. The joint venture aims to produce TV shows for the Bengali Market in Kolkata and internationally (i.e., Bangladesh etc., if any).

Today, Balaji Motion Pictures Limited is a well-respected and a credible film studio. Also, to further the motion pictures business, the Company has an effective and robust pipeline of appealing content. It has a risk mitigation plan in place, along with enhanced measurement metrics for processes and research to bring art into the magic of motion pictures. The Company has produced successful films such as Love Sex Dhokha, Once Upon a Time in Mumbai, Ragini MMS, Dirty Picture, Kya Kool Hai Hum, Lootera, Main Tera Hero and Ek Villain. We intend to release atleast one movie every quarter as this will result in more predictability and better recoverability of the overhead cost and better profits.

### **3. Expected increase in productivity and profits in measureable terms:**

We believe all the initiatives listed above will bring create further value for our shareholders. It will also enhance the revenue potential of the Group, resulting in better and improved profit for these companies of the Balaji Group.

### **IV. Disclosures:**

Details of the remuneration package of the Managerial Personnel and other requisite details thereof always forms part of the Corporate Governance Report, forming part of the Board of Directors' Report of the Company. The same is provided to all the shareholders of the Company

#### **Item No. 7:**

Mr. V.B. Dalal, aged 70 years, was co-opted as an Additional Director of the Company w.e.f. August 12, 2014, in accordance with the provisions of Section 161 of Companies Act, 2013. Mr. V. B. Dalal holds office upto the date of the Annual General Meeting. The Company has received notice in writing from a member alongwith a deposit of ₹ 1 Lacs proposing the candidature of Mr. V.B. Dalal for the office of Director under the provisions of Section 160 of the Companies Act, 2013.

Mr. V.B. Dalal is a Chartered Accountant. He has over 40 years of experience in Audit and Direct Taxation. He has also handled international assignments in internal and operational audits in U.K, Portugal, Kenya, and Indonesia. He has an academic experience of more than 10 years as part time lecturer in Accountancy, having worked with the Dahanukar College of Commerce and Economics affiliated to University of Mumbai.

As on date, Mr. V.B. Dalal does not hold any shares in the Company. He is not related to any other Director, Manager or Key Managerial Personnel of the Company.

It is proposed to appoint Mr. V.B. Dalal as Independent Director for a period of five years w.e.f. August 31, 2015. He will not draw any remuneration from the Company.

In the opinion of the Board, Mr. V.B. Dalal fulfills the conditions specified in Companies Act, 2013 and the rules made thereunder and that the proposed Director is Independent of the management.

The Board recommends the resolution as set out in Item No. 7 of the Resolution for your approval.

None of the Directors, Key Managerial Personnel or their relatives except Mr. V.B. Dalal, is concerned or interested in the resolution.

#### **Item no. 8**

Mr. Arun Kumar Purwar, aged 69 years, was co-opted as an Additional Director of the Company w.e.f. May 20, 2015, in accordance with the provisions of Section 161 of Companies Act, 2013. Mr. Arun Kumar Purwar holds office upto the date of the Annual General Meeting. The Company has received notice in writing from a member alongwith a deposit of ₹ 1 Lacs proposing the candidature of Mr. Arun Kumar Purwar for the office of Director under the provisions of Section 160 of the Companies Act, 2013.

Mr. Arun Kumar Purwar is a Post Graduate from Allahabad University. He is the ex-chairman of State Bank of India, one of largest bank in India. He is instrumental in computerizing the entire State Bank Group.



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## NOTICE (Contd.)

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As on date, Mr. Arun Kumar Purwar does not hold any shares in the Company. He is not related to any other Director, Manager or Key Managerial Personnel of the Company. He does not draw any remuneration from the Company.

It is proposed to appoint Mr. Arun Kumar Purwar as Independent Director for a period of five years w.e.f. August 31, 2015.

In the opinion of the Board, Mr. Arun Kumar Purwar fulfills the conditions specified in Companies Act, 2013 and the rules made thereunder and that the proposed Director is Independent of the management.

The Board recommends the resolution as set out in Item No.8 of the Resolution for your approval.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Arun Kumar Purwar is concerned or interested in the resolution.

### **Item no. 9 & 10**

Presently, the Authorised Share Capital of your Company is ₹17,00,00,000 (Rupees Seventeen Crores only) comprising of 8,50,00,000 (Eight Crores Fifty Lacs) Equity Shares of ₹2 (Rupees Two) each

Considering the overall business growth and operational needs of the Company, the Company proposes to raise additional capital, as mentioned under Resolution No.11 of this Notice, by way of rights issue, preferential issue, placement of shares to Qualified Institutional Buyers through Qualified Institutions Placement (QIP) and / or private placement and / or issue of fully / partly convertible debentures, preference shares convertible into Equity Shares, and / or any other financial instruments or securities convertible into Equity Shares or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form. The issue of securities may be consummated in one or more tranches at such time or times at such price as the Board may in its absolute discretion decide, subject, however, to the ICDR Regulations and other applicable Guidelines, Notifications, Rules and Regulations.

The proposed aforesaid increase of share capital would require increase in the Authorized Share Capital of the Company. Therefore, it is proposed to increase the Authorised Share capital of the Company from ₹17,00,00,000 (Rupees Seventeen Crores only) comprising of 8,50,00,000 (Eight Crores Fifty Lacs) Equity Shares of ₹2 (Rupees Two) each to ₹20,00,00,000 (Rupees Twenty Crores only) comprising of 8,50,00,000 (Eight Crores Fifty Lacs) Equity Shares of ₹2 (Rupees Two) each and 1,50,00,000 (One Crore Fifty Lacs) Preference Shares of ₹2 (Rupees Two) each by way of creation of 1,50,00,000 Preference Shares of ₹2 (Rupees Two), aggregating to ₹ 3,00,00,000 (Rupees Three Crores only). Consequently, the existing Clause V of the Memorandum of Association needs to be altered accordingly. Therefore, the consent of the Members of the Company is being sought under the applicable provisions of the Companies Act, 2013.

The Board recommends the Resolutions Nos. 9 and 10 for the approval of the Members.

None of the Directors, Key Managerial Personnel and their Relatives is, in any way, concerned or interested in these Resolutions.

A draft of altered Memorandum and Articles of Association of the Company, with the aforesaid alterations, shall be available for inspection by the Members of the Company on any working day between 11.00 a.m and 1.00 p.m up to August 29, 2015, at the Registered Office of the Company.

### **Item no. 11**

The Company has achieved good growth in all its businesses during the last several years. Given the significant potential of increasing the businesses and the large no. planned movies and TV shows as well as to finance the significant increase in the production costs of the movies and TV programmers, it is important that the Company has adequate capital to support its growth plans. The Company requires adequate capital to meet the needs of growing business. While it is expected that the internal generation of funds would partially finance the need for capital and debt raising would be another source of funds, it is thought prudent for the Company to have enabling approvals to raise a part of the funding requirements for the said purposes as well as for such other corporate purposes as may be permitted under applicable laws through the issue of appropriate securities as defined in the resolution, in Indian or international markets.

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## NOTICE (Contd.)

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Accordingly, the Company may propose to raise additional capital aggregating upto ₹ 50 crores by way of rights issue, preferential issue, placement of shares to Qualified Institutional Buyers through Qualified Institutions Placement (QIP) and / or private placement and / or issue of fully / partly convertible debentures, preference shares convertible or non-convertible into Equity Shares, and / or any other financial instruments or securities convertible or non-convertible into Equity Shares or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form. The issue of securities may be consummated in one or more tranches at such time or times at such price as the Board may in its absolute discretion decide, subject, however, to the ICDR Regulations and other applicable guidelines, notifications, rules and regulations.

The Board may in its discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the Members of the Company.

The pricing of the Securities that may be issued to qualified institutional buyers pursuant to a qualified institutions placement shall be freely determined subject to such price not being less than the price calculated in accordance with Chapter VIII of the ICDR Regulations.

The Company may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the price determined pursuant to the ICDR Regulations. The "Relevant Date" for this purpose will be the date when the Board or the Committee of the Board decides to open the qualified institutions placement for subscription.

The Special Resolution also seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/ or individuals or otherwise as the Board in its absolute discretion deem fit. The detailed terms and conditions for the issue(s) / offering(s) will be determined by the Board or its committee in its sole discretion in consultation with the advisors, lead managers, underwriters and such other authority or authorities as may be necessary considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors.

The Equity Shares allotted would be listed on one or more stock exchanges in India. The offer/ issue / allotment would be subject to the availability of the regulatory approvals, if any. The conversion of Securities held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap and relevant foreign exchange regulations. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the Stock Exchanges as may be required under the provisions of the Listing Agreements.

Section 62(1)(a) of the Companies Act, 2013 provides, inter alia, that when it is proposed to increase the issued capital of a Company by allotment of further Equity Shares, such further Equity Shares shall be offered to the existing Members of such Company in the manner laid down therein unless the Members by way of a special resolution in a General Meeting decide otherwise. Since, the Special Resolution proposed in the business of the Notice may result in the issue of Equity Shares of the Company to persons other than existing Members of the Company, consent of the Members is being sought pursuant to the provisions of Section 62(1)(c) and other applicable provisions of the Companies Act, 2013 as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of the Listing Agreements executed by the Company with the Stock Exchanges where the Equity Shares of the Company are listed. This Special Resolution, if passed, will have the effect of allowing the Board to offer, issue and allot Equity Shares to the investors who may or may not be the existing Members of the Company.

In case of QIP Issuance the special resolution has a validity period of 12 months before which allotments under the authority of said resolution should be completed.

Your Directors, therefore, recommend the special resolution, as set forth in Item No. 11 of this Notice, for approval by the Members of the Company.

The Directors and Key Managerial Personnel of the Company and relatives thereof may be deemed to be concerned or interested in the passing of resolution to the extent of securities issued / allotted to them or to the companies in which they are Director or Member. Save as aforesaid, none of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested in this resolution.

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## NOTICE (Contd.)

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### Item no. 12

The existing Articles of Association ("AOA") are based on the Companies Act, 1956 and several regulations in the existing AOA contain reference to the specific sections of Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Companies Act, 2013 ("the Act").

With the enactment of the Companies Act, 2013, several regulations of the existing AOA of the Company require alteration or deletions. Given this situation, it is considered expedient to wholly replace the existing AOA by new set of Articles.

The new AOA to be substituted in place of the existing AOA are largely based on Table 'F' of the Act which sets out the model articles of association for a Company limited by shares.

A copy of the new Articles of Association of the Company is available for inspection by the members at the Registered Office of the Company on all working days during usual business hours.

None of the Directors, Key Managerial Personnel or their Relatives, is concerned or interested in the resolution.

The Board recommends the resolution as set out in Item No.12 of the Resolution for your approval.

**By order of the Board of Directors  
For Balaji Telefilms Limited**

Sd/-  
**Simmi Singh Bisht**  
Company Secretary & Compliance Officer

Mumbai, May 20, 2015

**Regd. Office:**

C-13, Balaji House, Dalia Industrial Estate,  
Opp. Laxmi Industries, New Link Road,  
Andheri (West), Mumbai - 400 053.

# ANNEXURE

**PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES, FOLLOWING INFORMATION IS FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED /RE-APPOINTED.**

**1. Tusshar Kapoor:**

Date of Birth: November 20, 1976

Date of First Appointment: August 27, 2010

Qualification: MBA from University of Michigan in the United States of America.

Mr. Tusshar Kapoor's first movie with Kareena Kapoor titled 'Mujhe Kuch Kehna Hai' shot him to immediate stardom and bagged him prestigious awards such as Filmfare Awards and Zee Cine Awards for being the Best Male Debutant of the Year. His maturity as a seasoned actor has been visible in numerous movies such as Khakee. He was nominated in the category of Best Supporting Actor in various renowned Bollywood Awards.

As on date he holds 20,30,250 shares in the Company.

<b>Directorships including the Company</b>	<b>Memberships</b>
ScreentestIndia.com Private Limited	Nil
Balaji Films & Telly Investments Limited	Nil
Balaji Telefilms Limited	Nil
Balaji Teleproducts Limited	Nil
Balaji Motion Pictures Limited	Nil
Ekta K. Securities & Investment Private Limited	Nil
Bolt Media Limited	Nil

**2. Mrs. Shobha Kapoor**

Date of Birth: February 1, 1949

Date of First Appointment: November 10, 1994

Qualification: Graduate

Mrs. Shobha Kapoor has been extremely instrumental in transforming the Company from its small beginnings in 1994 to India's largest TV content Company. Since inception, she has been hands on in the Company's operational management & efficiency and in controlling 'on set' activity. She works closely with Business Heads helping them discharge their responsibilities. Her stellar work in building the Balaji brand made her win several awards including CEO of the Year (Indian Telly Awards), Businesswoman of the year (The Economic Times) and numerous Best Producer awards for their TV shows.

As on date she holds 91.29,462 shares in the Company.

<b>Directorships including the Company</b>	<b>Committee Memberships</b>
Balaji Films & Telly Investments Limited	Nil
Balaji Digimedia Private Limited	Nil
Balaji D2C Systems Private Limited	Nil
Balaji Telefilms Limited	Stakeholder Relationship Committee
Balaji Teleproducts Limited	Nil
Balaji Motion Pictures Limited	Nil
Ekta K. Securities & Investment Private Limited	Nil
Shri Navnidhi Developers Private Limited	Nil
Bolt Media Limited	Nil
Marinating Films Private Limited	Nil
Chhayabani Balaji Entertainment Private Limited	Nil

## ANNEXURE (Contd.)

### 3. Ms. Ekta Kapoor

Date of Birth: June 7, 1975

Date of First Appointment: November 10, 1994

Qualification :Graduate

Ms. Ekta Kapoor is credited with revamping of India's television landscape. She pioneered an entire genre of television content heralding India's satellite television boom. Balaji's shows have been channel drivers for most broadcasters. As the creative force behind the Company's success, she believes in a hands-on approach in day-to-day creative direction of each TV show and film. Under her creative guidance, Balaji has won almost every major TV award.

As on date she holds 1,35,72,704 shares in the Company.

<b>Directorships including the Company</b>	<b>Committee Memberships</b>
Balaji Films & Telly Investments Limited	Nil
Balaji Teleproducts Limited	Nil
Balaji Telefilms Limited	Stakeholder Relationship Committee
Balaji Motion Pictures Limited	Nil
Ekta K. Securities & Investment Private Limited	Nil
Bolt Media Limited	Nil
Marinating Films Private Limited	Nil
Chhayabani Balaji Entertainment Private Limited	Nil

### 4. Mr. V.B. Dalal

Date of Birth: March 14, 1945

Date of First Appointment: August 12, 2014

Qualification : Chartered Accountant.

Mr. V.B Dalal has over 40 years of experience in Audit and Direct Taxation. He has also handled international assignments in internal and operational audits in U.K, Portugal, Kenya, and Indonesia.

He has an academic experience of more than 10 years as part time lecturer in Accountancy, having worked with the Dahanukar College of Commerce and Economics affiliated to University of Mumbai.

As on date he does not hold any shares in the Company.

<b>Directorships including the Company</b>	<b>Committee Memberships</b>
Maharashtra Polybutenes Limited	Nil
Oxides and Specialities Limited	Nil
Superadd Trade Private Limited	Nil
Balaji Telefilms Limited	Audit Committee.
Balaji Motion Pictures Limited	Audit Committee
Marinating Films Private Limited	Nil
Chhayabani Balaji Entertainment Private Limited	Nil

### 5. Mr. Arun Kumar Purwar

Date of Birth: May 14, 1946

Date of First Appointment: May 20, 2015

Qualification: Post Graduate

Mr. Arun Kumar Purwar is a Post Graduate from Allahabad University. He is the ex-chairman of State Bank of India, one of largest bank in India. He is instrumental in computerizing the entire State Bank Group.

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# ANNEXURE

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As on date he does not hold any shares in the Company.

<b>Directorships including the Company</b>	<b>Committee Memberships</b>
Reliance Communications Ltd	Shareholder Grievance Committee, Audit Committee.
Jindal Steel and Power Limited	Audit Committee
Energy Infratech Private Limited	Nil
India Venture Advisors Private Limited	Nil
Apollo Tyres Limited	Nil
IIFL Holdings Limited	Nil
IL&FS Renewable Energy Limited	Nil
ONGC Tripura Power Company Limited	Audit Committee
Jindal Power Limited	Audit Committee
Mizuho Securities India Private Limited	Nil
Alkem Laboratories Limited	Nil
Saurya Urja Company of Rajasthan Limited	Nil



# Balaji Telefilms Ltd.

CIN: L99999MH1994PLC082802

Registered Office: C13, Balaji House, Dalia Industrial Estate, New Link Road, Andheri (W), Mumbai – 400053



## ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id*	
--------	--

Folio No.	
-----------	--

Client Id*	
------------	--

No. of Shares	
---------------	--

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the 21st ANNUAL GENERAL MEETING of the Company held on Monday, August 31, 2015, at 3:00 p.m. at The Club, 197, D. N. Nagar, Andheri (West), Mumbai – 400 053.

\* Applicable for investors holding shares in electronic form

Signature of Shareholder / Proxy



# Balaji Telefilms Ltd.

CIN: L99999MH1994PLC082802

Registered Office: C13, Balaji House, Dalia Industrial Estate, New Link Road, Andheri (W), Mumbai – 400053



## PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):		e-mail Id:	
Registered address:		Folio No/ *Client Id:	
		*DP Id:	

I/We, being the member(s) of \_\_\_\_\_ shares of Balaji Telefilms Limited, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Monday, August 31, 2015 at 3:00 p.m. at The Club, 197, D. N. Nagar, Andheri (West), Mumbai – 400 053 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Sr. No.	Resolutions	For	Against
1	Consider and adopt the Audited Balance Sheet as at March 31, 2015 and Profit & Loss Account for the year ended on that date and Reports of the Directors and Auditors thereon.		
2	Declaration of Dividend for the financial year ended March 31, 2015.		
3	Reappointment of Mr. Tusshar Kapoor who retires by rotation.		
4	Appointment of M/s Deloitte Haskins and Sells LLP, Chartered Accountants as Statutory Auditors of the Company.		
5	Reappointment of Mrs. Shobha Kapoor as Managing Director for tenure of three years.		
6	Reappointment of Ms. Ekta Kapoor as Joint Managing Director for tenure of three years.		
7	Appointment of Mr. V.B. Dalal as Independent Director of the Company.		
8	Appointment of Mr. Arun Kumar Purwar as Independent Director of the Company.		
9	Increase in Authorised Share Capital of the Company and Re-Classification of Share Capital.		
10	Alteration of Capital Clause of Memorandum of Association.		
11	Further Issue of Securities.		
12	Alteration of Articles of Association.		

\* Applicable for investors holding shares in electronic form.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of shareholder

Affix a  
15 paise  
Revenue  
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

### Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- \*\* (4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.







A close-up photograph of two women dressed in traditional Indian attire, likely for a wedding or festival. They are wearing elaborate gold jewelry, including necklaces, earrings, and headpieces. The woman on the left has a red bindi on her forehead and is wearing a large gold nose ring. The woman on the right is smiling and also wearing a large gold nose ring. The background is a textured gold color.

The 'Balaji' brand is getting bigger each day. We have a strong visibility of our TV and movies slate for 2016 and 2017 which underpins a positive outlook. Our key drivers in FY2016 will be great ideas, packaging and marketing. We will continue to focus on building strong brand franchises to better connect with our TV and film audiences.

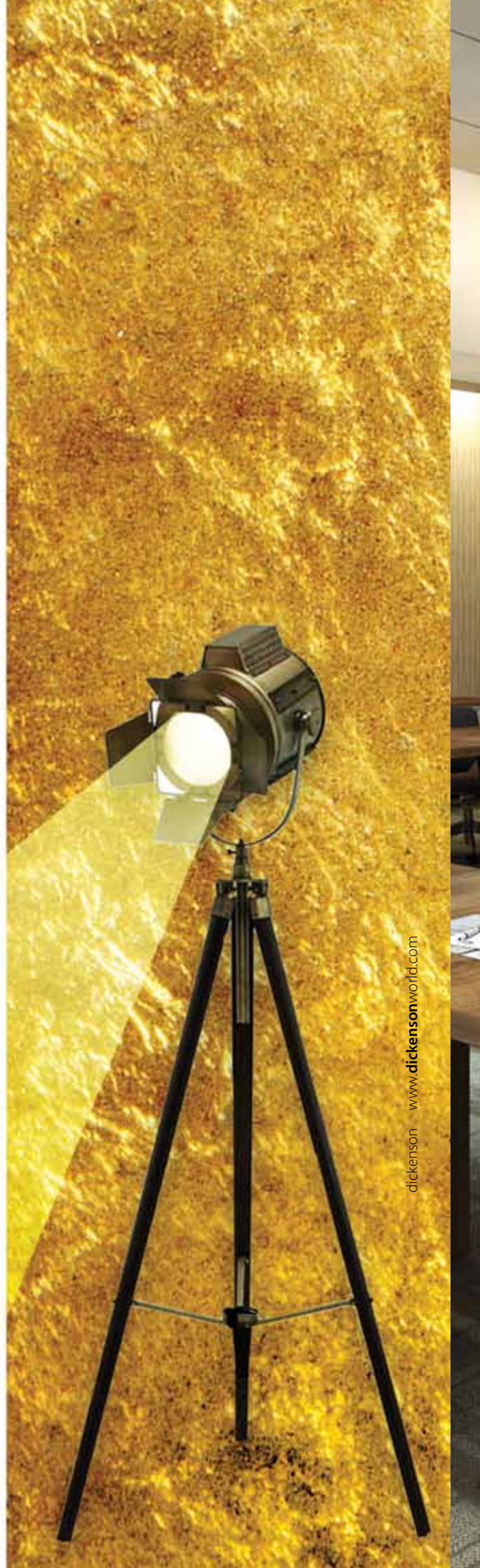




*Balaji Telefilms Ltd.*

C-13, Balaji House,  
Dalia Industrial Estate, Opposite Laxmi Industrial Estate,  
New Link Road, Andheri (West)  
Mumbai - 400 053.

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



dickenson - [www.dickensonworld.com](http://www.dickensonworld.com)




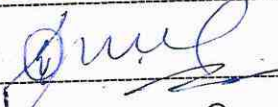


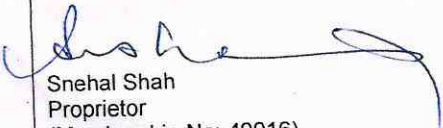
# Balaji Telefilms Ltd.

C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industries  
New Link Road, Andheri (West), Mumbai - 400 053.  
Tel.: 40698000 • Fax : 40698181 / 82 / 83  
Website : www.balajitelefilms.com  
CIN No. : L99999MH1994PLC082802



## Form A

Format of covering letter of the annual audit report on annual standalone and consolidated financial statements to be filed with Stock Exchange

Sr. no	Particulars	
1	Name of the Company	Balaji Telefilms Limited
2	Annual Financial Statements for the year ended	March 31, 2015
3	Type of Audit Observation	<p><u>Emphasis of Matter as reported in Independent Auditor's Report (consolidated financial statements)</u></p> <p>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.</p> <p>Our opinion is not qualified in respect of this matter.</p>
4	Frequency of observation	Above observation has appeared for the second time.
5	To be Signed by	<p> -----</p> <p> -----</p> <p> -----</p>
	<ul style="list-style-type: none"><li>Mrs. Shobha Kapoor –Managing Director</li><li>Mr. Sanjay Dwivedi –Group Chief Financial Officer</li><li>Mr. D G Rajan – Audit Committee Chairman</li></ul> <p>Place: Mumbai Date: May 20, 2015</p> <ul style="list-style-type: none"><li>Auditor of the Company –</li></ul> <p>Refer our Audit Report dated May 20, 2015 on the standalone and consolidated Financial Statements of the Company.</p> <p>For Deloitte Haskins &amp; Sells LLP Chartered Accountants (Firm Registration no. 117366WW-100018)</p> <p> A B Jani (Partner) (Membership No. 46488) Mumbai, dated: May 20, 2015</p> <p>For Snehal &amp; Associates Chartered Accountants (Firm Registration No: 110314W)</p> <p> Snehal Shah Proprietor (Membership No: 40016) Mumbai, dated: May 20, 2015</p>	