NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 1: Background

Balaji Telefilms Limited ('the Company') 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. The company is also in the business of production of films. The registered office and principal place of business of the Company is at Andheri (West), Mumbai.

Note 2: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of the Financial Statements.

(a) Basis of preparation

(i) The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criteria's set out in the Schedule III to the Companies Act, 2013.

Based on the nature of products/services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained it's operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

(I) certain financial assets and liabilities that are measured at fair value;

(II) defined benefit plans - plan assets measured at fair value.

(III) Share based payments

(iii) New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2020:

1. Definition of Material – amendments to Ind AS 1 and Ind AS 8
2. Definition of a Business – amendments to Ind AS 103
3. COVID-19 related concessions – amendments to Ind AS 116
4. Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107

Other than the amendment to Ind AS 116 on covid-19 related concessions, the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. The impact of Ind AS 116 amendment on the current year financial statements is as disclosed in Note 24 and impact on future periods is not expected to be significant.

(b) Segment Reporting

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. The chief operating decision maker of the Company consists of the managing director and chief financial officer which assesses the financial performance and position of the Company, and makes strategic decisions. Refer note 38.

(c) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in Statement of Profit and Loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(d) Revenue Recognition

The Company derives revenue from producing television programs, Internet series, sale or licensing movie rights, delivering events to its customers and service fee for content development. The Company identifies and evaluate each performance obligation under the contract. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

Revenue generated from the commissioned television programs and Internet series produced for broadcasters is recognized over the period of time (i.e. over the contract period).

Revenue from sale and licensing of movies - The Company evaluates if a license represents a right to access the content (revenue recognized over time) or represents a right to use the content (revenue recognized at a point in time). The Company has determined that most license revenues are satisfied at a point in time due to their being limited ongoing involvement in the use of the license following its transfer to the customer.

Revenue from events is recognised over the period of time.

Service Income for Curation of Digital Content is recognised at a point in time.

The transaction price, being the amount to which the Company expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration where the Company's performance may result in additional revenues based on the achievement of agreed targets.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

Revenue excludes any taxes and duties collected on behalf of the government.

(e) Interest and Dividend Income Recognition:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's carrying amount on initial recognition.

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(f) Income Taxes

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred tax liability is settled.

Deferred Tax assets are recognised for all deductible temporary differences, unused tax losses and carry forward tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax losses and tax credits.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(g) Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company except for short term leases and leases of low value assets. Contracts may contain both lease and non-lease components. However, the Company has elected not to separate lease and non-lease components and instead account for these as a single lease components.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivable
- Variable lease payments
- Amount expected to be payable by the Company under residual value guarantee

Lease payments to be made under reasonably certain extension option are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that lessee would have to pay to borrow the fund necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. Finance cost is charged to the Statement of profit and loss over the lease period so as to produce a constant periodical rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct cost and restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term, unless the receipts are structured to increase in line with expected general inflation to compensate for the

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

expected inflationary cost increase. The respective leased assets are included in the balance sheet based on their nature.

(h) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of Cash Flow Statement, Cash and cash equivalents are considered net of outstanding overdrafts, if any, as they are considered an integral part of Company's cash management.

(i) Inventories

Company does not have physical inventory (i.e. goods)

Inventories as disclosed in financial statements comprise of Films and are stated at the lower of cost and net realisable value. Cost is determined on the basis of actual / amortised cost.

Unamortised cost of Films: The cost of film 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.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

(j) Trade receivables

Trade receivable are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(k) Financial Instruments

(i) Financial Assets

Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or Other Comprehensive Income.

Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Investments in Subsidiaries and associates

The Company accounts for its equity investments in subsidiaries and associates at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

The Company accounts for its investments other than equity in subsidiaries and associates at fair value through profit or loss.

Financial assets at fair value through profit or loss (FVTPL): Investments in instruments other than covered above are classified as FVTPL, unless the Company has irrevocably elected on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in those instruments.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Assets that meet the following conditions are subsequently measured at fair value through other comprehensive income:

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Other debt instruments are designated as at fair value through profit or loss on initial recognition.

Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 43 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of Financial Assets

A financial asset is de-recognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(ii) Financial Liabilities:

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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(l) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(m) Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the asset, net of their residual values, if any, over their estimated useful lives which are in accordance with the useful lives prescribed under Schedule II to the Companies Act, 2013 except for the following assets which are depreciated as per management estimates of their useful life which are as under:

Studios and sets – 3 years

Leasehold improvements – on a straight line basis over the period of lease

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

(n) Impairment of assets

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of profit or loss.

(o) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are not recognized for future operating losses.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Where the likelihood of outflow of resources is remote, no provision or disclosure as specified in Ind AS -37 – "Provision, contingent liabilities and contingent assets" is made.

(p) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity;

(b) defined contribution plans such as provident fund

Defined benefit plans:

The Company has taken a Group Gratuity cum Life Assurance Policy from the Life Insurance Corporation of India (LIC).

The liability recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets. 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'.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans:

Contributions to Provident Fund and Pension Fund are charged to the Statement of Profit and Loss as incurred. Provident fund contributions are made to a government administered provident fund towards which the Company has no further obligations beyond its monthly contributions.

(q) Share Based Payment

Shared-based compensation benefits are provided to employees via "Balaji Telefilms ESOP, 2017" ("BTL ESOP 2017'').

The fair value of options granted under the BTL ESOP 2017 scheme is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- excluding any impact of service conditions

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time)

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(r) Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(s) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal digits after lacs as per the requirement of Schedule III of the Act, unless otherwise stated.

Note 3: Critical Estimates and Judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

Estimated useful life of Tangible Assets:

The Company reviews the useful lives and carrying amount of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

Estimation of Current Tax Expense and Income Tax Payable / Receivable:

The calculation of Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material adjustment to taxable profits/losses.

Estimation of Defined Benefit Obligation:

The Company's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, this liability is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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Estimation of Contingent Liabilities:

The company exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision or contingent liability.

Recognition of Deferred Tax Assets:

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. In assessing the realizability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

Impairment of Trade Receivables:

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

Fair valuation:

Some of the Company's assets and liability are measured at fair value for financial reporting purpose. In estimating the fair value of an asset and liability Company uses market observable data to the extent available. When Level 1 inputs are not available, the company engages third party qualified valuer to establish the appropriate techniques and input to valuation model.

Information about the valuation techniques used in determining the fair value of various assets are disclosed in note 42.

Impairment assessment of Investments carried at cost:

The Company conducts impairment review of the investments in subsidiaries whenever events or changes in circumstances indicate their carrying amounts may not be recoverable or tests for impairment annually. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which is based on future cash flows and suitable discount rate in order to calculate the present value.

Determination of Lease Term

In determining the lease term, management considers all facts and circumstances that creates an economic incentive to exercise an extension option, or not to exercise a termination option. Extension option (or period after termination option) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The following factors are normally the most relevant:

1. If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).

2. If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate)

3. Otherwise, the Company considers the other factors including historical lease duration and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise it.

The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Impact Assessment due to Covid-19 Pandemic – Refer Note 47

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS for the year ended March 31, 2021

Note 4(a) - Property, plant and equipment and Capital Work in Progress

(₹ in Lacs)

Particulars	Buildings - Freehold	Computers	Plant and machinery - Others	Studios and sets	Vehicles	Furniture and fixtures	Office equipments	Electrical fittings	Lease Hold Improvements	Total	Capital work-in-progress
I. Gross Carrying Amount											
Balance as at April 1, 2019	472.57	1,262.00	2,628.41	7,802.36	1,301.53	336.57	471.37	96.31	454.70	14,825.82	52.46
Additions	-	1.11	8.35	-	-	3.99	3.52	-	-	16.97	996.72
Write-off	-	-	-	-	-	-	-	-	-	-	(3.11)
Transfer from CWIP	-	-	-	866.90	-	-	-	-	-	866.90	(866.90)
Balance as at March 31, 2020	**472.57**	**1,263.11**	**2,636.76**	**8,669.26**	**1,301.53**	**340.56**	**474.89**	**96.31**	**454.70**	**15,709.69**	**179.17**
II. Accumulated Depreciation											
Balance as at April 1, 2019	(112.60)	(1,147.42)	(2,133.94)	(6,431.05)	(712.58)	(311.80)	(435.06)	(83.92)	(454.70)	(11,823.07)	-
Depreciation expense	(7.92)	(45.37)	(72.11)	(931.23)	(111.65)	(7.46)	(12.67)	(6.26)	-	(1,194.67)	-
Balance as at March 31, 2020	**(120.52)**	**(1,192.79)**	**(2,206.05)**	**(7,362.28)**	**(824.23)**	**(319.26)**	**(447.73)**	**(90.18)**	**(454.70)**	**(13,017.74)**	**-**
III. Net Carrying Amount as at March 31, 2020	**352.05**	**70.32**	**430.71**	**1,306.98**	**477.30**	**21.30**	**27.16**	**6.13**	**-**	**2,691.95**	**179.17**
I. Gross Carrying Amount											
Balance as at April 1, 2020	472.57	1,263.11	2,636.76	8,669.26	1,301.53	340.56	474.89	96.31	454.70	15,709.69	179.17
Additions	-	3.43	-	-	83.76	8.24	50.84	-	-	146.27	19.57
Write-off	-	-	-	-	-	-	-	-	-	-	(6.00)
Transfer from CWIP	-	-	-	192.74	-	-	-	-	-	192.74	(192.74)
Balance as at March 31, 2021	**472.57**	**1,266.54**	**2,636.76**	**8,862.00**	**1,385.29**	**348.80**	**525.73**	**96.31**	**454.70**	**16,048.70**	**-**
II. Accumulated Depreciation											
Balance as at April 1, 2020	(120.52)	(1,192.79)	(2,206.05)	(7,362.28)	(824.23)	(319.26)	(447.73)	(90.18)	(454.70)	(13,017.74)	-
Depreciation expense	(7.92)	(35.21)	(67.16)	(745.81)	(112.74)	(5.96)	(10.48)	(3.85)	-	(989.13)	-
Balance as at March 31, 2021	**(128.44)**	**(1,228.00)**	**(2,273.21)**	**(8,108.09)**	**(936.97)**	**(325.22)**	**(458.21)**	**(94.03)**	**(454.70)**	**(14,006.87)**	**-**
III. Net Carrying Amount as at March 31, 2021	**344.13**	**38.54**	**363.55**	**753.91**	**448.32**	**23.58**	**67.52**	**2.28**	**-**	**2,041.83**	**-**

Notes

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

b. Capital work-in-progress as on March 31, 2020 mainly includes under construction TV serial sets.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 4(b): Right-of-use Asset

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Right-of-use Asset		
Premises	353.81	2,670.68
Total	**353.81**	**2,670.68**

Note : The Company's significant long term leasing arrangements include Office space and Studio.

(i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to right of use assets:

(₹ in Lacs)

Particulars	Amount
Amount recognised as at April 1, 2019 on adoption of Ind AS 116	**3,277.69**
Add: Prepaid rent re-classified as at April 1, 2019 on adoption of Ind AS 116	224.66
Add: Additions during the year	1,287.12
Less: Disposals during the year	-
Less: Depreciation during the year	(2,118.79)
Balance as of March 31, 2020	**2,670.68**
Balance as on April 01, 2020	**2,670.68**
Add: Additions during the year	-
Less: Disposals during the year	-
Less: Lease modification during the year	(673.18)
Less: Depreciation during the year	(1,643.69)
Balance as of March 31, 2021	**353.81**

The following is the movement in lease liabilities for the year ended March 31, 2021#

(₹ in Lacs)

Particulars	Amount
Amount recognised as at April 1, 2019 on adoption of Ind AS 116	**(3,480.63)**
Add: Additions during the year	(1,287.12)
Add: Interest for the year	(240.24)
Less: Lease payments made during the year	2,254.63
Balance as of March 31, 2020	**(2,753.35)**
Balance as on April 01, 2020	**(2,753.35)**
Add: Additions during the year	-
Less: Lease modification during the year	697.74
Add: Interest for the year	(81.16)
Less: Lease payments made during the year	1,494.19
Less: Lease concessions received during the year	326.15
Balance as of March 31, 2021	**(316.43)**

Also, represent net debt reconciliation as per requirements of AS 7 - Statement of Cash Flows.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 4(b): Right-of-use Asset (Contd..)

The following is the break-up of current and non-current lease liabilities as of March 31, 2021:

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Lease liabilities	252.08	2,067.51
Non-current lease liabilities	64.35	685.84
Total	**316.43**	**2,753.35**

(ii) Amounts recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases:

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amortisation charge on right of use assets (Refer note 28)		
- Premises Studio	1,457.84	1,977.25
- Office Space	185.85	141.54
Total	**1,643.69**	**2,118.79**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expense (included in finance cost) (Refer note 29)		
Interest on lease liability	81.16	240.24
Total	**81.16**	**240.24**

The total cash outflow for leases for the year ended March 31, 2021 was ₹ 1,494.19 lacs (for year ended March 31, 2020 : ₹ 2,254.63 lacs)

Note 5 Non-current investments

(₹ in Lacs)

Particulars	As at March 31, 2021		As at March 31, 2020	
(1) Investment in fully paid-up Equity shares (unquoted) (at cost)				
(i) Wholly owned subsidiaries :				
20,00,000 (Previous year 20,00,000) Equity shares of ₹ 10/- each in Balaji Motion Pictures Limited	200.00		200.00	
Add : Capital contribution on account of employee stock option plan (Refer note 41)	165.65	365.65	137.10	337.10
60,20,50,000 (Previous year 60,00,50,000) Equity shares of ₹10/- each in Alt Digital Media Entertainment Limited	62,005.00		60,005.00	
Add : Capital contribution on account of employee stock option plan (Refer note 41)	324.33	62,329.33	339.16	60,344.16
44,60,000 (Previous year 44,57,550) Equity Shares of ₹10/- each in Marinating Films Private Limited		1,023.99		1,023.99

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 5 Non-current investments (Contd..)

(₹ in Lacs)

Particulars	As at March 31, 2021		As at March 31, 2020	
(ii) Subsidiaries :				
(a) 12,75,000 (Previous year 5,25,000) Equity Shares of ₹10/- each in Chhayabani Balaji Entertainment Private Limited (under liquidation)	240.70		52.50	
Add: Conversion of Preference shares to Equity Shares of ₹10/- each (Previous year 7,50,000)	-		188.20	
Less : Impairment of investments	(240.70)	-	(240.70)	-
(2) Investment in fully paid-up preference shares of subsidiaries (unquoted) (at fair value through profit or loss)				
(i) Subsidiary :				
(a) NIL (Previous year NIL) Preference shares of ₹10/- each in Chhayabani Balaji Entertainment Private limited	-		188.20	
Less : Conversion into Equity Shares	-	-	(188.20)	-
(3) Investment in compulsory convertible debentures of subsidiary (unquoted) (at cost)				
(a) 32,50,000 (Previous year 32,50,000) compulsory convertible debentures of ₹10/- each in Marinating Films Private Limited		325.00		325.00
(4) Investment in Associate (unquoted) (at cost)				
(i) IPB Capital Advisors LLP		0.50		0.50
(5) Investment in Indus Balaji Investor Trust (unquoted) (at fair value through profit or loss)				
(i) NIL (Previous year 19,53,763.97) Class A units of ₹100 each	-		360.89	
(ii) NIL (Previous year 3,428.35) Class B units of ₹100 each	-		0.57	
		-		361.46
Aggregate carrying value of unquoted investments		**64,044.47**		**62,392.21**
Aggregate amount of impairment in the value of investments		**240.70**		**240.70**

Note 6 Loans (Non-Current)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits	115.58	796.56
Loans to Employees	87.50	-
Total	**203.08**	**796.56**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 6 Loans (Non-Current) (Contd..)

Break-up of security details

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans considered good - Secured	-	-
Loans considered good - Unsecured	203.08	796.56
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	**203.08**	**796.56**
Less: Loss allowance	-	-
Total loans	**203.08**	**796.56**

Note: Previous year security deposits includes deposits (undiscounted) given to three directors of the company of ₹ 740.00 lacs for the properties taken on lease from them, Current year classified as current as due within 12 months.

Note 7 Other current financial assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered good		
(a) Other Receivables	269.46	1,985.36
(b) Unbilled revenue	7,798.46	3,024.64
Total	**8,067.92**	**5,010.00**

Note 7(a) Contract assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Contract assets relating to commissioned television programs and internet programs	4,210.50	4,899.90
Total	**4,210.50**	**4,899.90**

Note 8 Deferred tax asset (net)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets		
Lease Liabilities	-	20.80
Depreciation on Property, plant and equipment	749.42	715.01
Loss allowance on financial assets	73.26	74.35
Deferred sales consideration	2.74	6.74
Others	1.50	-
	826.92	**816.90**
Deferred tax liabilities		
Fair valuation of investments	(32.94)	(92.91)
Lease Liabilities	(9.42)	-
	(42.36)	**(92.91)**
Deferred tax assets (net)	**784.56**	**723.99**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 8 Deferred tax asset (net) (Contd..)

(i) Movement in deferred tax balances

Particulars	For year ended March 31, 2021			
	Opening Balance	Charged/ (Credited) to profit or loss	Charged/ (Credited) to OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Fair value of investments	92.91	(59.97)	-	32.94
Lease Liabilities	(20.80)	30.22	-	9.42
	72.11	**(29.75)**	**-**	**42.36**
Tax effect of items constituting deferred tax assets				
Depreciation on Property, plant and equipment	715.01	(34.41)	-	749.42
Deferred Sales Consideration	6.74	4.00	-	2.74
Loss allowance on financial assets	74.35	1.09	-	73.26
Others	-	(5.98)	4.48	1.50
	796.10	**(35.30)**	**4.48**	**826.92**
Deferred tax assets (net)	**723.99**	**(65.05)**	**4.48**	**784.56**

Movement in deferred tax balances

(₹ in Lacs)

Particulars	For Year Ended March 31, 2020				
	Opening Balance	* On Account of adoption of Ind AS 116	Charged/ (Credited) to profit or loss	Charged/ (Credited) to OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities					
Fair value of investments	552.86	-	(459.95)	-	92.91
Security deposits	11.06	-	(11.06)	-	-
	563.92	**-**	**(471.01)**	**-**	**92.91**
Tax effect of items constituting deferred tax assets					
Lease Liabilities*	-	70.91	50.11	-	20.80
Depreciation on Property, plant and equipment	903.43	-	188.42	-	715.01
Deferred sales consideration	24.08	-	17.34	-	6.74
Loss allowance on financial assets	226.23	-	155.08	(3.20)	74.35
Carried forward tax losses	109.27	-	109.27	-	-
MAT Credit entitlement / (utilisation)	1,282.77	-	1,282.77	-	-
	2,545.78	**70.91**	**1,802.99**	**(3.20)**	**816.90**
Deferred tax assets (net)	**1,981.86**	**70.91**	**1,331.98**	**(3.20)**	**723.99**

*Adjusted to retained earnings as at April 01, 2019

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 9 Non-current income tax assets (Net)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance payment of income-tax (Provision netted off of ₹ 4,308.50 lacs (previous year: ₹ 695.90 lacs))	287.97	1,164.29
Total	**287.97**	**1,164.29**

Note 10 Other non-current assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance to vendors (considered good – unsecured) (Refer Note 40)	4,548.58	3,701.51
Total	**4,548.58**	**3,701.51**

Note 11 Inventories

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cost or Net realisable value, whichever is lower		
Work in process		
Films	3,351.76	2,377.94
Total	**3,351.76**	**2,377.94**

Note 12 Current investments

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in mutual funds (Non trade) (Unquoted)	1,716.68	10,046.23
(measured at fair value through profit or loss)		
Aggregate amount of unquoted Investments **Total**	**1,716.68**	**10,046.23**

Note 13 Trade receivables

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Receivables from contract with customers - Others	7,408.91	12,261.81
Trade Receivables from contract with customers - Related Party (Refer Note 35)	6,171.96	357.70
Less: Loss allowance	-	-
Total Receivables	**13,580.87**	**12,619.51**
13(i) Current portion	13,546.31	12,455.40
13(ii) Non-current portion	34.56	164.11
Break-up of trade receivables		
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	13,580.87	12,619.51
Trade receivables which have significant increase in credit risk	-	-

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 13 Trade receivables (Contd..)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables – credit impaired	-	-
Total	**13,580.87**	**12,619.51**
Less: Loss allowance	-	-
Total	**13,580.87**	**12,619.51**

Note 14 (a) Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Cash on hand	23.38	29.13
(b) Balances with banks-		
(i) In current accounts	2,447.26	1,303.13
(ii) In deposit accounts with original maturity of less than three months	4,801.84	49.75
Total	**7,272.48**	**1,382.01**

Note 14(b) Other balances with banks

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unpaid dividend accounts	10.13	10.54
Total	**10.13**	**10.54**

Note 15 Loans (Current)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans to subsidiary (Refer Note 35)	403.16	3,081.95
Security deposits	770.63	-
Loans to employees	168.75	-
Less: Loss allowance	-	-
Total	**1,342.54**	**3,081.95**

Break-up of security details

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans considered good - Secured	-	-
Loans considered good - Unsecured	1,342.54	3,081.95
Loans which have significant increase in credit risk	-	-
Loans – credit impaired	-	-
Total	**1,342.54**	**3,081.95**
Less: Loss allowance	-	-
Total loans	**1,342.54**	**3,081.95**

Note: Security Deposits includes deposits (undiscounted) given to three directors of the company amounting to ₹ 740.00 lacs for the properties taken on lease from them, Previous year was classified as non-current as due more than 12 months.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS
for the year ended March 31, 2021

Note 16 Other Current assets

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(unsecured considered good, unless otherwise stated)		
(a) Prepaid expenses	50.77	30.76
(b) Balances with government authorities	1,055.15	808.83
(c) Advances to vendors	6,152.86	6,676.59
(d) Other Receivables		
- considered good	106.92	104.09
- considered doubtful	255.13	255.13
Less: Provision for doubtful receivable	(255.13)	(255.13)
Total	**7,365.70**	**7,620.27**

Note 17 Equity share capital

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Authorised		
15,00,00,000 (Previous Year 15,00,00,000) Equity shares of ₹ 2/- each	3,000.00	3,000.00
3,00,00,000 (Previous year 3,00,00,000) Preference shares of ₹ 2/- each	600.00	600.00
	3,600.00	**3,600.00**
(b) Issued, Subscribed and fully paid-up		
10,11,30,443 (Previous Year 10,11,30,443) Equity shares of ₹ 2/- each	2,022.61	2,022.61
Total	**2,022.61**	**2,022.61**

Notes :

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

Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% of Holding	Number of shares	% of Holding
Reliance Industries Ltd.	2,52,00,000	24.92	2,52,00,000	24.92
Ekta Kapoor#	1,84,33,254	18.23	1,84,22,380	18.22
Shobha Kapoor	1,10,08,850	10.89	1,10,08,850	10.89

#Ekta Kapoor, Promoter Director of the Company had purchased 1,25,046 equity shares during March 2020 quarter. However, due to time required for transaction to complete and reflect in buyer's account, 10,874 shares have not been captured in shareholding pattern as on March 31, 2020.

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

Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Equity shares outstanding at the beginning of the year	10,11,30,443	2,022.61	10,11,30,443	2,022.61
Add: Issue of Equity Shares during the year	-	-	-	-
Equity shares outstanding at the end of the year	10,11,30,443	2,022.61	10,11,30,443	2,022.61

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 17 Equity share capital (Contd..)

(iii) Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the company, the shareholders will be eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

(iv) During the five years immediately preceding March 31, 2021, no shares were bought back and no shares were issued for consideration other than cash nor as bonus shares.

(v) Shares reserved for Issue under options

Information relating to Balaji Telefilms Employee Stock Option Scheme, including details of option issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note no. 41.

Note 18 Other equity - Reserves & Surplus

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) General reserve	5,133.10	5,133.10
(b) Securities premium account	68,749.34	68,749.34
(c) Retained earnings	31,696.63	28,747.56
(d) Capital Reserve	(47.08)	(47.08)
(e) Share options outstanding account	711.58	1,133.61
Total	**1,06,243.57**	**1,03,716.53**

Note 18(a) Retained earnings

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	28,747.56	24,077.49
Transfer to retained earnings for forfeiture of employee share options (vested)	407.51	-
Adjustment on adoption of Ind AS 116	-	(132.03)
Profit for the year	2,528.23	5,786.94
Items of other comprehensive income recognised directly in retained earnings	13.33	(9.50)
Payment of dividends	-	(809.04)
Dividend distribution tax	-	(166.30)
Balance at the end of the year	**31,696.63**	**28,747.56**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 18(b) Share options outstanding account

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	1,133.61	1,057.26
Transfer to retained earnings for forfeiture of employee share options (vested)	(407.51)	-
Employee share options expense (Refer note 41)	(14.52)	76.35
Balance at the end of the year	**711.58**	**1,133.61**

Nature and purpose of reserves :

A. General Reserve : General reserve is created out of transfer from retained earnings and is a free reserve.

B. Securities Premium Account : Securities Premium is created to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

C. Capital Reserve : Capital Reserve, being consideration over net assets taken over, recognised as per the scheme of arrangement sanctioned by National Company Law Tribunal in earlier years.

D. Share options outstanding account : The share options outstanding account is used to recognise the grant date fair value of option issued to employees under Balaji Telefilms ESOP, 2017.

Note 19 Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Trade payables- total outstanding dues of micro and small enterprises	63.78	46.19
(b) Trade payables- total outstanding dues other than (a) above	9,576.48	9,841.52
Total	**9,640.26**	**9,887.71**

Disclosure required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:-

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid to any supplier as at the end of each accounting year	54.47	44.46
Interest due thereon remaining unpaid to any supplier as at the end of each accounting year	9.31	1.73
Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year	7.58	1.73
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Management regarding the status of suppliers under the MSME Act.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 20 Other financial liabilities (current)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unpaid dividends (Refer Note below)	10.13	10.54
Temporarily overdrawn book balances	-	40.56
Total	**10.13**	**51.10**

Note

As at March 31, 2021, there are no amounts due to be transferred to Investor Education and Protection Fund as required under Section 125 of the Companies Act, 2013.

Note 21(i) Provisions - Current

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity (Refer Note 36(b))	10.16	18.25
Total	**10.16**	**18.25**

Note 21(ii) Other current liabilities

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Contract liabilities/ advances from customers (Refer below table)	324.86	1,652.45
Statutory liabilities	519.62	434.34
Employee Benefit Payables	95.24	25.65
Total	**939.72**	**2,112.44**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance received for commissioned television programs and internet programs	217.24	173.97
Advance received from Movies related contracts	107.62	1,478.48
Total Contract Liabilities/ advances from customers	**324.86**	**1,652.45**

1) Revenue recognised in relation to contract liabilities

The following table shows how much of revenue recognised in current reporting period related to carried forward of contract liabilities

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue recognised that was included in contract liability balance at the beginning of the year		
Commissioned television programs and internet programs	138.00	158.68
Movie related contracts	-	594.80
Total	**138.00**	**753.48**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 22 Current tax liabilities (net)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for tax (net of advance tax of Nil (previous year: ₹ 2,956.56 lacs))	-	806.72
Total	-	**806.72**

Note 23 Revenue from operations

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Revenue from contracts with customers		
- Sale of service		
Commissioned television programs	18,485.12	30,158.54
Internet programs	7,727.10	8,238.88
Sale and licensing of movies	3,963.83	16,624.77
Sale of television programs/ movies concept rights	14.72	57.47
Event Management	513.20	1,265.00
(b) Other Operating Income		
Facilities / equipment hire Income	20.01	70.69
Compensation on cancellation of movie deal	201.43	-
Service Income for Curation of Digital Content	652.88	1,247.45
Total	**31,578.29**	**57,662.80**

Unsatisfied long-term licensing contracts:

The following table shows unsatisfied performance obligations resulting from long-term licensing contracts.

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Aggregate amount of the transaction price allocated to long-term licensing contracts that are fully unsatisfied as at reporting date	4,325.00	1,400.00

Management expects that of the transaction price allocated to the unsatisfied contracts as on March 31, 2021 ₹ 1,925 lacs will be recognised as revenue during the next reporting period and balance ₹ 2,400 lacs in subsequent periods. The amount disclosed above does not include variable consideration which is constrained. All other contracts are for periods of one year or less.

The Revenue recognised is equivalent to the contract price and there is no element of discount, rebates, incentives, etc. which are adjusted to revenue.

Note 24 Other Income

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Interest income		
On fixed deposits with banks	302.97	10.41
On Income-tax refund	178.35	108.84
On loan given to subsidiary company	175.76	68.41

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 24 Other Income (Contd..)

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(b) Unwinding of discount on security deposit	74.46	68.47
(c) Interest income on deferred considerations	48.98	42.14
(d) Net gains on financial assets measured at fair value through profit and loss	141.77	99.74
(e) Insurance claim received	27.74	-
(f) Advances / Creditors written back	5.98	186.69
(g) Net foreign exchange differences	-	20.97
(h) Sale of Export License	63.12	-
(i) Gain on Lease Modification	36.00	-
(j) Rent Concession	326.15	-
Total	**1,381.28**	**605.67**

Note 25(a) Cost of Production / Acquisition and Telecast Fees

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Production expenses including purchase of costumes and dresses	1,329.01	2,167.55
Artists, Directors, technicians and Professional Fees	11,811.20	16,603.18
Location hire charges	1,479.85	1,604.51
Shooting and location expenses	4,223.16	4,462.62
Food and refreshment charges	357.50	544.62
Sets & studio maintenance charges	904.76	1,023.55
Uplinking charges	11.45	115.14
Insurance expense	133.83	37.07
Line production cost	2,537.78	1,912.41
Set properties and equipment hire charges	1,907.92	2,437.50
Sound expense	88.71	92.73
Other production expenses	532.97	939.17
Total	**25,318.14**	**31,940.05**

Note 25(b) Changes in Inventories :

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balance :		
Films	2,377.94	6,328.14
Closing balance :		
Films	3,351.76	2,377.94
Total changes in inventories	**(973.82)**	**3,950.20**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 26 Marketing and distribution expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Marketing expenses	86.29	1,676.38
Distribution expenses	122.58	1,942.10
Total	**208.87**	**3,618.48**

Note 27 Employee benefits expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages*	950.60	1,199.94
Contributions to provident and other funds (Refer Note 36(a))	69.30	119.11
Gratuity (Refer Note 36(b))	10.15	16.70
Staff welfare expenses	10.90	7.94
Employee share based payment expenses (Refer Note no. 41)	(28.24)	45.35
Total	**1,012.71**	**1,389.04**

*net of amount cross charged to subsidiary (Refer note 35)

Note 28 Depreciation and amortisation expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of property, plant and equipment (Refer Note 4a)	989.13	1,194.67
Amortisation on Right of use asset (Refer Note 4b)	1,643.69	2,118.79
Total	**2,632.82**	**3,313.46**

Note 29 Finance cost

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on lease liability	81.16	240.24
Interest on others	70.63	2.20
Total	**151.79**	**242.44**

Note 30 Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Power and fuel	45.92	72.10
Repairs and maintenance - Others	124.47	143.76
Insurance	60.70	58.86
Rates and taxes	157.15	342.70
Communication expenses	43.57	40.24
Legal and professional charges (Refer Note 30.1)	1,064.69	942.33

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 30 Other expenses (Contd..)

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Directors Commission	24.83	95.20
Security and housekeeping expenses	52.97	82.61
Business promotion expenses	39.09	172.75
Travelling and conveyance expenses	47.90	112.37
Donations and contributions	37.20	21.84
Expenditure on corporate social responsibility (Refer Note 30.2)	105.50	54.62
Advances written off (Net of provision - ₹ Nil) (previous year: Net of provision - ₹ 50.92)	25.77	996.63
Provision for doubtful debts and advances	-	255.13
Bad debts written off net (Net of provision - ₹ Nil) (previous year: Net of provision for doubtful debts - ₹ 345.70)	314.90	503.79
Diminution in value of investments	-	240.70
Investment written off	-	0.38
Financial assets measured at fair value through profit and loss	-	51.91
Software expenses	0.76	1.91
Directors sitting fees	44.00	37.75
Property, plant & equipment and Capital work-in-progress written off	6.00	3.11
Miscellaneous expenses	76.23	117.96
Total	**2,271.65**	**4,348.65**

Note 30.1 Details of auditors remuneration (Included in legal and professional charges)

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As Auditors :		
Audit fee	41.10	41.10
In respect of other audit services :		
Other services (including certification)	2.50	4.00
Reimbursement of expenses	0.25	0.72
Total	**43.85**	**45.82**

Note 30.2 Expenditure on corporate social responsibility

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amounts required to be spent as per section 135 of the Act	92.72	53.72
Amounts spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	105.50	54.62
Total	**105.50**	**54.62**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

Note 31 Tax expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Income tax expense		
Current tax		
Current tax on profits for the year	650.00	2,347.23
Short provision in respect of earlier years	268.67	-
	918.67	**2,347.23**
Deferred tax		
Decrease/ (increase) in deferred tax assets	(35.30)	520.22
(Decrease)/ increase in deferred tax liabilities	(29.75)	(471.01)
MAT Credit		
MAT Credit utilisation	-	1,282.77
Total deferred tax expense/(benefit)	**(65.05)**	**1,331.98**
Income tax expense	**853.62**	**3,679.21**

Income Tax Expense for the year can be reconciled to the accounting profit as follows

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before exceptional items and tax	**2,337.41**	**9,466.15**
Income Tax calculated at 25.17% (PY:34.94%)	**588.33**	**3,307.85**
Tax effect of amounts that are not deductible in determining taxable profit	44.33	20.17
Tax on deductions under chapter VI-A	4.68	(3.82)
Income taxed at lower rates (Long Term Capital Gains)	-	(31.07)
Deferred Tax at the year end recognised at lower tax rates	-	280.89
Others	(52.39)	105.19
Short provision in respect of earlier years	268.67	-
Total	**853.62**	**3,679.21**
Income Tax expense recognised in profit & loss	**853.62**	**3,679.21**

32 Contingent liabilities (to the extent not provided for)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
In respect of Service Tax Matters (Also Refer note 1 below)	2,943.00	2,943.00
In respect of VAT Matters	145.50	145.50
In respect of Income Tax Matters (Also Refer note 2 below)		
- TDS Matters	218.08	218.08
In respect of Claim against the company not acknowledged as debt	200.01	-

(1) Apart from the above, the Company had received a Show Cause Notice (SCN) for demand of ₹ 6,348 lacs from Service Tax Department, Mumbai for the period April 2006 to March 2008 on exports made to one of the customers of the Company. On an appeal to Commissioner of Service Tax, the matter was adjudicated in the Company's favour. The department had further filed an appeal against the said order with the Customs, Excise & Service Tax Appellate Tribunal (CESTAT) which was dismissed by the Hon'ble CESTAT vide their order dated March 9, 2016. Department has further filed an appeal against the said order with the High Court on October 19, 2016 and same is pending for adjudication.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

(2) Apart from the above, in respect of Income Tax Matters, a search was conducted on the premises of the Company on 30 April 2013. Pursuant to the aforesaid search, block assessment under section 153A of the Income-tax Act, 1961 (Act) was conducted for Assessment Years 2007- 08 to 2012-13. The Company did not appeal against the additions made in the assessment orders for the aforesaid assessment years. However, penalties were levied for the said assessment years, which were challenged by the Company before the Income-tax Appellate Tribunal-Mumbai (ITAT). The Company had accounted for the penalty amount in FY 17-18 as an exceptional item. Subsequently, in the current year, ITAT has deleted the penalty levied and the Income tax department has refunded the penalties amounting to ₹ 1,044.44 lacs along with interest of ₹ 138.33 lacs under the Act to the Company. This has been disclosed under exceptional items in the current year.(Refer note.45)

Subsequently in Feb 2021 -- Income tax department has preferred an appeal before the Hon'ble High Court (HC) Bombay challenging the deletion of penalty by ITAT, the appeal is still in Pre-Admission stage. Considering the department has gone in appeal, the same is disclosed as contingent liability amounting to ₹ 1,182.77 lacs.

33 The Company has investments in subsidiaries namely Balaji Motion Pictures Limited (BMPL), ALT Digital Media Entertainment Limited (ALT) and Marinating Films Private Limited (MFPL) aggregating to ₹ 64,043.97 lacs (Previous year ₹ 62,030.25 lacs). Further, the Company has also given loans and advances aggregating to ₹ 403.16 lacs to BMPL (Previous year ₹ 3,081.95 lacs given to BMPL). As per the latest audited balance sheet of BMPL for the year ended March 31, 2021, the accumulated losses have fully eroded the net-worth of the company. As per the latest audited balance sheet of ALT and MFPL the investment is partially eroded as at March 31, 2021. However, basis the management evaluation it is not necessary to recognise an impairment loss for these investments as the carrying amount of the investments does not exceed its recoverable amount.

Recoverable amounts for BMPL, ALT and MFPL has been determined with the assistance of external valuation expert. The company is committed to provide financial support to BMPL, ALT and MFPL for a period of at least 12 months from the date of signature of these financial statements, in such case if assistance is needed.

For Chhayabani Balaji Entertainment Private Limited, in the previous year, the Company had taken an impairment charge of ₹240.70 lacs. Based on the approvals of Company's Board of Directors, Chhayabani Balaji Entertainment Private Limited has filed for liquidation on October 22, 2020.

During the year ended March 31, 2021, the Company considered indicators of impairment for investments in subsidiaries, such as declines in operational performance or changes in the outlook of future profitability or weaker market conditions, among other potential indicators.

The Company estimated the recoverable amount based on the value in use of the underlying businesses. The computation uses cash flow forecasts based on the most recently approved financial budgets and strategic forecasts which covers future projections taking the analysis into perpetuity. Key assumptions for the value in use computations are those regarding the discount rates and growth rates.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

34 Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges and under Section 186 (4) of the Companies Act, 2013

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

(₹ in Lacs)

Name of the party	Relationship	Amount outstanding as at March 31, 2021	Maximum balance outstanding during the year
Balaji Motion Pictures Limited	Wholly owned subsidiary	403.16	3,099.95
		(3,081.95)	(3,081.95)

Note:

1. Loan given to BMPL towards Working Capital requirement and is repayable on demand. Interest is charged at 1 years MCLR rate of Company's bankers at the start of the year

2. Figures in Brackets denote last year's figures

35 Related Party Transactions

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

Name of the Related Party	Relationship
Balaji Motion Pictures Limited	Subsidiary Company
Marinating Films Private Limited	Subsidiary Company
Alt Digital Media Entertainment Limited	Subsidiary Company
Chhayabani Balaji Entertainment Private Limited (under liquidation from October 22, 2020)	Subsidiary Company
IPB Capital Advisors LLP	Associate
Mr. Sunil Lulla (from May 25, 2018 to August 14, 2019)	Key management person
Mr. Jeetendra Kapoor	Key management person (Chairman)
Mrs. Shobha Kapoor	Key management person (Executive Director)
Ms. Ekta Kapoor	Key management person (Executive Director)
Mr. Tusshar Kapoor	Relative of key management person
Mr. Anshuman Thakur	Key management person (Non-Executive Director)
Mr. Arun K. Purwar	Key management person (Non-Executive Independent Director)
Mr. D G Rajan	Key management person (Non-Executive Independent Director)
Mr. Ashutosh Khanna (till 22nd July 2020)	Key management person (Non-Executive Independent Director)
Mr. Devender Kumar Vasal	Key management person (Non-Executive Independent Director)
Mr. V B Dalal	Key management person (Non-Executive Independent Director)
Mr. Pradeep Sarda	Key management person (Non-Executive Independent Director)
Ms. Jyoti Deshpande	Key management person (Non-Executive Director)
Mr. Ramesh Sippy (from September 1, 2019)	Key management person (Non-Executive Director)
Dr. Archana Hingorani (from August 28, 2020)	Key management person (Non-Executive Independent Director)
Mr. Jason Kothari (from February 11, 2021)	Key management person (Non-Executive Independent Director)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related Party Transactions (Contd..)

(b) Details of Transactions during the period and balances at the year end

(₹ in Lacs)

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel
Loans given		
Balaji Motion Pictures Limited	211.06	-
	(3,291.69)	(-)
Loans Recovered (including interest)		
Balaji Motion Pictures Limited	3,065.61	-
	(570.28)	(-)
Sale of internet programs and licensing of movies		
Alt Digital Media Entertainment Limited	7,666.94	-
	(8,324.60)	(-)
Reimbursement of Expenses received		
Alt Digital Media Entertainment Limited	166.27	-
	(964.36)	(-)
Interest income on deferred consideration		
Alt Digital Media Entertainment Limited	23.22	-
	(34.81)	(-)
Interest Income on Loan Given		
Balaji Motion Pictures Limited	175.76	-
	(68.41)	(-)
Commission (Distribution expenses) Paid to		
Balaji Motion Pictures Limited	122.50	-
	(615.24)	(-)
Reimbursement of Employee Benefit Expense		
Alt Digital Media Entertainment Limited	442.36	-
	(715.65)	(-)
Reimbursement of Expense		
Alt Digital Media Entertainment Limited	-	-
	(182.90)	(-)
Rent Income		
Balaji Motion Pictures Limited	6.00	-
	(6.00)	(-)
Directors sitting fees		
Mr. Jeetendra Kapoor	-	4.00
	(-)	(4.00)
Mr. Anshuman Thakur	-	4.00
	(-)	(2.00)
Mr. Arun K. Purwar	-	5.00
	(-)	(5.00)
Mr. Ashutosh Khanna	-	-
	(-)	(5.00)
Mr. D.G. Rajan	-	6.00
	(-)	(6.00)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related Party Transactions (Contd..)

(b) Details of Transactions during the period and balances at the year end

(₹ in Lacs)

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel
Mr. Devender Kumar Vasal	-	6.00
	(-)	(6.00)
Ms. Jyoti Deshpande	-	4.00
	(-)	(3.00)
Mr. Pradeep Sarda	-	1.00
	(-)	(1.00)
Mr. V.B. Dalal	-	6.00
	(-)	(4.75)
Mr. Ramesh Sippy	-	4.00
	(-)	(1.00)
Dr. Archana Hingorani	-	4.00
	(-)	(-)
Directors Commission		
Mr. Jeetendra Kapoor	-	19.86
	(-)	(76.16)
Mr. D.G. Rajan	-	0.57
	(-)	(2.12)
Mr. Pradeep Sarda	-	0.57
	(-)	(2.11)
Mr. Ashutosh Khanna	-	-
	(-)	(2.12)
Mr. Devender Kumar Vasal	-	0.57
	(-)	(2.11)
Mr. V.B. Dalal	-	0.57
	(-)	(2.12)
Mr. Arun K. Purwar	-	0.57
	(-)	(2.11)
Ms. Jyoti Deshpande	-	0.57
	(-)	(2.12)
Mr. Anshuman Thakur	-	0.57
	(-)	(2.11)
Mr. Ramesh Sippy	-	0.57
	(-)	(2.12)
Dr. Archana Hingorani	-	0.33
	(-)	(-)
Mr. Jason Kothari	-	0.08
	(-)	(-)
Rent paid		
Mr. Jeetendra Kapoor	-	58.89
	(-)	(58.89)
Mrs. Shobha Kapoor	-	1,248.47
	(-)	(1,599.53)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related Party Transactions (Contd..)

(b) Details of Transactions during the period and balances at the year end

(₹ in Lacs)

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel
Mr. Tusshar Kapoor	-	14.76
	(-)	(14.76)
Ms.Ekta Kapoor	-	200.20
	(-)	(253.47)
Remuneration (Refer note (iii) & (iv) below)		
Mrs. Shobha Kapoor	-	194.77
	(-)	(239.88)
Ms Ekta Kapoor	-	-
	(-)	(239.88)
Mr. Sunil Lulla	-	-
	(-)	(89.23)
Service Income for Curation of Digital Content		
Alt Digital Media Entertainment Limited	652.88	-
	(1,247.45)	(-)
Capital contribution on account of Employee stock option addition/(reversal)		
Alt Digital Media Entertainment Limited	(14.83)	-
	(-30.18)	(-)
Balaji Motion Pictures Limited	28.55	-
	(61.19)	(-)
Investment made		
Chhayabani Balaji Entertainment Limited	-	-
	(50.00)	(-)
Alt Digital Media Entertainment Limited	2,000.00	-
	(15,000.00)	(-)
Impairment made		
Chhayabani Balaji Entertainment Limited	-	-
	(240.70)	(-)
Amount receivable as at March 31, 2021		
Security Deposit amount receivable		
Mrs. Shobha Kapoor *	-	340.00
	(-)	(340.00)
Mr. Jeetendra Kapoor *	-	300.00
	(-)	(300.00)
Mr. Tusshar Kapoor *	-	100.00
	(-)	(100.00)
Mr. Ekta Kapoor *	-	100.00
	(-)	(100.00)
Loans		
Balaji Motion Pictures Limited	403.16	-
	(3,081.95)	(-)
Trade Receivable		
Alt Digital Media Entertainment Limited	6,171.96	-
	(357.70)	(-)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related Party Transactions (Contd..)

(b) Details of Transactions during the period and balances at the year end

(₹ in Lacs)

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel
Other current financial assets (Other Receivable)		
Alt Digital Media Entertainment Limited	1.00	-
	(800.18)	(-)
Marinating Films Private Limited	-	-
	(9.98)	(-)
Unbilled Receivable		
Alt Digital Media Entertainment Limited	7,620.60	-
	(2,492.89)	(-)
Contract Asset		
Alt Digital Media Entertainment Limited	3,610.22	-
	(4,836.65)	(-)
Amount Payable as at March 31, 2021		
Commision payable to Balaji Motion Pictures Limited	25.00	-
	(43.02)	(-)
Amount payable		
Mr. Jeetendra Kapoor	-	19.93
	(-)	(78.00)
Mrs. Shobha Kapoor	-	12.48
	(-)	(12.48)
Mr. Tusshar Kapoor	-	1.70
	(-)	(1.70)
Ms. Ekta Kapoor	-	21.47
	(-)	(22.97)
Mr. D.G. Rajan	-	0.57
	(-)	(2.12)
Mr. Pradeep Sarda	-	0.57
	(-)	(2.11)
Mr. Ashutosh Khanna	-	-
	(-)	(2.12)
Mr. Devender Kumar Vasal	-	0.57
	(-)	(2.11)
Mr. V.B. Dalal	-	0.57
	(-)	(2.12)
Mr. Arun K. Purwar	-	0.57
	(-)	(2.11)
Ms. Jyoti Deshpande	-	0.57
	(-)	(2.12)
Mr. Anshuman Thakur	-	0.57
	(-)	(2.11)
Mr. Ramesh Sippy	-	0.57
	(-)	(2.12)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

35 Related Party Transactions (Contd..)

(b) Details of Transactions during the period and balances at the year end

(₹ in Lacs)

Nature of Transactions	Subsidiary Company	Key Management Person and relative of key management personnel
Dr. Archana Hingorani	-	0.33
	(-)	(-)
Mr. Jason Kothari	-	0.08
	(-)	(-)
Contract liabilities		
Alt Digital Media Entertainment Limited	209.36	-
	(158.00)	(-)

* - Deposit for leased property

Note

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

(ii) Figures in bracket relate to the previous financial year

(iii) The company provides long term benefits in the form of gratuity to its key managerial person along with all employees, cost of the same is not identifiable separately and hence not disclosed.

(iv) Includes amount cross charged to subsidiary

36 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 ₹69.30 lacs (Previous Year ₹119.11 lacs)

b) Defined Benefit Plans

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	March 31, 2021	March 31, 2020
Discount rate(s)	6.06%	6.24%
Expected rate(s) of salary increase	5.00%	5.00%
Rate of employee turnover	14.50%	16.00%
Mortality Rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

36 Employee Benefits (Contd..)

Defined benefit plans – as per actuarial valuation

(₹ in Lacs)

Particulars	Funded Plan Gratuity March 31, 2021	Funded Plan Gratuity March 31, 2020
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Actuarial (Gains)/Losses on Obligation for the year	(17.33)	12.36
Return on Plan Assets, Excluding Interest Income	(0.48)	0.34
Change in asset ceiling	-	-
Net amount recognised in Other Comprehensive Income (OCI)	**(17.81)**	**12.70**
Expenses recognised in the Statement of Profit or Loss for the current year		
Current Service Cost	9.01	15.48
Net interest cost	1.14	1.22
Expenses Recognized	**10.15**	**16.70**
I. Net Asset/(Liability) recognised in the Balance Sheet		
Present value of defined benefit obligation at the end of the year	(148.95)	(150.52)
Fair value of plan assets at the end of the year	138.79	132.28
Surplus/(Deficit)	**(10.16)**	**(18.25)**
Net (liability)/ Asset recognized in the Balance sheet	**(10.16)**	**(18.25)**
II. Change in the obligation during the year ended		
Present value of defined benefit obligation at the beginning of the year	150.52	113.98
Current Service Cost	9.01	15.48
Interest Cost	9.39	8.71
(Benefit paid from the Fund)	(2.64)	(0.01)
Actuarial (Gains)/ Losses on Obligations - Due to change in demographic assumptions	(1.01)	8.21
Actuarial (Gains)/ Losses on Obligations - Due to change in financial assumptions	(3.46)	4.01
Actuarial (Gains)/ Losses on Obligations- Due to experience	(12.86)	0.14
Present value of defined benefit obligation at the end of the year	**148.95**	**150.52**
III. Change in fair value of assets during the year ended 31st March		
Fair value of plan assets at the beginning of the year	132.28	97.99
Interest Income	8.25	7.49
Contributions by the employer	0.42	27.14
(Benefit paid from the Fund)	(2.64)	-
Return on Plan Assets, excluding Interest Income	0.48	(0.34)
Fair value of plan assets at the end of the year	**138.79**	**132.28**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

36 Employee Benefits (Contd..)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Projected Benefit Obligation on Current Assumptions	148.95	150.52
Delta Effect of +1% Change in Rate of Discounting	(6.05)	(5.78)
Delta Effect of -1% Change in Rate of Discounting	6.63	6.30
Delta Effect of +1% Change in Rate of Salary Increase	5.22	4.44
Delta Effect of -1% Change in Rate of Salary Increase	(4.17)	(3.52)
Delta Effect of +1% Change in Rate of Employee Turnover	0.65	0.61
Delta Effect of -1% Change in Rate of Employee Turnover	(0.70)	(0.67)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

The company expects to contribute ₹ 24.51 lacs to the gratuity fund during the next financial year. (Previous Year ₹ 27.25 lacs)

Maturity profile of defined benefit obligation (undiscounted):

(₹ in Lacs)

Projected Benefits Payable in future years from Date of Reporting	For the year ended March 31, 2021	For the year ended March 31, 2020
1st Following year	24.51	24.38
2nd Following year	21.07	24.01
3rd Following year	18.89	20.89
4th Following year	16.84	18.44
5th Following year	16.02	16.07
Sum of Years 6 to 10	61.46	58.08
Sum of Years 11 and above	42.66	39.93

Plan Assets

The fair value of Company's gratuity plan asset as of March 31, 2021 by category are as follows:

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Asset category:		
Insurer managed funds	138.79	132.28
	100%	**100%**

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

36 Employee Benefits (Contd..)

Plan Assets (Contd..)

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities will increase the present value of the liability requiring higher provision.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality Risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

37 Earning per share

Basic and Diluted earnings per share calculation is as below:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit for the year attributable to equity share holders (₹ in Lacs) (a)	2,528.23	5,786.94
Weighted average number of equity shares outstanding during the year (Nos.) (b)	10,11,30,443	10,11,30,443
Earnings per share - Basic (₹) (a/b)	2.50	5.72
Nominal value of shares (₹)	2	2

As at the year-ends, the stock options granted as referred in Note 41 are not dilutive in nature and accordingly, basic and diluted earning per share is same.

38 Segment Information

The company has presented data relating to it's segments in it's Consolidated Financial Statements. Accordingly, in terms of paragraph 4 of the Indian Accounting Standard (Ind AS 108) "Operating Segments", no disclosure related to it's segments are presented in the Standalone Financial Statements.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

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

Name of the LLP	Names of partners in the LLP	As at March 31, 2021		As at March 31, 2020	
		Total capital (₹ in Lacs)	Share of each partner in the profits of the LLP	Total capital (₹ in Lacs)	Share of each partner in the profits of the LLP
IPB Capital Advisors LLP	Balaji Telefilms Limited	0.50	50.00%	0.50	50.00%
	IP Capital Advisors LLP	0.49	49.00%	0.49	49.00%
	IPM Capital Advisors LLP	0.01	1.00%	0.01	1.00%
		1.00	**100%**	**1.00**	**100%**

40 The Company has advances / receivable from one of its co-producers and a film director, amounting to ₹ 1,619 lacs which are subject to litigation as at March 31, 2021. On the basis of the evaluation carried out by the management, in consultation with the legal counsel, the amounts are considered good and fully recoverable.

41 Share based payments

The Nomination and Remuneration Committee ("NRC") of the Board of Directors of the Company has formulated the Balaji Telefilms ESOP, 2017 ("the ESOP Scheme") to grant Stock Options in the form of Options to the eligible employees of the Company and its subsidiaries. The ESOP Scheme has been adopted by the NRC by a Resolution passed at its meeting held on February 13, 2018 pursuant to the enabling authority granted under resolution passed by the members of the Company by way of Postal Ballot or electronic voting held on December 30, 2017. ESOP Scheme has been formulated in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("the SEBI Regulations"), as amended.

The NRC, vide a resolution passed at its meeting held on May 19, 2018, and June 20, 2018 has granted Options ("Options"), 16,63,734 Options on May 19, 2018 and 21,25,239 Options on June 20, 2018 to the eligible employees of the Company and its subsidiaries (as per terms decided by the NRC). The Options granted would vest over a period of 3 years – the first 25% to vest at the end of one year from the grant date, 35% to vest at the end of second year from the grant date and balance 40% to vest at the end of third year from the grant date. Once vested, the option remain exercisable for the period of 3 years from the last vesting date.

Additional options were granted at the NRC's meeting held on January 8, 2021, granted 14,00,000 Employee Stock Options ("Options") to the eligible employees of the Company. Each option when exercised would be converted into one equity share of Rs. 2/- each, fully paid up, of the Company. The resolution passed by NRC on January 8, 2021 included a variation in terms of the Scheme. The variation was that all the options granted under the aforesaid grant would vest after completion of 12 months from date of grant.

When exercisable, each option is convertible into one equity share. The exercise price of the options is based on the stock exchange last closing market price after deducting 25% discount as determined by the Members of Nomination and Remuneration Committee.

The vesting schedule and exercise period of the Options granted on May 19, 2018 (Tranche 1) is as follows:

Year	Vesting of options	Vesting dates	Exercise Period up to
1	25%	May 18, 2019	May 18, 2024
2	35%	May 18, 2020	May 18, 2024
3	40%	May 18, 2021	May 18, 2024

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

41 Share based payments (Contd..)

The vesting schedule and exercise period of the Options granted on June 20, 2018 (Tranche 2) is as follows:

Year	Vesting of options	Vesting dates	Exercise Period up to
1	25%	June 19, 2019	June 19, 2024
2	35%	June 19, 2020	June 19, 2024
3	40%	June 19, 2021	June 19, 2024

The vesting schedule and exercise period of the Options granted on January 8, 2021 (Tranche 3) is as follows:

Year	Vesting of options	Vesting dates	Exercise Period up to
1	100%	January 7, 2022	January 07, 2025

During the year ended March 31, 2021 the Company recorded an employee compensation expenses of (₹ 28.24) lacs (previous year ₹ 45.35 lacs) in the statement of profit and loss.

Certain employees of the Subsidiaries are allotted employee stock options of the Company. The Company does not charge any cost for this benefit, Accordingly, fair value of the award granted to subsidiary's employees is recognised over the vesting period; and the same is treated as a capital contribution to the subsidiary. Accordingly, ₹ 489.98 lacs (previous year : ₹ 476.26 lacs) was added to the cost of the investments as a capital contribution at the year end.

Set out below is a summary of options granted under the plan:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Average Exercise price per share option (₹)	Number of options	Average Exercise price per share option (₹)	Number of options
Opening balance	91.34	19,04,932	91.67	31,53,856
Granted during the year	52.01	14,00,000	-	-
Exercised during the year	-	-	-	-
Forfeited/(lapsed) during the year	-	21,28,841	-	12,48,924
Closing balance	**84.57**	**11,76,091**	**91.34**	**19,04,932**

Number of option exercisable as at March 31, 2021: 5,85,655/- (previous year: 4,76,233/-)

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price (₹)	Share options March 31, 2021	Exercise price (₹)	Share options March 31, 2020
May 19, 2018	May 18, 2024	90.00	5,70,537	90.00	10,54,570
June 20, 2018	June 19, 2024	93.00	4,05,554	93.00	8,50,362
January 08, 2021	January 07, 2025	52.01	2,00,000	-	-
Total			**11,76,091**		**19,04,932**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

41 Share based payments (Contd..)

Fair value of options granted

The fair value at grant date of options granted during the year ended March 31, 2019 was ₹ 72.01 per option for options granted on May 19, 2018 (Tranche 1) and ₹ 74.33 per option for options granted on June 20, 2018 (Tranche 2) and during the year ended March 31, 2021 was ₹ 34.05 per option for options granted on January 8, 2021 (Tranche 3). The fair value at grant date is determined using the Binomial Tree Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31,2021 and March 31, 2019 includes:

a) Options are granted for no consideration and vest upon completion of service for a period of one to three years from the date of grant. Vested options are exercisable for a period of three years after last vesting date.

b) Exercise price: ₹ 90 (Tranche 1), ₹ 93 (Tranche 2) and ₹ 52.01 (Tranche 3)

c) Grant date: May 19, 2018 (Tranche 1), June 20, 2018 (Tranche 2) and January 8, 2021 (Tranche 3)

d) Expiry date: May 18, 2024 (Tranche 1), June 19, 2024 (Tranche 2) and January 7, 2025 (Tranche 3)

e) Share price at grant date: ₹ 119.80 (Tranche 1), ₹ 123.45 (Tranche 2) and ₹ 69.65 (Tranche 3)

f) Expected price volatility of the company's shares: 46.05% (Tranche 1), 45.87% (Tranche 2) and 42.59% (Tranche 3)

g) Expected dividend yield: 0.91% (Tranche 1 and 2) and 0.67% (Tranche 3)

h) Risk-free interest rate: 7.92% (Tranche 1), 8.05% (Tranche 2) and 4.92% (Tranche 3)

The expected price volatility is based on the historic volatility (based on the remaining life of the options).

42 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

(a) Financial instrument by category

(₹ in Lacs)

Particulars	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Non-current financial assets						
Investments	-	-	-	361.46	-	-
Loans	-	-	203.08	-	-	796.56
Trade receivable	-	-	34.56	-	-	164.11
Current financial assets						
Investments	1,716.68	-	-	10,046.23	-	-
Trade receivables	-	-	13,546.31	-	-	12,455.40
Cash and cash equivalents	-	-	7,272.48	-	-	1,382.01

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

42 FAIR VALUE MEASUREMENTS (Contd..)

(a) Financial instrument by category (Contd..)

(₹ in Lacs)

Particulars	March 31, 2021			March 31, 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Other balances with bank	-	-	10.13	-	-	10.54
Loans	-	-	1,342.54	-	-	3,081.95
Other financial assets	-	-	8,067.92	-	-	5,010.00
Total Financial Assets	**1,716.68**	**-**	**30,477.02**	**10,407.69**	**-**	**22,900.57**
Current Financial Liabilities						
Trade payables	-	-	9,640.26	-	-	9,887.71
Other financial liabilities	-	-	10.13	-	-	51.10
Total Financial Liabilities	**-**	**-**	**9,650.39**	**-**	**-**	**9,938.81**

(i) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Lacs)

Financial assets and liabilities measured at fair value- recurring fair value measurement March 31, 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial instrument at FVPL				
Mutual Fund	1,716.68	-	-	1,716.68
Total Financial Assets	**1,716.68**	**-**	**-**	**1,716.68**

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed March 31, 2021	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Loans	-	-	203.08	203.08
Trade receivable	-	-	34.56	34.56
Total Non-current Financial Assets	**-**	**-**	**237.64**	**237.64**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

42 FAIR VALUE MEASUREMENTS (Contd..)

(a) Financial instrument by category (Contd..)

(i) Fair Value hierarchy (Contd..)

(₹ in Lacs)

Financial assets and liabilities measured at fair value- recurring fair value measurement March 31, 2020	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial instrument at FVPL				
Investment in trusts	-	-	361.46	361.46
Mutual Fund	10,046.23	-	-	10,046.23
Total Financial Assets	**10,046.23**	**-**	**361.46**	**10,407.69**

(₹ in Lacs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2020	Level 1	Level 2	Level 3	Total
Non-current financial assets				
Loans	-	-	796.56	796.56
Trade receivable	-	-	164.11	164.11
Total Non-current Financial Assets	**-**	**-**	**960.67**	**960.67**

The carrying value of current trade receivables, cash and cash equivalents, current loans, other current financial assets, trade payables and other current financial liabilities are considered to be the same as their fair values due to their short term nature. The fair value of non-current financial asset is not materially different than its carrying value.

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in valuation technique. The hierarchy gives highest priority to quoted prices in active market for identical assets or liabilities (Level 1 measurement) and lowest priority to unobservable inputs (Level 3 measurement). The categories used are as follows:

Level-1 Hierarchy includes financial instruments measured using quoted price. Mutual funds are valued at the closing NAV.

Level-2 The fair value of financial instruments that are not traded in an active market is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity -specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.

Level -3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

42 FAIR VALUE MEASUREMENTS (Contd..)

(a) Financial instrument by category (Contd..)

(ii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:

1) The mutual funds are valued using closing NAV available in the market.

2) The fair value of investee Company (i.e. Trust) is on the basis of the net asset value ('NAV') provided by investee Company.

3) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2021

(₹ in Lacs)

Particulars	Investment in unquoted preference shares	Investment in units of trusts
As at March 31, 2019	**188.20**	**1,503.83**
Sales	-	(1,090.46)
Converted into Equity shares	(188.20)	-
Gains/(Losses) recognised in profit or loss	-	(51.91)
As at March 31, 2020	**-**	**361.46**
Sales	-	(361.46)
As at March 31, 2021	**-**	**-**

(iv) Valuation process

For the valuation of financial assets required for financial reporting purposes, which are falling under the Level 3, the fair value of investee Company (trust) is on the basis of the net asset value ('NAV') provided by investee Company. Assumptions used for the valuation are provided by the finance department of the Company after discussion with the Chief Financial Officer (CFO) and business unit heads.

(v) Fair value of Non-current financial assets measured at amortised cost

(₹ in Lacs)

Particulars	March 31, 2021		March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Non-current financial assets				
Trade receivable	34.56	34.56	164.11	164.11
Loans	203.08	203.08	796.56	796.56

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

43 FINANCIAL RISK MANAGEMENT (Also refer Note 47)

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the management is responsible for overseeing the Company's risk assessment and management policies and processes.

(A) Credit Risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company deals with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and credit ratings of its counterparties are regularly monitored and the aggregate value of transactions concluded is spread amongst counterparties.

(i) Credit Risk Management

Financial instruments and cash deposits

The Company maintains exposure in cash and cash equivalents, term deposits with banks and investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have good credit ratings and hence the risk is reduced. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good. As a practice, the company only invests with high rated banks/institutions. The Company's maximum exposure to credit risk as at March 31, 2021 and March 31, 2020 is the carrying value of each class of financial assets as disclosed in note 42.

Security deposits given to lessors

The Company has given security deposit to lessors for premises leased by it as at March 31, 2021 and March 31, 2020. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

Trade receivables, unbilled revenue and contract assets

To measure the expected credit losses, trade receivables, unbilled revenue and contract assets have been grouped based on shared credit risk characteristics and the days past dues. The Contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rate for the unbilled revenue and contract assets.

Trade receivables, unbilled revenue and contract assets are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses.

The Company measures the expected credit loss of trade receivables, contract assets and other financial assets which are subject to credit risk, based on historical trend, industry practices and the business

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

43 FINANCIAL RISK MANAGEMENT (Also refer Note 47) (Contd..)

Risk management framework (Contd..)

(A) Credit Risk (Contd..)

(i) Credit Risk Management (Contd..)

Trade receivables, unbilled revenue and contract assets (Contd..)

environment in which the entity operates and adjusted for forward looking information. Loss rates are based on actual credit loss experience and past trends.

The Company has used practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix taken into account historical credit loss experience and adjusted to reflect current and forward looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

The following table summarizes the Gross carrying amount of the financial assets and provision made:

(₹ in Lacs)

Particulars	March 31, 2021		March 31, 2020	
	Gross Carrying Amount	Loss Allowance	Gross Carrying Amount	Loss Allowance
Trade Receivables	13,580.87	-	12,619.51	-
Loans	1,545.62	-	3,878.51	-
Unbilled Revenue	7,798.46	-	3,024.64	-
Contract assets	4,210.50	-	4,899.90	-

The following table summarizes the changes in the Provisions made for the receivables and loans :

(₹ in Lacs)

Particulars	Trade receivables		Loans	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Opening balance	-	345.70	-	50.92
Provided during the year	314.90	503.79	-	-
Written off during the year	(314.90)	(849.49)	-	(50.92)
Reversals of provisions	-	-	-	-
Closing balance	-	-	-	-

Of the Trade Receivables balance as at March 31, 2021 of ₹13,580.87 lacs (as at March 31, 2020 of ₹12,619.51 lacs), the top 3 customers of the company represent the balance of ₹11,166.16 lacs as at March 31, 2021 (as at March 31, 2020 of ₹9,151.87 lacs).

No significant changes in estimation techniques or assumptions were made during the reporting period.

(B) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The responsibility for liquidity risk management rests with the Board of directors, which has an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by regularly monitoring forecast and actual cash flows.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

43 FINANCIAL RISK MANAGEMENT (Also refer Note 47) (Contd..)

Risk management framework (Contd..)

(B) Liquidity Risk (Contd..)

(i) Maturities of financial liabilities (undiscounted)

The tables below analyse the company's financial liabilities into relevant maturity grouping based on their contractual maturities.

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2021				
Trade payables	9,640.26	-	-	9,640.26
Lease liabilities	132.81	132.81	65.48	331.10
Other Financial Liabilities	10.13	-	-	10.13
Total financial liabilities	**9,783.20**	**132.81**	**65.48**	**9,981.49**

(₹ in Lacs)

Contractual maturities of financial liabilities	6 months or less	6 months -1 years	More than 1 year	Total
March 31, 2020				
Trade payables	9,887.71	-	-	9,887.71
Lease liabilities	1,091.40	1,098.98	713.93	2,904.31
Other Financial Liabilities	51.10	-	-	51.10
Total financial liabilities	**11,030.21**	**1,098.98**	**713.93**	**12,843.12**

(C) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(a) Foreign currency risk exposure

The Company does not have any exposure to foreign currency risk as at March 31, 2021 (Previous year Nil).

(b) Interest rate risk

The Company does not have any borrowings and is thus not exposed to interest rate risk as at March 31, 2021 (Previous year Nil).

(c) Price risk

(i) Exposure

The company's exposure to investments arises from investment held by the company in mutual funds and classified in the balance sheet as fair value through profit or loss.

Investments are made by the finance team under the policies approved by the Board of Directors. To manage its price risk arising from investments in mutual funds, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

43 FINANCIAL RISK MANAGEMENT (Also refer Note 47) (Contd..)

Risk management framework (Contd..)

(c) Price risk (Contd..)

(ii) Sensitivity

(₹ in Lacs)

Particulars	Impact on profit before tax	
	March 31, 2021	March 31, 2020
Net asset value - Increase 5% (March 31, 2020 5%)*	85.83	326.78
Net asset value - Decrease 5% (March 31, 2020 5%)*	(85.83)	(326.78)

Profit before tax for the year would increase/ decrease as a result of gains/ losses on investments classified at fair value through profit or loss.

44 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

- Maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The company considers the following components of its balance sheet to be managed capital: Total equity as shown in the balance sheet including reserves, retained earnings and share capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares.

45 Exceptional Items

Exceptional items - In respect of Income Tax Matters, a search was conducted on the premises of the Company on 30 April 2013. Pursuant to the aforesaid search, block assessment under section 153A of the Income-tax Act, 1961 (Act) was conducted for Assessment Years 2007- 08 to 2012-13. The Company did not appeal against the additions made in the assessment orders for the aforesaid assessment years. However, penalties were levied for the said assessment years, which were challenged by the Company before the Income-tax Appellate Tribunal-Mumbai (ITAT). The Company had accounted for the penalty amount in FY 17-18 as an exceptional item. Subsequently, in the current year, ITAT has deleted the penalty levied and the Income tax department has refunded the penalties amounting to ₹ 10,44.44 lacs along with interest under the Act to the Company. This has been disclosed under exceptional items in the current year.

46 As per the Regulation 17 (1) (a) of SEBI (LODR) Regulations, 2015, the Company was required to appoint an independent woman director on the Board of the Company w.e.f. April 01, 2020. However, the Company appointed independent woman director on August 28, 2020. There was non-compliance for the period from April 01, 2020 till the date of appointment. NSE & BSE imposed a penalty aggregating ₹ 17.58 lacs (inclusive of goods and service tax) for the above non-compliance, which has been paid by the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2021

47 Impact assessment due to Covid-19 pandemic

The COVID-19 pandemic and the resultant lockdown declared by the Government had adversely impacted the entire media and entertainment industry and consequently, the business activities of the Company were also affected for the year ended March 31, 2021. The Company had resumed its operations as per the directives and permissions of the State Government and other statutory and trade bodies on June 26, 2020. The Company's Management has done an assessment of the situation, including the liquidity position and the recoverability and carrying value of all its investments, other assets and liabilities and concluded that there were no material adjustments required as on March 31, 2021. The impact assessment of COVID-19 is a continuing process given the uncertainty associated with its nature and duration. The Company will continue to monitor any material changes as the situation evolves.

48 Dividends

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Equity Shares		
(i) Final Dividend paid Dividend of ₹ 0.40 per fully paid share pertaining to the immediately preceding financial year	-	404.52
(ii) Dividend not recognised at the end of the reporting period	202.26	-
The Company has proposed dividend of ₹ 0.20 per fully paid share for the financial year 2020-21		
(iii) Interim Dividend of ₹0.40 per fully paid-up share for the financial year 2019-20	-	404.52

49 Subsequent to the year end, the Company has invested an amount of ₹ 500 lacs on May 25, 2021 in Ding Infinity Private Limited for 55% stake in the form of Equity Shares. Pursuant to this investment Ding Infinity Private Limited has become a Subsidiary of the Company.

Signatures to note 1 to 49

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Mehul Desai
Partner
Membership No: 103211

Place : Mumbai
Date: June 18, 2021

For and on behalf of the Board of Directors

Jeetendra Kapoor
(Chairman)
DIN: 00005345

Shobha Kapoor
(Managing Director)
DIN: 00005124

D.G. Rajan
(Audit Committee Chairman)
DIN: 00303060

Sanjay Dwivedi
(Group CFO)

Simmi Singh Bisht
(Group Head Secretarial)
Place : Mumbai
Date: June 18, 2021