

IDREAM FILM INFRASTRUCTURE COMPANY LIMITED

ANNEXURE - VI

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The following Management Discussion and Analysis Report has been prepared in accordance with the Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with a view to provide an analysis of the business and financial statements of the Company for the F.Y. 2017-18, hence it should be read in conjunction with the respective financial statements and notes thereon. The Company's management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present the Company's state of affairs and profits for the year. Investors are cautioned that this discussion contains forward looking statements that involve risks and uncertainties. The Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Business Overview:

IDream Film Infrastructure Company Limited was established in 1981 as a rental and leasing house primarily catering to the media industry.

Economic Outlook:

The Indian media & entertainment sector is expected to grow at a Compound Annual Growth Rate (CAGR) of 13.9 per cent year-on-year to reach INR 196,400 Crores (US\$ 29.11 billion) by 2019.

In 2015, the overall Media and Entertainment industry grew 11.7 per cent over 2015. The country has emerged as the fastest growing major economy and a safe haven for long-term growth, due to improvement in the macro-economic situation.

The Indian GDP is expected to grow at 7%-8% over the next five years backed by strong domestic demand. With recent Government initiatives such as "Make in India", growth could be even higher. India's prospects are a bright spot as growth in other emerging markets slows down. India is poised to become the third-largest economy of the world by 2030.

Business Outlook:

The Company has incurred a loss of INR 3,119,716/- in the financial year 2017-18. Further, Company is making efforts to recommence its core business activities.

The Foreign Direct Investment (FDI) inflows in the Information and Broadcasting (I&B) sector (including Print Media) has been continuously show net inflow since more than a decade.

Internal control system and their adequacy:

The Company has adequate internal control procedures commensurate with its size and nature of business. The business control procedures ensure efficient use and protection of Company's resources and compliance with policies, procedures and statutory requirements. Further, auditors are appointed to carry audit assignments and to periodically review the transactions across the divisions and evaluate effectiveness of internal control systems.

Risk Management:

The Board of Directors of the Company has designed a Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual / strategic business plans and in periodic management reviews.

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Financial Performance:

The Company's financial performance is covered in Directors' Report to the Members.

Opportunities and Threats:

Due to changing demographics and economic conditions in India, coupled with consumers willing to spend more on a variety of leisure and entertainment services, the filmed entertainment business is set to grow in the years to come. With a proliferation of television channels and new platforms of delivery available today, there is a significant demand for quality programming in a variety of genres, formats and languages, putting content providers in the television space in an extremely favorable position.

The Company is exposed to specific risks that are particular to its businesses and the environment within which it operates, including competition risk, interest rate volatility, human resource risk, execution risk and economic cycle.

Outlook:

Going forward, technology will also be one of the key differentiators for driving revenue & profitability. These discussions led to the development of our long-term strategy along with an action plan that would help us exploit the available opportunities and measure progress against key milestones and take corrective action when required.

For and on behalf of the Board

Shamika Kadam
Managing Director
DIN: 07606195

Santosh Aparaj
Director
DIN: 05197998

Date : 13th August, 2018

Place: Mumbai

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