



DQ ENTERTAINMENT (INTERNATIONAL) LIMITED

644, Aurora colony, Road No.3, Banjara Hills, Hyderabad - 5000 034. INDIA
Tel: +91-40-23553726 & 27 Fax: +91-40-23552594
CIN: L92113TG2007PLC053585

May 30, 2018

The Manager (Listing) Department of Corporate Services BSE Limited P J Towers, Dalal Street, Mumbai — 400 001. Company Code: 533176 (BSE)	The Manager (Listing), National Stock Exchange of India Limited, "Exchange Plaza" Bandra - Kurla Complex Mumbai- 400 051. Company Code: DQE (NSE)
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Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on May 30, 2018

Kindly note that the Board of Directors of the Company at their meeting held on May 30, 2018 have, *interalia*, approved the Annual Audited financial results (Standalone & consolidated) for the quarter and year ended March 31, 2018. The Directors have not recommended any dividend on the equity shares of the Company for the financial year ended March 31, 2018.

Kindly find attached herewith the above mentioned financials in the format prescribed under Schedule III of Companies Act, 2013. Also attached is a copy of the Auditors report issued by M/s MSKA & Associates, Chartered Accountants - Statutory Auditors of the Company and a Declaration from the Company in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A copy of earnings release for the year ended March 31, 2018 is also enclosed herewith.

The meeting commenced at 2.00 p.m. and concluded at 6.00 p.m.

Kindly take the same on record and upload on the stock exchanges website.

Thanking you

Yours truly

For DQ Entertainment (International) Limited


Annie Jodhani
Company Secretary

Encl. as above



644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034
Audited Standalone Statement of Profit and Loss for the Quarter and Year ended 31 March, 2018

Rs in million						
	Particulars	Figures as at the end of current reporting period - 31-Mar-18	Figures for the previous reporting period - 31-Mar-17	Figures for the Current Quarter - 31-Mar-18	Figures for the Corresponding Quarter - 31-Mar-17	Figures for the previous Quarter - 31-Dec-17
I	Revenue From operations	958.60	864.63	359.69	252.46	145.66
II	Other Income	72.28	194.48	42.20	185.09	25.97
III	Total Income (I+II)	1,030.88	1,059.11	401.89	437.55	171.63
IV	EXPENSES					
	Production expenses	32.76	53.28	5.80	15.72	13.01
	Purchases of Stock-in-Trade	-	-	-	-	-
	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	-	-	-	-	-
	Employee benefits expense	507.66	478.12	134.78	132.29	126.40
	Finance costs	271.37	156.05	120.91	35.15	49.89
	Depreciation and amortization expenses	238.26	347.77	123.35	199.93	38.43
	Other expenses	320.51	404.29	81.17	185.30	78.60
	Total expenses (IV)	1,370.56	1,439.51	466.01	568.39	306.33
V	Profit/(loss) before exceptional items and tax (I-IV)	(339.68)	(380.40)	(64.12)	(130.84)	(134.70)
VI	Exceptional Items	53.18	(105.75)	39.75	(144.09)	(36.95)
VII	Profit/ (loss) after exceptions items and before tax(V-VI)	(286.50)	(486.15)	(24.37)	(274.93)	(171.65)
VIII	Tax expense:					
	(1) Current tax	(188.17)	-	(188.17)	-	-
	(2) MAT Credit Entitlement	(17.84)	(2.50)	(17.84)	(1.11)	-
	(3) Deferred tax	(14.13)	(4.61)	(18.49)	(12.99)	20.77
IX	Profit (Loss) for the period from continuing operations (VII-VIII)	(66.36)	(479.04)	200.13	(260.83)	(192.42)
X	Profit/(loss) from discontinued operations	-	-	-	-	-
XI	Tax expenses of discontinued operations	-	-	-	-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)	-	-	-	-	-
XIII	Profit/(loss) for the period (IX+XII)	(66.36)	(479.04)	200.13	(260.83)	(192.42)
XIV	Other Comprehensive Income					
	A. (i) Items that will not be reclassified to profit or loss	12.44	(4.32)	15.13	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	5.33	1.00	8.02	-	-
	B. (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
XV	Total Comprehensive Income for the period (XIII+XIV)Comprising Profit (Loss) and Other comprehensive Income for the period)	(48.59)	(482.36)	223.28	(260.83)	(192.42)
XVI	Earnings per equity share (for continuing operation):					
	(1) Basic	(0.84)	(2.44)	2.52	(3.29)	(2.43)
	(2) Diluted	(0.84)	(2.44)	2.52	(3.29)	(2.43)
XVII	Earnings per equity share (for discontinued operation):					
	(1) Basic	-	-	-	-	-
	(2) Diluted	-	-	-	-	-
XVIII	Earning per equity share (for discontinued & continuing operation)					
	(1)Basic	(0.84)	(2.44)	2.52	(3.29)	(2.43)
	(2) Diluted	(0.84)	(2.44)	2.52	(3.29)	(2.43)





DQ ENTERTAINMENT (INTERNATIONAL) LIMITED
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Standalone Segment Revenue and Results

(Rs in million)					
Particulars	Figures as at the end of current reporting period - 31-Mar-18	Figures for the previous reporting period - 31-Mar-17	Figures for the Current Quarter - 31-Mar-18	Figures for the Corresponding Quarter - 31-Mar-17	Figures for the previous Quarter - 31-Dec-17
Segment Revenue					
Animation	938.73	837.18	374.40	257.35	141.59
Distribution	19.88	27.46	(14.70)	(4.88)	4.07
Total	958.61	864.64	359.70	252.47	145.66
Less: Inter Segment Revenue	-	-	-	-	-
Net Income from Operations	958.61	864.64	359.70	252.47	145.66
Segment Results -Profit/(loss)					
Animation	195.09	(1,837.64)	184.01	(1,875.62)	(13.34)
Distribution	(184.88)	(390.22)	(116.71)	(288.06)	(25.63)
Unallocated	(25.34)	1,897.76	29.24	1,923.90	(82.79)
Segment Results before Interest and Finance Expense and Tax Expenses	(15.13)	(330.10)	96.54	(239.78)	(121.76)
Interest and Finance Expense	271.37	156.05	120.91	35.15	49.89
Profit / (Loss) before tax	(286.50)	(486.15)	(24.37)	(274.93)	(171.65)
Segment Assets					
Animation	4,542.50	2,850.71	4,542.50	2,850.71	2,474.04
Distribution	531.10	679.91	531.10	679.91	624.53
Unallocated	524.58	1,327.33	524.58	1,327.33	2,057.15
Total	5,598.18	4,857.95	5,598.18	4,857.95	5,155.72
Segment Liabilities					
Animation	2,989.73	1,532.32	2,989.73	1,532.32	2,397.76
Distribution	8.40	(41.28)	8.40	(41.28)	7.99
Unallocated	25.89	738.82	25.89	738.82	311.60
Total	3,024.02	2,229.86	3,024.02	2,229.86	2,717.35



DQ ENTERTAINMENT (INTERNATIONAL) LIMITED
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(1) Audited Standalone Statement of Assets and Liabilities as at 31 March 2018

	<i>(Rs in million)</i>		
Particulars	as at 31 March 2018	as at 31 March 2017	as at 01 April 2016
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	106.80	94.45	116.85
(b) Capital work-in-progress	1.17	1.89	1.17
(c) Investment Property	-	-	-
(d) Goodwill	-	-	-
(e) Other Intangible assets	436.96	615.54	836.82
(f) Intangible assets under development	24.64	41.75	100.74
(g) Biological Assets other than bearer plants			
(h) Financial Assets			
(i) Investments	2,269.35	1,726.00	1,167.50
(ii) Trade receivables			
(iii) Loans			
(i) Other Asset	42.95	31.03	99.49
(i) Deferred tax assets (net)	857.90	831.26	825.15
(j) Other non-current assets	19.89	27.61	39.78
Current assets			
(a) Inventories			
(b) Financial Assets			
(i) Investments			
(ii) Trade receivables	1,364.58	1,340.37	1,543.44
(iii) Cash and cash equivalents	0.24	0.03	0.10
(iv) Bank balances other than (iii) above	38.75	10.89	0.93
(v) Loans			
(vi) Other Asset			
(c) Current Tax Assets (Net)			
(d) Other current assets	434.95	137.13	203.02
Total Assets	5,598.18	4,857.95	4,934.99
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	792.83	792.83	792.83
(b) Other Equity	1,781.32	1,835.24	2,318.61
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	1,032.95	394.02	112.72
(ii) Trade payables			
(iii) Other financial liabilities (other than those specified in item (b), to be specified)	-	-	-
(b) Provisions	123.50	115.13	127.90
(c) Deferred tax liabilities (Net)	-	-	-
(d) Other non-current liabilities	6.21	7.19	7.87
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	864.02	822.07	504.16
(ii) Trade payables	50.13	32.98	117.29
(iii) Other financial liabilities (other than those specified in item (c))	-	-	-
(b) Other current liabilities	858.09	596.42	617.22
(c) Provisions	77.96	71.29	41.35
(d) Current Tax Liabilities (Net)	12.07	190.78	295.05
Total Equity and Liabilities	5,598.18	4,857.95	4,935.00

See accompanying notes to the financial statements

[Signature]





DQ ENTERTAINMENT (INTERNATIONAL) LIMITED
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1) The audited standalone financial results for the year ended 31, March 2018 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on May 30, 2018

2) The company has adopted the Indian Accounting Standards (Ind AS) from April 1, 2017 and these financials have been prepared in accordance with the Indian Accounting Standards (Ind-AS) under section 133 of the Companies Act 2013 read with relevant rules issued thereunder. The date of transition to Ind AS is April 1, 2016. The impact of transition has been accounted for in opening reserves and the comparative period results have been restated accordingly. The Ind-AS compliant figures for the quarter ended 31st March 2017 are not subjected to limited review or audit in line with SEBI Circular CIR/CFD/FAC/62/2016 dated July 05, 2016. However, the management has exercised necessary due diligence to ensure that such financial results provide a true and fair view.

3) The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

	Year ended 31-Mar-17	Quarter ended 31-Mar-17
Reconciliation of Net Profit/(Loss)		
Net (loss)/profit as per Indian GAAP	(1,863.68)	(1,670.16)
GAAP Adjustments		
Add:		
Rent equalization expense	0.37	-
Revenue Adjustments	4.60	31.66
EIR adjustment	0.33	0.33
Employee Retirement Benefit expense re-classified into OCI	3.32	3.32
Loan processing charges at amortized cost	2.00	-
Provision for Bad & Doubtful Debts reversed in FY 2016-17	1,978.96	1,978.96
Less:		
Amortization loan processing charges	-	-
Deferred Tax Adjustment	(604.94)	(604.94)
Net (loss)/profit as per Ind-AS	(479.04)	(260.83)

4) The reconciliation of equity reported in accordance with Indian GAAP to total equity in accordance with Ind AS as of 31-Mar-17 is given below:

Particulars	31-Mar-17
Total Equity as per IGAAP	2,860.12
Less:	
Provision for bad debts (expected credit loss method)	(307.75)
Impairment of Unbilled revenue	(87.01)
Rent equalisation reserve	(7.19)
EIR on security deposit	(0.37)
Add:	
DTA on Ind AS adjustments	1.00
Amortisation of loan processing charges	1.00
Deferred revenue	168.27
Total Equity as per Ind AS	2,628.07

These reconciliation statements have been provided in accordance with circular CIR/CFD/FAC/2016 issued by SEBI dated July 5, 2016 on account of implementation of Ind AS by

5) Investor can also view the financial results (standalone and consolidated) on the company's website "www.dqentertainment.com" as well as the website of BSE (www.bseindia.com) and NSE (www.nseindia.com).

6) *Exceptional items are foreign exchange gain / (loss) arisen on foreign exchange fluctuation calculated on translation of monetary items.

7) Corresponding quarter figures have been regrouped / reclassified wherever necessary to conform to the classification on the current period classification.

8) The company has filed an application with the bankers for restructuring of its term loans for further moratorium and rescheduling of repayments. The application is under active consideration by the bankers

9) The company has intangibles to the value of Rs. 437 Mn. To support the carrying value of these intangible assets as at March 31, 2018, the company has prepared projected revenue streams from exploitation, discounted to their present values using a discount factor of 17%. There is uncertainty and judgement involved in the estimated projected revenue streams of these assets. If sufficient revenue streams are not generated then a provision for impairment is required to reduce the carrying value of these assets to their recoverable amount. The company is of the opinion that the carrying value of the intangible assets Rs. 437 Mn as at March 31, 2018, on franchise basis, are worth at least the net amount stated based on a combination of supporting discounted projected revenue streams and the company's knowledge and expectation of future sales contracts.

10) The company has total investment in DQ Ireland of Rs 2,269 Mn (comprising of Equity investments - Rs. 1,168 Mn and Loans - Rs. 1,101 Mn). During the year the subsidiary has made a loss of Rs. 155 Mn and consequently the network of the subsidiary has been eroded as at March 31, 2018. The subsidiary's assets comprise primarily of intangible properties, in order to support the carrying values of these intangible assets at March 31, 2018, the management has prepared projected revenue streams from exploitation, discounted to their present values using a discount factor of 17%. The management has during the year carried out a valuation of its intellectual properties held in the subsidiary, by an international third party valuer. The management has also during the year carried a valuation of the investment in the subsidiary. The values determined by both the valuers are more than the carrying values.

There is uncertainty and judgement involved in the estimated projected revenue streams of these assets. If sufficient revenue streams are not generated then a provision for impairment is required to reduce the carrying value of these assets to their recoverable amount. The company is of the opinion that the carrying value of the intangible assets Rs. 437 Mn as at March 31, 2018, on franchise basis, are worth at least the net amount stated based on a combination of supporting discounted projected revenue streams and the company's knowledge and expectation of future sales contracts.

11) The increase in investment value is on account of reclassification of Loan to subsidiary to Investments as at 31st Mar 2018 of value Rs 1101.85 Mn (Rs 558.50 Mn as at 31st Mar 2017)



**Auditor's Report On Quarterly Financial Results and Year to Date Financial Results of the Company
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015**

To the Board of Directors of DQ Entertainment (International) Limited

1. We have audited the accompanying Statement of Standalone Financial Results of DQ Entertainment (International) Limited ('the Company') for the quarter and year ended 31st March, 2018 (the 'Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The statement, as it relates to the quarter ended March 31, 2018, are the balancing figures between audited standalone figures in respect of the full financial year and the published standalone year to date figures up to the end of the third quarter of the financial year, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'). The Statements also relates to the year ended March 31, 2018, has been prepared on the basis of the related standalone financial statements for the year ended March 31, 2018, prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This Statement is the responsibility of the Company's Management and is approved by the Board of Directors. Our responsibility is to express an opinion on the Statement based on our audit of standalone financial statements for the year ended March 31, 2018 and our review of standalone financial results for the nine months period ended December 31, 2017.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Statement that give a fair presentation view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Statement.



Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
- is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss, total comprehensive income and other financial information of the Company for the year ended March 31, 2018.
5. We draw attention to the following matters in the Notes to the accompanying Statement
- We draw attention to Note 9 with regard to the carrying value of intangibles assets. The carrying values have been supported by projection of revenue streams. We draw attention to the uncertainty and judgement involved in the estimated projected revenue streams of Intangible Assets.
 - We draw attention to Note 10 with regard to the carrying value of investment in the wholly owned subsidiary. The carrying values have been supported by projection of revenue streams. We draw attention to the uncertainty and judgement involved in the estimated projected revenue streams of Intangible Assets.

Our opinion is not qualified in respect of these matters.

Other Matter

The comparative financial information of the Company for the year ended 31st March, 2017 included in the Statement is based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 for the year ended 31st March, 2017 on which we issued an unmodified audit opinion vide our reports dated June 06, 2017 on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have also been audited by us.

Our opinion is not modified in respect of these matters.

For MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants

ICAI Firm Registration No.105047W



Ananthakrishnan
Partner

Membership No.:205278

Place: Hyderabad

Date: 30th May, 2018





DQ ENTERTAINMENT (INTERNATIONAL) LIMITED

644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034

Consolidated Statement of Profit and Loss for the Quarter and Year ended 31 March 2018

Rs. in million

	Particulars	Figures as at the end of current reporting period - 31-Mar-18	Figures for the previous reporting period - 31-Mar-17	Figures for the Current Quarter - 31-Mar-18	Figures for the Corresponding Quarter - 31-Mar-17	Figures for the previous Quarter - 31-Dec-17
I	Revenue From operations	801.51	944.23	256.78	215.93	176.18
II	Other Income	88.33	85.39	57.13	78.38	29.70
III	Total Income (I+II)	889.84	1,029.62	313.91	294.31	205.88
IV	EXPENSES					
	Production expenses	33.00	57.57	5.50	5.20	13.56
	Purchases of Stock-in-Trade	-	-	-	-	-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	-	-	-	-	-
	Employee benefits expense	511.82	481.98	135.89	133.26	127.45
	Finance costs	866.52	668.76	127.51	244.52	274.20
	Depreciation and amortization expenses	646.92	821.75	338.79	560.56	104.51
	Other expenses	381.83	902.59	95.21	617.13	90.88
	Expenses transferred to Capital account	(377.82)	(78.84)	(215.51)	(45.58)	(75.75)
	Total expenses (IV)	2,062.27	2,853.81	487.39	1,515.09	534.85
V	Profit/(loss) before exceptional items and tax (I-IV)	(1,172.43)	(1,824.19)	(173.48)	(1,220.78)	(328.97)
VI	Exceptional Items	803.90	(363.07)	176.75	(54.74)	71.25
VII	Profit/ (loss) after exceptions items and before tax(V-VI)	(368.53)	(2,187.26)	3.27	(1,275.52)	(257.72)
VIII	Tax expense:					
	(1) Current tax	(188.17)	-	(188.17)	24.69	-
	(2) MAT Credit Entitlement	(17.84)	(2.50)	(17.84)	(1.11)	-
	(3) Deferred tax	(14.13)	(4.61)	(18.49)	(12.99)	20.77
IX	Profit (Loss) for the period from continuing operations (VII-VIII)	(148.39)	(2,180.15)	227.77	(1,286.11)	(278.49)
X	Profit/(loss) from discontinued operations	-	-	-	-	-
XI	Tax expenses of discontinued operations	-	-	-	-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)	-	-	-	-	-
XIII	Profit/(loss) for the period (IX+XII)	(148.39)	(2,180.15)	227.77	(1,286.11)	(278.49)
XIV	Other Comprehensive Income					
	A. (i) Items that will not be reclassified to profit or loss	12.44	(4.32)	15.13	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	5.33	1.00	5.33	-	-
	B. (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
XV	Total Comprehensive Income for the period (XIII+XIV)Comprising Profit (Loss) and Other comprehensive Income for the period)	(130.62)	(2,183.47)	248.23	(1,286.11)	(278.49)
XVI	Earnings per equity share (for continuing operation):					
	(1) Basic	(1.87)	(27.50)	2.87	(16.22)	(3.51)
	(2) Diluted	(1.87)	(27.50)	2.87	(16.22)	(3.51)
XVII	Earnings per equity share (for discontinued operation):					
	(1) Basic	-	-	-	-	-
	(2) Diluted	-	-	-	-	-
XVIII	Earning per equity share (for discontinued & continuing operation)					
	(1)Basic	(1.87)	(27.50)	2.87	(16.22)	(3.51)
	(2) Diluted	(1.87)	(27.50)	2.87	(16.22)	(3.51)





DQ ENTERTAINMENT (INTERNATIONAL) LIMITED

644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034

Consolidated Segment Revenue and Results

(Rs in million)

Particulars	Figures as at the end of current reporting period - 31-Mar-18	Figures for the previous reporting period - 31-Mar-17	Figures for the Current Quarter - 31-Mar-18	Figures for the Corresponding Quarter - 31-Mar-17	Figures for the previous Quarter - 31-Dec-17
Segment Revenue					
Animation	615.81	747.47	176.04	205.10	439.77
Distribution	185.69	196.76	80.74	10.83	104.96
Total	801.50	944.23	256.78	215.93	544.73
Less: Inter Segment Revenue	-	-	-	-	-
Net Income from Operations	801.50	944.23	256.78	215.93	544.73
Segment Results -Profit/(loss)					
Animation	80.44	(2,460.00)	193.93	(2,445.72)	(113.49)
Distribution	(1,009.02)	(1,538.26)	(818.00)	(1,085.39)	(191.02)
Unallocated	1,426.57	2,479.76	754.85	2,500.11	671.72
Segment Results before Interest and Finance Expense and Tax Expenses	497.99	(1,518.50)	130.78	(1,031.00)	367.21
Interest and Finance Expense	866.52	668.76	127.51	244.52	739.01
Profit / (Loss) before tax	(368.53)	(2,187.26)	3.27	(1,275.52)	(371.80)
Segment Assets					
Animation	2,842.37	816.82	2,842.37	816.82	561.33
Distribution	4,988.78	5,974.76	4,988.78	5,974.76	6,560.29
Unallocated	693.25	1,136.42	693.25	1,136.42	999.70
Total	8,524.40	7,928.00	8,524.40	7,928.00	8,121.32
Segment Liabilities					
Animation	3,262.88	5,857.74	3,262.88	5,857.74	6,589.80
Distribution	383.00	104.64	383.00	104.64	158.74
Unallocated	3,809.17	740.03	3,809.17	740.03	465.05
Total	7,455.05	6,702.41	7,455.05	6,702.41	7,213.59





DQ ENTERTAINMENT (INTERNATIONAL) LIMITED
644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034

Unaudited Consolidated Statement of Assets and Liabilities as at 31 March 2018

		<i>(Rs in million)</i>		
	Particulars	as at 31 March 2018	as at 31 March 2017	as at 01 April 2016
	ASSETS			
	Non-current assets			
	(a) Property, Plant and Equipment	106.81	94.47	116.89
	(b) Capital work-in-progress	1.17	1.89	1.17
	(c) Investment Property			
	(d) Goodwill			
	(e) Other Intangible assets	2,353.01	2,330.58	2,161.05
	(f) Intangible assets under development	4,279.28	3,713.86	4,783.94
	(g) Biological Assets other than bearer plants			
	(h) Financial Assets	42.99	31.06	99.52
	(i) Investments	-	-	-
	(ii) Trade receivables			
	(iii) Loans			
	(i) Deferred tax assets (net)	857.90	831.26	825.15
	(j) Other non-current assets	18.62	25.61	69.51
	Current assets			
	(a) Inventories			
	(b) Financial Assets			
	(i) Investments			
	(ii) Trade receivables	307.94	332.66	882.47
	(iii) Cash and cash equivalents	118.19	193.51	115.86
	(iv) Bank balances other than (iii) above			
	(v) Loans			
	(vi) Others			
	(c) Current Tax Assets (Net)			
	(d) Other current assets	438.49	373.10	612.28
	Total Assets	8,524.40	7,928.00	9,667.84
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	792.83	792.83	792.83
	(b) Other Equity	276.52	432.77	2,646.20
	LIABILITIES			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	5,172.22	3,930.44	2,678.41
	(ii) Trade payables	-	-	-
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)	-	-	-
	(b) Provisions	129.71	122.32	135.78
	(c) Deferred tax liabilities (Net)	-	-	-
	(d) Other non-current liabilities			
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	958.01	1,169.95	1,034.61
	(ii) Trade payables	106.41	121.65	486.64
	(iii) Other financial liabilities (other than those specified in item (c))	-	-	-
	(b) Other current liabilities	1,008.94	1,103.59	1,557.53
	(c) Provisions	77.96	71.29	41.35
	(d) Current Tax Liabilities (Net)	1.80	183.16	294.49
	Total Equity and Liabilities	8,524.40	7,928.00	9,667.84

See accompanying notes to the financial statements





DQ ENTERTAINMENT (INTERNATIONAL) LIMITED
644, Aurora Colony, Road No. 3, Banjara Hills, Hyderabad - 500034

1) The audited consolidated financial results for the year ended March 31, 2018 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on May 30, 2018.

2) The Group has adopted the Indian Accounting Standards (Ind AS) from April 1, 2017 and these financials have been prepared in accordance with the Indian Accounting Standards (Ind-AS) under section 133 of the Companies Act 2013 read with relevant rules issued thereunder. The date of transition to Ind AS is April 1, 2016. The impact of transition has been accounted for in opening reserves and the comparative period results have been restated accordingly. The Ind-AS compliant figures for the quarter ended 31st March 2017 are not subjected to limited review or audit in line with SEBI Circular CIR/CFD/FAC/62/2016 dated July 05, 2016. However, the management has exercised necessary due diligence to ensure that such financial results provide a true and fair view.

3) The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Reconciliation of Net Profit/(Loss)	Rs. in Millions	
	Year ended 31-Mar-17	Quarter ended 31-Mar-17
Net (loss)/profit as per Indian GAAP	(3,504.77)	(2,836.97)
GAAP Adjustments		
Add		
Rent equalization expense	0.69	-
Revenue Adjustments	4.60	231.08
EIR adjustment on Security deposits	0.33	0.33
Employee Retirement Benefit expense re-classified into OCI	3.32	3.32
Loan processing charges at amortized cost	2.00	-
Provision for Bad & Doubtful Debts reversed in FY 2016-17	1,978.96	1,981.09
Less		
Amortization loan processing charges	-	-
Finance Cost - Effective interest on Bonds	(60.34)	(60.02)
Deferred Tax Adjustment	(604.94)	(607.34)
Current tax	-	24.69
MAT Credit Entitlement	-	(1.11)
Net (loss)/profit as per Ind-AS	(2,180.15)	(1,264.93)

The reconciliation of equity reported in accordance with Indian GAAP to total equity in accordance with Ind AS as of 31-Mar-17 is given below:

Particulars	31-Mar-17
Total Equity as per IGAAP	1,561.39
Less	
Provision for bad debts (expected credit loss method)	(307.75)
Impairment of Unbilled revenue	(87.01)
Rent equalisation reserve	(7.19)
EIR on bonds payable	(103.74)
EIR on security deposit	(0.37)
Add	
DTA on Ind AS adjustments	1.00
Amortisation of loan processing charges	1.00
Deferred revenue	168.27
Total Equity as per Ind AS	1,225.60

These reconciliation statements have been provided in accordance with circular CIR/CFD/FAC/2016 issued by SEBI dated July 5, 2016 on account of implementation of Ind AS by listed companies.

4) As per Ind AS 107& 109, all the financial instruments are required to be measured at fair value. Accordingly, the bond instruments have been measured at fair value and the effective interest rate has been worked out. In this regard, we have recognized an effective interest of Rs.577.44 mn in the current year

5) Investor can also view the financial results (standalone and consolidated) on the company's website "www.dqentertainment.com" as well as the website of BSE (www.bseindia.com) and NSE (www.nseindia.com).

6) *Exceptional items are foreign exchange gain / (loss) arisen on foreign exchange fluctuation calculated on translation of monetary items.

7) Corresponding quarter figures have been regrouped / reclassified wherever necessary to conform to the classification on the current period classification.

8) The company has filed an application with the bankers for restructuring of its term loans for further moratorium and rescheduling of repayments. The application is under active consideration by the bankers.

9) The company has intangibles to the value of Rs. 2,353.01 Mn. To support the carrying value of these intangible assets as at March 31, 2018, the company has prepared projected revenue streams from exploitation, discounted to their present values using a discount factor of 17%. There is uncertainty and judgement involved in the estimated projected revenue streams of these assets. If sufficient revenue streams are not generated then a provision for impairment is required to reduce the carrying value of these assets to their recoverable amount. The company is of the opinion that the carrying value of the intangible assets Rs. 2,353.01 Mn as at March 31, 2018, on franchise basis, are worth at least the net amount stated based on a combination of supporting discounted projected revenue streams and the company's knowledge and expectation of future sales contracts.



Auditor's Report On Quarterly Consolidated Financial Results and Consolidated Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of DQ Entertainment (International) Limited

1. We have audited the accompanying Statement of Consolidated Financial Results of DQ Entertainment (International) Limited (the 'Company') and its subsidiary (the Company and its subsidiary together referred to as "the Group"), its joint venture for the year ended March 31, 2018 (the 'Statement') , being submitted by the Group pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. The statement, as it relates to the quarter ended March 31, 2018, are the balancing figures between audited consolidated figures in respect of the full financial year and the published consolidated year to date figures up to the end of the third quarter of the financial year, prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'). The Statements also relates to the year ended March 31, 2018, has been prepared on the basis of the related consolidated financial statements for the year ended March 31, 2018, prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This Statement is the responsibility of the Group's Management and is approved by the Board of Directors. Our responsibility is to express an opinion on the Statement based on our audit of consolidated financial statements for the year ended March 31, 2018 and our review of consolidated financial results for the nine months period ended December 31, 2017.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act . Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Statement that give a fair presentation view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Statement.

4. We did not audit the financial statements of joint venture Company, whose financial statements reflect total assets of Rs.192,368 as at March 31, 2018 (year to date), total revenues of Nil as at March 31, 2018 (year to date), as considered in the Statement. The Statement also include the Group's share of net profit of Rs. 4,245 for the year ended 31st March, 2018, as considered in the Statement, in respect of

of joint venture Company, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and we have relied on unaudited financial statements approved by such management.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
- includes the financial results of the following entities:
 - DQ Entertainment (Ireland) Limited (Subsidiary)
 - DQ Entertainment (International) Films Limited (Joint Venture)
 - is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net loss, total comprehensive income and other financial information of the Group for the year ended 31st March 2018.
6. We draw attention to the following matters in the notes to the accompanying Statement
- We draw attention to Note 9 with regard to the carrying value of intangibles assets. The carrying values have been supported by projection of revenue streams. We draw attention to the uncertainty and judgement involved in the estimated projected revenue streams of Intangible Assets.

Our opinion is not qualified in respect of this matter.

Other Matter

The comparative financial information of the Group for the year ended 31st March, 2018 included in the Statement is based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 for the year ended 31st March, 2017 on which we issued an unmodified audit opinion vide our reports dated 6th June 2017 on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have also been audited by us.

Our opinion is not modified in respect of these matters.

For MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants

ICAI Firm Registration No.105047W



Ananthakrishnan G

Partner

Membership No.: 205226



Place: Hyderabad

Date: 30/05/2018



DQ ENTERTAINMENT (INTERNATIONAL) LIMITED

644, Aurora colony, Road No.3, Banjara Hills, Hyderabad - 5000 034. INDIA
Tel: +91-40-23553726 & 27 Fax: +91-40-23552594
CIN: L92113TG2007PLC053585

DECLARATION

I, Tapaas Chakravarti, CMD & CEO of DQ Entertainment (International) Limited (BSE code: 533176, NSE code: DQE) do hereby declare that pursuant to the provisions of Reg. 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the audit report on the audited financial results for the year ended 31st March 2018 does not contain any modified opinion by the Statutory Auditors of the Company.

For DQ Entertainment (International) Limited


Tapaas Chakravarti
CMD & CEO



Place: Hyderabad
Date: 30.05.2018



DQ ENTERTAINMENT (INTERNATIONAL) LIMITED

644, Aurora colony, Road No.3, Banjara Hills, Hyderabad - 5000 034. INDIA
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CIN: L92113TG2007PLC053585

DQ Entertainment (International) Limited Audited Financial Results for the quarter ended 31st March, 2018

DQ Entertainment (International) Limited, a leading animation, gaming, production and distribution company, today announces its audited results for the quarter ended March 31, 2018.

Standalone financial highlights for the quarter ended 31st March 2018.

- Total Income was INR 401.89 Mn compared to INR 437.55 Mn over the same period last year.
- EBIDTA was INR 180.14 Mn as compared to INR 104.24 Mn over the same period last year.

Consolidated financial highlights for the quarter ended 31st March 2018.

- Total Income was INR 313.91 Mn, compared to INR 294.31 Mn over the same period last year
- EBIDTA was INR 292.82 Mn as compared to INR (415.70) Mn over the same period last year.

Business Update:

The performance of our business divisions of Animations, Licensing & Distribution and Digital media is slowly and steadily improving as the demand for animated content is on the rise globally. The Company relies on quality partnerships with overseas studios, benefitting from their creative skills, financial incentives, coproduction treaties and subsidies in partner countries thereby broadening its funding base.

The third season of our flagship property, **the Jungle Book** is in production and three episodes have already been delivered to the broadcasters. We expect the third season to be as successful as our first and second season. The Company's another own IP, **5 & It the Psammy Show** is also in production and twenty six episodes of the season has been delivered to the Co-producers and broadcasters and we are in process of receiving the payments for those episodes.

Robin Hood – Season 2, own IP is in production stage now and the first milestone deliveries will begin from July onwards. Robin Hood – Season 1 was a great success in the market in more than 130 countries and has great ratings everywhere. We expect a similar response for Season 2 as well.

Apart from our own IPs, the Company has recently completed the production of **Miles from tomorrow land – Season III**, **Super 4 – Season 2** and **Zakstorm – Season 1** and has been successfully delivered worldwide.



Currently the following TV series are in production.

- Puppy Dog Tales - Season 1
- Puppy Dog Tales - Season 2
- Mickey Mouse and the Roadster Racers (MRR) - Season II
- Miraculous Lady Bug 2 & 3
- 7D & Me Season 2
- Power Players – Season 1
- Doc McStuffins- Season 5
- Pulcino Pio

Licensing and Distribution:

Our very first Digital 90 Min movie, "**Peterpan – The quest for Never Book**" has been completed and is very well received by the distributors globally. The movie is sold across North America, Latin America, Middle East & North African Countries, Turkey, Vietnam and Japan region and we have received the Minimum Guarantee (MG) amount from the respective distributors.

Distribution deals with Eastern Europe, China, Russia and CIS countries, Hungary and UK are in signing stage and are expected to be closed very soon. Negotiations with distributors for other parts of the Europe are in advanced stage of negotiation and we are hopeful to close them very soon.

Another own new IP "**Toadlly Awesome**" is in development stage and will go into production soon.

One major deal concluded during the quarter was the signing of Music Publishing deal with one of the renowned Music Company i.e., Universal Music for three of our major IPs of the Company i.e, **Jungle Book Season 3**, **Psammy Show** and **Toadlly Awesome**.

DQE's Distribution and licensing division is continuing to negotiate new licensing deals across its library of IPs. Numerous deals were entered into during the period resulting in increased revenue from licensing and distribution.

Broadcast, Distribution and Licensing deals concluded during the quarter:

- Cine Majestic for **Peterpan – The quest for Never Book** Theatrical in Turkey.
- Betacorp for **Peterpan – The quest for Never Book** Theatrical in Vietnam.
- CHANCE IN Co for **Peterpan – The quest for Never Book** Theatrical in Japan.
- Shooting Star for **Peterpan – The quest for Never Book** Theatrical in Middle East & North African region.
- New Films for **Peterpan – The quest for Never Book** Theatrical in USA.
- Discovery Channel for **Jungle Book Christmas special** in Latin America.
- SH Channel for **The Psammy Show** in Israel.



- Universal Music for **Jungle Book Season 3** ,**Psammy Show** and **Toadlly Awesome** for Worldwide music administration.
- Jaipet for **Jungle Book Licensing** in India.
- Sessom Asia appointed as Licensing Agent for **Jungle Book** , **Peter Pan** and **RobinHood** for South East Asia.

Apart from the deals mentioned above, the Company had recently done a landmark announcement regarding the exclusive deal with Chiliad Procons to launch Jungle Book themed indoor theme parks across India. The Jungle Book TV series would be the franchise's first global expansion via India that will debut in Mumbai in 2018, Delhi in 2019 and further expand across major metro cities over the next few years. The Park will have a unique touch to it: its rides would be mostly inspired by The Jungle Book tales and its culture.

The Company is also working hard for other Licensing and Merchandising deals for Jungle Book and other IPs as well and we are hopeful to close the other deals very soon.

The Company has a total confirmed order book of the on-going productions and contracted merchandising and licensing deals to the tune of US \$ 37.28 mn.

Our Commitment:

"Our focus continues to be on improving operational efficiencies and the consolidation of our technical pipeline, while productivity enhancement has become a norm across all processes of production.

While the Company continues to grow it's business and consistently deliver and produce high quality TV series, the focus has also been on balance sheet and cash flow efficiencies."


 Tapaas Chakravarti
 CMD & CEO

