

Balaji Telefilms Ltd.

C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industries
New Link Road, Andheri (West), Mumbai - 400 053.
Tel.: 40698000 • Fax : 40698181 / 82 / 83
Website : www.balajitelefilms.com
CIN No. : L99999MH1994PLC082802



ANNEXURE IV

Compliance report with the requirements specified in Part-A of Annexure I of SEBI circular CIR/CFD/CMD/16/2015 dated November 30, 2015

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed scheme of-

- (1) the demerger of the Film Production Undertaking (more particularly defined in the Scheme) of Balaji Motion Pictures Limited and vesting of the same in Balaji Telefilms Limited in accordance with sections 391 to 394 of the Companies Act, 1956, including any statutory modification, re-enactments or amendments thereof from time to time and in compliance with section 2(19AA) of the Income Tax Act, 1961 and the consequent reduction of the share capital of Balaji Motion Pictures Limited in accordance with Section 100 to 103 of the Companies Act, 1956; and
- (2) the amalgamation of Bolt Media Limited with Balaji Telefilms Limited in accordance with sections 391 to 394 of the Companies Act, 1956 including any statutory modification, re-enactments or amendments thereof from time to time and in compliance with section 2(1B) of the Income- Tax Act, 1961.

In connection with the above application, we hereby confirm that we satisfy all the conditions as stipulated in the aforesaid SEBI circular, as given hereunder:

Sr. No.	Requirements as per	Whether Complied or not & How
	SEBI circular CIR/CFD/CMD/16/2015 dated November 30, 2015	
1.	Listed companies shall choose one of the stock exchanges having nation-wide trading terminals as the designated stock exchange for the purpose of coordinating	Complied. BSE is chosen as the designated stock exchange for



	with SEBI.	the purpose of coordinating with SEBI.
Compliance as per Part A, Annexure I to the Circular		
2.	Documents to be submitted:	
2.a	Draft Scheme of arrangement/ amalgamation/ merger/ reconstruction/ reduction of capital, etc.	Complied . Draft Composite scheme is enclosed.(Refer to Annexure 2)
2.b	Valuation Report from Independent Chartered Accountant	Complied. Issued by M/s PKMSRS & Associates, Chartered Accountants dated September, 27, 2016 and the same is enclosed. (Refer to Annexure 3)
2.c	Report from the Audit Committee recommending the Draft Scheme	Complied. Report dated September 27, 2016 is signed by Mr. D. G. Rajan, the Chairman of the Audit Committee and the same is enclosed. (Refer to Annexure 4)
2.d	Fairness opinion by merchant banker	Complied Issued by M/s Axis Capital Limited, Merchant Banker dated September 27, 2016 and the same is enclosed. (Refer to Annexure 5)
2.e	Pre and post amalgamation shareholding pattern of unlisted company	Complied. Enclosed as Annexure 6
2.f	Audited financials of last 3 years (financials not being more than 6 months old) of unlisted company;	Complied. Enclosed as Annexure 10(2f)
2.g	Compliance with Regulation 17 to 27 of	Complied. Enclosed as



	Listing Regulations	Annexure 10(2g)
2.h	Complaints Report	Shall be submitted within 7 days from the expiry of 21 days from the date of filing of the draft scheme with the Stock Exchange.
3.	The equity shares sought to be listed are proposed to be allotted by the unlisted Issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by a High Court under Section 391-394 of the Companies Act, 1956 or Section 230 to 234 of the Companies Act 2013	N.A.
4.	At least 25% of the post scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public holders in the transferor entity.	N.A
5.	The transferee entity will not issue/reissue any shares, not covered under the Draft scheme.	N.A
6.	As on date of application there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date. If there are such instruments stipulated in the Draft scheme, the percentage referred to in point (4) above, shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be	N.A



	exercised.	
7.	The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity are subjected to the lock-in for the remaining period.	N.A

For Balaji Telefilms Limited



Simmi Singh Bisht
Group Head- Secretarial
Date- October 13, 2016



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DETAILS ON COMPLIANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

1. Compliance with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Composition of Board of Directors								
Sl.No	Name of the Director	PAN& DIN	Category (Chairperson /Executive/ Non-Executive/independent/ Nominee)	Date of Appointment in the current term /cessation	Tenure	No of Directorship in listed entities including this Balaji Telefilms Limited (Refer Regulation 25(1) of Listing Regulations)	Number of memberships in Audit/ Stakeholder Committee(s) including Balaji Telefilms Limited (Refer Regulation 26(1) of Listing Regulations)	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including Balaji Telefilms Limited (Refer Regulation 26(1) of Listing Regulations)
1.	Mr. Jectendra Kapoor	DIN:00005345 PAN: AAEPK1526B	Chairperson and Non-Executive Director	Original – Appointment Date: 01/02/2000 Re-Appointment Date: 23/01/2004	N.A	1	3	1
2.	Mrs. Shobha Kapoor	DIN: 00005124 PAN: AAEPK1531E	Executive Director	Original – Appointment Date: 10/11/1994 Re-Appointment Date: 10/11/2015	N.A	1	1	0



3.	Ms. Ekta Kapoor	DIN: 00005093 PAN: ABOPK87 22G	Executive Director	Original – Appointment Date: 10/11/1994 Re-Appointment Date: 10/11/2015	N.A.	1	1	0
4.	Mr. Tusshar Kapoor	DIN: 00005088 PAN: AJNPK75 79E	Non Executive Director	Original – Appointment Date: 01/08/2004 Re-Appointment Date: 22/09/2011	N.A.	1	0	0
5.	Mr. D G Rajan	DIN: 00303060 PAN: ADJPR05 54N	Independent Director	01/04/2014	2.6 years	2	5	4
6.	Mr. Pradeep Sarda	DIN: 00021405 PAN: AAJPS07 09H	Independent Director	01/04/2014	2.6 years	2	3	0
7.	Mr. Ashutos h Khanna	DIN: 03153990 PAN: AENPK81 62Q	Independent Director	01/04/2014	2.6 years	1	0	0
8.	Mr. D. K. Vasal	DIN: 06858991 PAN: AABPV91 85E	Independent Director	15/05/2014	2.5 years	1	4	0
9.	Mr. V.B.Dalal	DIN: 00247971 PAN: AAGPD50 56R	Independent Director	31/08/2015	1.1 year	3	3	0



10.	Mr. Arun Kumar Purwar	DIN: 00026383 PAN: ADXPP9783F	Independent Director	31/08/2015	1.1year	5	6	3
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Meetings of the Board of Directors

Meeting of Board of Directors		
Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Maximum gap between any two consecutive Meetings (in number of days)
17/05/2016	10/08/2016 and 27/09/2016	48 days

10.1. Balaji Telefilms Limited confirms that:

- a. The composition of board of directors is in terms of the Listing Regulations.
- b. The meetings of the board of directors have been conducted in the manner as specified in the Listing Regulations.
- c. This report and corporate governance reports submitted in the previous quarters have been placed before board of directors.
- d. The board of directors of Balaji Telefilms Limited have satisfied themselves that plans are in place for orderly succession for appointment to the board of directors and senior management.
- e. The board of directors has put in place a code of conduct for all members of board of directors and senior management which suitably incorporate the duties of independent directors as laid down in the Companies Act, 2013 (*attached Annexure I*).
- f. The performance evaluation of independent directors is done by the entire board of directors and the directors who are subject to evaluation do not participate in such evaluation.
- g. Balaji Telefilms Limited has laid down procedures to inform members of board of directors about risk assessment and minimization procedures. The board of directors has framed, implemented and monitored the risk management plan for Balaji Telefilms Limited (*attached Annexure II*).
- h. The board of directors recommend all fees or compensation, if any, paid to non-executive directors, including independent directors and the same is approved by the shareholders in a general meeting in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if required.
- i. Independent directors are not entitled to any stock option.
- j. The minimum information specified in Part A of Schedule II of the Listing Regulations is placed before the board of directors as per Regulation 17(7) of the Listing Regulations.



- k. The chief executive officer and the chief financial officer provide compliance certificates to the board of directors as specified in Part B of Schedule II of the Listing Regulations as per Regulation 17(8) of the Listing Regulations (*attached Annexure III*).

11. Compliance with Regulation 18, 19, 20 and 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Composition of Committees		
Name of Committee	Name of Committee members	Category (Chairperson/Executive/Non-Executive/independent/Nominee)
Audit Committee (Regulation 18)	Mr. D. G. Rajan Mr. Jeetendra Kapoor Mr. D. K. Vasal Mr. V. B. Dalal Mr. Pradeep Sarda	Chairman/Independent Director Non Executive Director Independent Director Independent Director Independent Director
Nomination & Remuneration Committee (Regulation 19)	Mr. Ashutosh Khanna Mr. Jeetendra Kapoor Mr. D. K. Vasal Mr. Pradeep Sarda	Chairman/Independent Director Non Executive Director Independent Director Independent Director
Risk Management Committee(if applicable) (Regulations 21)	N.A.	



Stakeholders Relationship Committee' (Regulations 20)	Mr. Jeetendra Kapoor	Chairman/Non Executive Director
	Mrs. Shobha Kapoor	Executive Director
	Ms. Ekta Kapoor	Executive Director
	Mr. D. K. Vasal	Independent Director

Meetings of Committees

Meeting of Committees				
Committee Name	Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum were met (details)	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings (in number of days)
Audit Committee	10/08/2016	Yes	16/05/2016	48 days
	27/09/2016	Yes		
CSR Committee	10/08/2016	Yes	16/05/2016	86 days
Nomination & Remuneration	10/08/2016	Yes	16/05/2016	86 days
Stakeholder's Relationship	10/08/2016	Yes	16/05/2016	86 days

11.1. Balaji Telefilms Limited confirms that:

- a. The composition of the following committees is in terms of the Listing Regulations:
 - i. Audit Committee
 - ii. Nomination & remuneration committee
 - iii. Stakeholders relationship committee
 - iv. Risk management committee
- b. The committee members have been made aware of their powers, role and responsibilities as specified in the Listing Regulations.
- c. The meetings of the board of directors and the above committees have been conducted in the manner as specified in the Listing Regulations



12. Compliance with Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

12.1. Balaji Telefilms Limited has formulated a vigil mechanism (whistle blower policy) for directors and employees to report genuine concerns. The vigil mechanism provides for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provides for direct access to the chairperson of the audit committee in appropriate or exceptional cases (*attached Annexure IV*).

13. Compliance with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Related Party Transactions	
Subject	Compliance status (Yes/No/NA)
Whether prior approval of audit committee obtained	Yes
Whether shareholder approval obtained for material related party transaction	N.A. Company has not had any material related party transaction during the year as per Regulation 23 of the SEBI Listing regulations
Whether details of the related party transactions entered into pursuant to omnibus approval have been reviewed by Audit Committee	Yes

14. Compliance with Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

14.1. Balaji Telefilms Limited confirms that:

- a. At least one independent director on the board of directors of Balaji Telefilms Limited is a director on the board of directors of an unlisted material subsidiary, incorporated in India.
- b. The Audit Committee also reviews the financial statements of the investments made by the unlisted subsidiary.
- c. The minutes of the meetings of the board of directors of the unlisted subsidiary are also placed at the meeting of the board of directors of Balaji Telefilms Limited.
- d. The management of the unlisted subsidiary periodically brings to the notice of the board of directors of Balaji Telefilms Limited, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.
- e. Balaji Telefilms Limited has not disposed of shares in its material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than fifty percent or cease the exercise of control over the subsidiary without passing a special resolution in its general meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal.
- f. Balaji Telefilms Limited has not sold, disposed and leased assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year without



prior approval of shareholders by way of special resolution, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a Court/Tribunal.

15. Compliance with Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

15.1. Balaji Telefilms Limited confirms that:

- a. No director/independent director serves as an independent director in more than seven listed entities. No whole time director in Balaji Telefilms Limited serves as an independent director in more than three listed entities.
- b. The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and rules made thereunder.
- c. The independent directors of Balaji Telefilms Limited hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all the independent directors strive to be present at such meeting.
- d. The independent directors in the aforementioned meeting - (a) review the performance of non-independent directors and the board of directors as a whole; (b) review the performance of the chairperson of Balaji Telefilms Limited, taking into account the views of executive directors and non-executive directors; and (c) assess the quality, quantity and timeliness of flow of information between the management of Balaji Telefilms Limited and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.
- e. Balaji Telefilms Limited have familiarised the independent directors through various programmes about Balaji Telefilms Limited, including the following: (a) nature of the industry in which Balaji Telefilms Limited operates; (b) business model of Balaji Telefilms Limited; (c) roles, rights, responsibilities of independent directors; and (d) any other relevant information.

16. Compliance with Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

16.1. Balaji Telefilms Limited confirms that:

- a. No director is a member in more than ten committees or acts as chairperson of more than five committees across all listed entities in which he is a director determined as per Regulation 26(1) of the Listing Regulations.
- b. Every director has informed Balaji Telefilms Limited about the committee positions he or she occupies in other listed entities and notifies changes as and when they take place.
- c. All members of the board of directors and senior management personnel affirm compliance with the code of conduct of board of directors and senior management on an annual basis.
- d. Non-executive directors disclose their shareholding, held either by them or on a beneficial basis for any other persons in the listed entity in which they are proposed to be appointed as directors, in the notice to the general meeting called for appointment of such director.
- e. Senior management have made disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of Balaji Telefilms Limited at large.

17. Compliance with Regulation 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015



17.1. Balaji Telefilms Limited confirms that:

- a. [Balaji Telefilms Limited complies with requirements as specified in Part E of Schedule II of the Listing Regulations.]
- b. Balaji Telefilms Limited submits a quarterly compliance report on corporate governance to the recognised stock exchange(s) within fifteen days from close of the quarter. Details of all material transactions with related parties are disclosed along with the report signed either by the compliance officer or the chief executive officer of Balaji Telefilms Limited (*attached Annexure V*).

A handwritten signature in black ink is written over a blue circular stamp. The stamp contains the text "BALAJI TELEFILMS LTD" around the top edge and "MUMBAI" at the bottom. A small star is visible at the bottom center of the stamp.