
CORPORATE GOVERNANCE REPORT

Balaji Telefilms Limited is committed to strong corporate governance and believes in its indispensability in investor protection. The Company's compliance with the Corporate Governance Code in terms of Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited is given herein below:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

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

- Ensure that quantity, quality and frequency of financial and managerial information, which management shares with the Board, places the Board members fully in control of the Company's affairs
- Ensure that the Board exercises its fiduciary responsibilities towards Shareholders and Creditors, thereby ensuring high accountability
- Ensure that the extent to which the information is disclosed to present and potential investors is maximized
- Ensure that the Board, the Employees and all concerned are fully committed to maximizing long-term value to the Shareholders and the Company

CODE OF CONDUCT:

The Board of Directors has approved and implemented a Code of Conduct for the Board of Directors and Senior Management. The confirmation from the Managing Director regarding compliance with the code by all the Directors and Senior Management forms part of the Report.

PREVENTION OF INSIDER TRADING:

The Company has instituted a comprehensive code of conduct for prevention of insider trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 and the Companies Act, 1956.

WHISTLE BLOWER POLICY:

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

POLICY ON PREVENTION & PROHIBITION OF SEXUAL HARASSMENT AT WORKPLACE:

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

BOARD OF DIRECTORS:

The Board consists of experienced professionals drawn from diverse fields. As on March 31, 2014 the Board comprised of seven members, of whom two are Executive Directors, the Chairman of the Board is a Non-Executive Director and after resignation of Mr. Akshay Chudasama, Director, w.e.f. July 31, 2013, the Board's composition was short of one Independent Director however, on appointment of Mr. D. K. Vasal as the Additional (Independent) Director of the Company w.e.f. May 15, 2014, presently half of the strength of the Board of Directors comprises of Independent Directors.

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

During the year under review, Four (4) meetings of the Board of Directors were held, the dates being May 27, August 9, October 30 in 2013 and on January 24 in 2014. The maximum time gap between any two meetings was not more than four calendar months. None of the Directors of the Company held committee membership of more than ten committees or committee chairmanships of more than five committees across all companies in which the person was a director.

The names and categories of the Directors on the Board, their attendance at Balaji Telefilms Limited's Board Meetings during the year 2013-14 and at last Annual General Meeting and also the number of Directorship and Committee Membership/Chairmanship held by them in various companies are given below:

CORPORATE GOVERNANCE REPORT (Contd.)

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

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

¹Excludes Alternate Directorships and Directorships in Foreign Companies, Companies registered under section 25 of Companies Act, 1956 and Private Limited Companies.

²As required under Clause 49 of Listing Agreement, disclosure includes Membership or Chairmanship of Audit Committee and the Shareholders'/Investor' Grievance & Share Transfer Committee in Indian Public Companies (Listed and Unlisted including of the Company). Committee Membership includes Chairmanship also.

*Mr. Akshay Chudasama resigned as Director of the Company w.e.f. July 31, 2013.

AUDIT COMMITTEE:

TERMS OF REFERENCE

The Audit Committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit and management audit. The responsibilities of the Audit Committee include overseeing the financial reporting process to ensure proper disclosure of financial statements, recommending appointment / removal of external auditors and fixing their remuneration, reviewing the annual financial statements before submission to the Board, reviewing adequacy of internal control systems, structure and staffing of the internal audit function, reviewing findings of internal investigations and discussing the scope of audit with external auditors.

The terms and composition of the Audit Committee conform to the requirement of Section 292A of the Companies Act, 1956.

COMPOSITION

The composition of the Audit Committee is as follows:

Chairman	:	Mr. D. G. Rajan
Members	:	Mr. Jeetendra Kapoor Mr. Pradeep Sarda *Mr. Akshay Chudasama
Secretary	:	Mrs. Simmi Singh Bisht
Invitees	:	Chief Financial Officer, Representatives of Statutory Auditors and Internal Auditors

CORPORATE GOVERNANCE REPORT (Contd.)

MEETINGS AND ATTENDANCE

During the year under review, Four (4) meetings of the Audit Committee were held, the dates being May 27, August 9, October 30 in 2013 and on January 24 in 2014. The details of the attendance thereat are as follows:

Name of the Director	No. of Meetings attended
Mr. D. G. Rajan	4
*Mr. Akshay Chudasama	1
Mr. Jeetendra Kapoor	4
Mr. Pradeep Sarda	3

*Mr. Akshay Chudasama, ceased to be Member of the Committee w.e.f. July 31, 2013.

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

NOMINATION AND REMUNERATION COMMITTEE:

TERMS OF REFERENCE

The Committee is entrusted with the role and responsibilities of approving compensation packages of Managing Director/ Whole Time Director, reviewing and approving the performance based incentives to be paid to the Managing Director/ Whole Time Director and reviewing and approving compensation package and incentive schemes of Senior Managerial Personnel.

COMPOSITION

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

Chairman	:	Mr. Ashutosh Khanna
Members	:	Mr. Jeetendra Kapoor Mr. Pradeep Sarda *Mr. Akshay Chudasama
Secretary	:	Mrs. Simmi Singh Bisht
Invitees	:	Group Head HR Chief Financial Officer

MEETINGS AND ATTENDANCE

During the year under review, One (1) meeting of the Remuneration Committee were held, the date being August 9, 2013. The details of the attendance thereat are as follows:

Name of the Director	No. of Meetings attended
Mr. Ashutosh Khanna	1
*Mr. Akshay Chudasama	0
Mr. Jeetendra Kapoor	1
Mr. Pradeep Sarda	1

*Mr. Akshay Chudasama, ceased to be Member of the Committee w.e.f. July 31, 2013.

Remuneration Policy and Details of Remuneration Paid

The remuneration of the Directors is decided by the Board of Directors as per the remuneration policy of the Company within the ceiling approved by shareholders.

No performance linked incentives were paid or is payable to the Managing Director and the Joint Managing Director for the year under review. Excluding Ms. Ekta Kapoor, all other Executive and Non-Executive Directors are entitled to commission; however, due to insufficient profits none of them were paid any commission.

No remuneration was paid to Non-Executive Directors apart from sitting fees. Besides the sitting fees, rent amounting to ₹ 29.34 lacs and ₹ 11.03 lacs paid to Mr. Jeetendra Kapoor and Mr. Tushar Kapoor respectively (refer Note No. 23.8) in 'Notes forming part of the financial statements', annexed to the Financial Statements of the year, there is no other pecuniary transaction by the Company with Non-Executive Directors.

CORPORATE GOVERNANCE REPORT (Contd.)

Details of the remuneration to the Directors for the year ended March 31, 2014

Name	Designation	Remuneration for the year 2013-2014 (₹ in Lakhs)					No. of shares held by Non-Executive Directors
		Salary	Perquisites	Sitting Fees	Employer Contribution to Provident Fund	Total	
Mrs. Shobha Kapoor	Managing Director	55,20,000	48,30,000	N.A.	6,62,400	1,10,12,400	N.A.
*Ms. Ekta Kapoor	Joint Managing Director	27,62,500	20,31,250	N.A.	3,31,500	51,25,250	N.A.
Mr. Jeetendra Kapoor	Chairman	-	-	60,000	-	60,000	32,60,522
Mr. Akshay Chudasama	Director	-	-	15,000	-	15,000	-
Mr. Pradeep Sarda	Director	-	-	45,000	-	45,000	-
Mr. D. G. Rajan	Director	-	-	60,000	-	60,000	300
Mr. Ashutosh Khanna	Director	-	-	60,000	-	60,000	-
Mr. Tusshar Kapoor	Director	-	-	60,000	-	60,000	20,30,250

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

The appointments of Managing Director and the Joint Managing Director are for a period of three years. The nature of employment of Mrs. Shobha Kapoor and Ms. Ekta Kapoor is contractual and terminable by twelve month's notice in writing. If the tenure of the office of Managing Director or Joint Managing Director is terminated before expiration of their tenure, the severance fees would be equivalent to the remuneration for unexpired residue of the tenure.

*During the year under review Ms. Ekta Kapoor, Joint Managing Director, was paid remuneration upto August 31, 2013 and w.e.f. September 1, 2013, consequent to her appointment as Managing Director of Balaji Motion Pictures Limited (BMPL), her remuneration is being paid by BMPL.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

TERMS OF REFERENCE

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

COMPOSITION

The composition of the Stakeholders Relationship Committee is as follows:

Chairman	:	Mr. Jeetendra Kapoor
Members	:	Mrs. Shobha Kapoor Ms. Ekta Kapoor
Compliance Officer	:	Mrs. Simmi Singh Bisht

CORPORATE GOVERNANCE REPORT (Contd.)

MEETINGS AND ATTENDANCE

During the year under review, Four (4) meetings of the Stakeholder Relationship Committee were held, the dates being May 27, August 9, October 30 in 2013 and on January 24 in 2014. The details of the attendance thereat are as follows:

Name of the Director	No. of Meetings attended
Mr. Jeetendra Kapoor	4
Mrs. Shobha Kapoor	4
Ms. Ekta Kapoor	2

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

TERMS OF REFERENCE

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

COMPOSITION

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

Chairman	:	Mr. Jeetendra Kapoor
Members	:	Mrs. Shobha Kapoor Mr. D. G. Rajan Mr. Ashutosh Khanna
Secretary	:	Mrs. Simmi Singh Bisht

GENERAL BODY MEETINGS:

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

Annual General Meeting	Day, Date	Time	Venue
17th Meeting	Thursday, September 22, 2011	4:30 p.m.	'The Club', 197, D. N. Nagar, Andheri (West), Mumbai – 400 053.
18th Meeting	Wednesday, September 5, 2012	4:30 p.m.	'The Club', 197, D. N. Nagar, Andheri (West), Mumbai – 400 053.
19th Meeting	Monday, July 29, 2013	4:00 p.m.	'The Club', 197, D. N. Nagar, Andheri (West), Mumbai – 400 053.

SPECIAL RESOLUTIONS

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

F. Y. 2010 - 2011:

1. Payment of annual remuneration to the Non-Executive Directors of the Company.

TWO RESOLUTIONS WERE PASSED THROUGH POSTAL BALLOT IN FEBRUARY 2011

1. Alteration of Object clause of Memorandum of Association - (special)
2. Sale of Undertakings under section 293(1)(a) – (ordinary)

CORPORATE GOVERNANCE REPORT (Contd.)

DETAILS OF VOTING PATTERN

98.76 % and 98.47 % of shares in assent and 1.24 % and 1.53% of shares in dissent respectively.

PERSON WHO CONDUCTED THE POSTAL BALLOT

Robert Pavrey, Company Secretary in Practice

WHETHER ANY SPECIAL RESOLUTION IS PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT

None

PROCEDURE OF POSTAL BALLOT

As per the provisions of the Companies Act, 1956 and rules made thereunder.

F.Y.2011 – 2012:

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

F.Y.2012 - 2013:NIL

DISCLOSURES:

1. RELATED PARTIES TRANSACTIONS

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

2. COMPLIANCES BY THE COMPANY

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

3. WHISTLE BLOWER POLICY

The Board of Directors of the Company has formulated a Whistle Blower Policy in its meeting held on May 15, 2014. The Company takes cognizance of complaints made and suggestions given by the employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the Company has been denied access to the Audit Committee of the Board of Directors of the Company.

COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS:

1. MANAGEMENT DISCUSSION AND ANALYSIS

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

2. RELATED PARTY TRANSACTIONS

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

3. DISCLOSURE OF ACCOUNTING TREATMENT

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

4. DISCLOSURE ON RISK MANAGEMENT

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

5. CODE OF CONDUCT

The Company has laid down a code of conduct for the Directors and Senior Management of the Company. The code has been posted on the website of the Company. A declaration to the effect that the Directors and Senior Managerial Personnel have adhered to the same, signed by the Managing Director of the Company, forms part of this Report, which alongwith the Auditors' certificate on compliance of Clause 49 of the Listing Agreement by the Company is annexed to this report.

CORPORATE GOVERNANCE REPORT (Contd.)

6. CEO & CFO CERTIFICATION:

A Certificate from Mrs. Shobha Kapoor, Managing Director and Mr. Sanjay Dwivedi, CFO of the Company, on the financial statements of the Company is annexed to this report.

7. NOTE ON APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS:

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

MEANS OF COMMUNICATION:

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

The Company's financial results were published in Business Standard, Free Press Journal and Navshakti/Mumbai Lakshdweep (regional daily). The financial results and official news releases were displayed on the Company's website www.balajitelefilms.com. Presentations made to the institutional investors and analysts are displayed on the Company's website.

GENERAL SHAREHOLDER INFORMATION:

1	Date of Book Closure	August 26 to August 30, 2014 (both days inclusive).
2	Date, time and venue of the Annual General Meeting	August 30, 2014 at 3:00 p.m. at "The Club", 197, D. N. Nagar, Andheri (West), Mumbai – 400 053.
3	Dividend payment	The Board of Directors has recommended a Dividend of ₹ 0.40 per equity share for the year ended March 31, 2014. The final dividend will be paid within the stipulated number of days once it is approved at the Annual General Meeting.
4	Listing on Stock Exchanges	<ol style="list-style-type: none">1. Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Tel: +91-22-22721233/34 Fax: +91-22-22721919/3027 (Stock Code – 532382)2. National Stock Exchange of India Limited, Exchange Plaza, 5th floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. Tel: +91-22-26598235/36 Fax: +91-22-26598237/38 (Stock Code – BALAJITELE)
5	ISIN	INE794B01026
6	Listing Fees	Paid for both the above Stock Exchanges as per listing agreements
7	Listing on Stock Exchanges outside India	Not applicable
8	Registered Office of Company	C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industries, New Link Road, Andheri (West), Mumbai – 400 053. Tel: +91-22-40698000, Fax: +91-22-40698181/82 Web site: www.balajitelefilms.com
9	Share transfers in physical, communication regarding share certificates, dividends, change in address etc. may be addressed to	Karvy Computershare Private Limited (Company's Registrar and Transfer Agents) Unit: Balaji Telefilms Limited Plot No.17 to 24, Near Image Hospital, Vittalrao Nagar, Madhapur, Hyderabad - 500 081. Tel: +91-40-23420815-820, Fax: +91-40-23420814 Email: mailmanager@karvy.com

CORPORATE GOVERNANCE REPORT (Contd.)

10. Share Transfer System

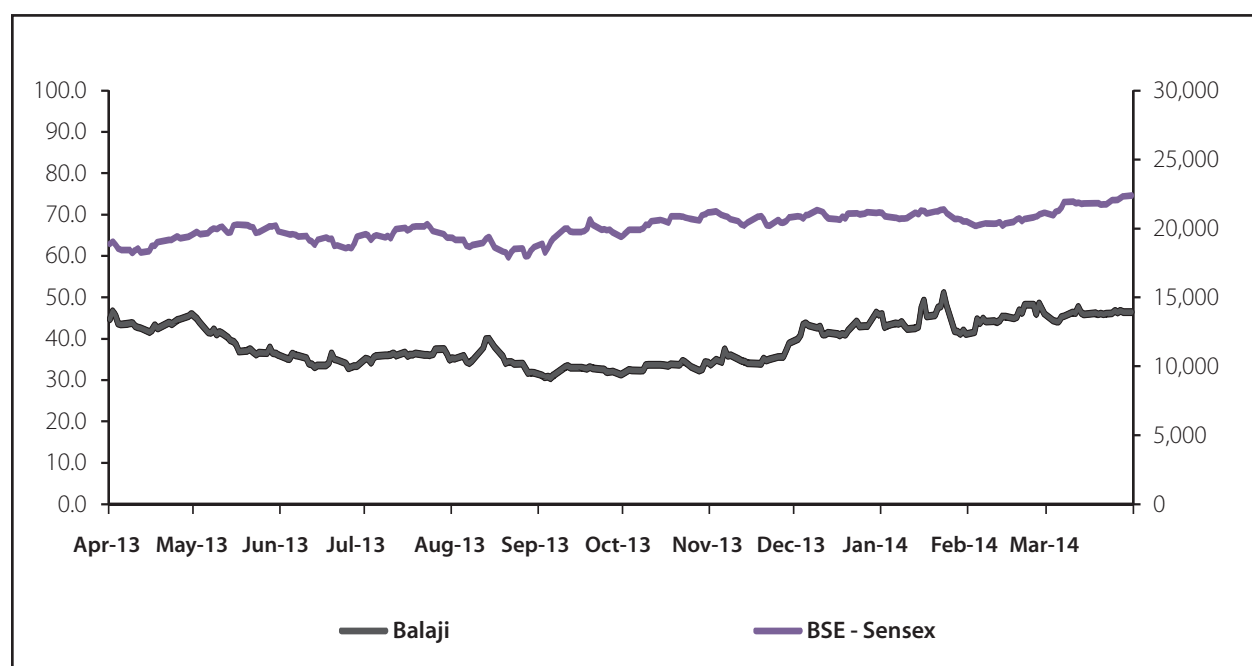
Shares sent for physical transfer are registered and returned within one month from the date of receipt, if the documents are clear in all respects. The Stakeholders Relationship Committee meets as often as required. There were no transactions in transfers of shares in physical form during the year 2013-2014 and no share transfer pending as on March 31, 2014.

11. Stock Market Data relating to Shares listed in India

The Company's shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, since November 22, 2000. The monthly high and low quotations as well as the volume of shares traded during the year are as below:

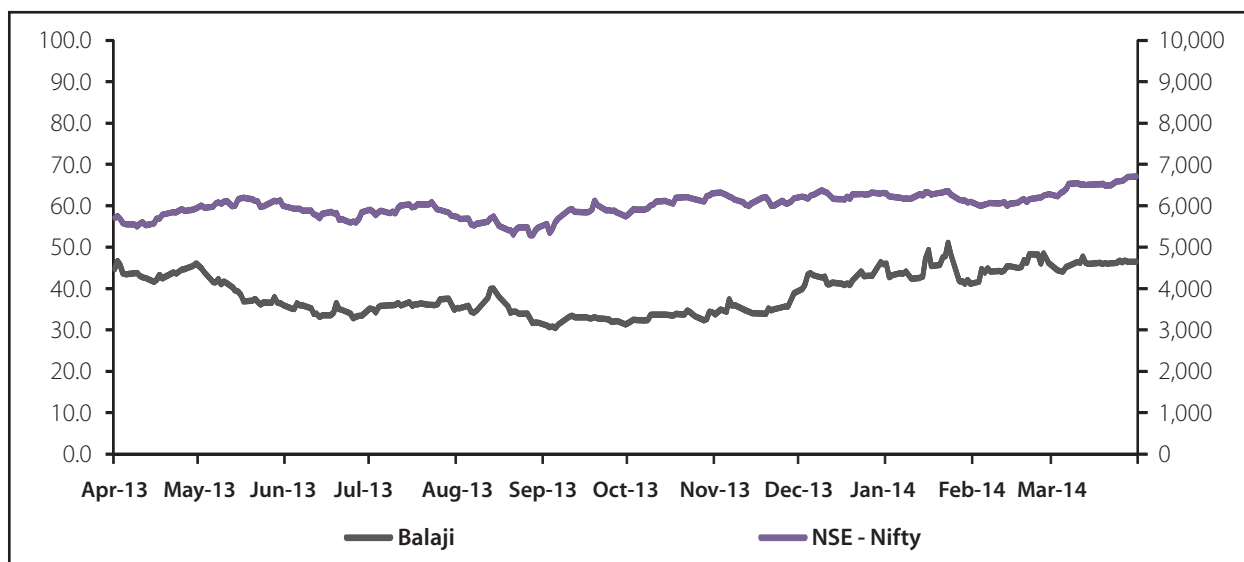
MONTH	BSE			NSE		
	HIGH	LOW	NO. OF SHARES TRADED	HIGH	LOW	NO. OF SHARES TRADED
April	47.80	40.40	4,46,181	49.10	40.00	13,05,630
May	46.50	35.25	9,31,015	46.05	35.65	22,65,730
June	37.40	32.55	6,55,241	37.20	32.90	10,12,683
July	38.85	33.35	2,74,244	38.65	33.80	8,10,436
August	42.80	29.90	7,86,133	41.45	29.50	15,63,677
September	34.60	30.00	5,03,060	33.95	29.95	12,57,875
October	37.00	31.40	8,37,189	36.90	30.80	17,90,057
November	39.95	33.25	11,89,153	38.80	33.30	25,02,756
December	48.45	39.05	14,16,182	47.35	37.65	43,02,377
January	51.40	38.45	25,49,515	51.35	38.50	72,26,639
February	49.70	40.80	14,50,743	49.00	40.30	42,59,845
March	48.65	43.35	16,33,418	49.00	43.40	35,50,842

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



CORPORATE GOVERNANCE REPORT (Contd.)

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



FACT SHEET

Items	2013-14	2012-13
Earnings per share (₹)	1.54	2.04
EPS – Fully diluted (₹)	1.54	2.04
Dividend per share (₹)	0.40	0.40
Number of shares	6,52,10,443	6,52,10,443
Share price data (₹)		
High	51.40	63.90
Low	29.50	32.70
Closing	43.35	40.00

12. Investor Service – Complaints Received During the year

Year ended March 31, 2014

Nature of Complaints	Received	Disposed
Non Receipt of Dividend	25	25
Non Receipt of Annual Report	8	8

The Company has disposed of all of the investor grievances. There are no complaints pending as on March 31, 2014.

13. Shareholding Pattern of Balaji Telefilms Limited as on March 31, 2014

Category	No. of shares held	Percentage of shareholding
Clearing Members	1,74,486	0.27
Directors	300	0.00
Foreign Institutional Investor	3,60,000	0.55
Foreign Corporate Bodies	1,69,48,194	25.99
H U F	12,57,593	1.93
Indian Financial Institutions	4,36,330	0.67
Bodies Corporate	72,35,069	11.09
Mutual Funds	0	0.00
Non Resident Indians	6,57,914	1.01
Promoters	2,79,92,938	42.93
Resident Individuals	1,01,46,569	15.56
Trusts	1,050	0.00
Grand Total	6,52,10,443	100.00

CORPORATE GOVERNANCE REPORT (Contd.)

14. Distribution of shareholding as on March 31, 2014

Number of Shares	Number of Shareholders	% of total shareholders	Total Shares	Amount	% To Equity
Upto 1 - 5000	22909	98.56	6107211	12214422	9.37
5001 - 10000	149	0.64	1137997	2275994	1.75
10001 - 20000	78	0.34	1180973	2361946	1.81
20001 - 30000	30	0.13	725156	1450312	1.11
30001 - 40000	15	0.06	522282	1044564	0.80
40001 - 50000	12	0.05	556574	1113148	0.85
50001 - 100000	20	0.09	1496334	2992668	2.29
100001 and above	31	0.13	53483916	106967832	82.02
TOTAL:	23244	100.00	65210443	130420886	100.00

15. Shares under Lock-in

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

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

As on March 31, 2014 the Company did not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

17. Dematerialisation of Equity Shares

The Company's shares are traded in dematerialised form. To facilitate trading in dematerialised form there are two depositories, i.e., National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The Company has entered into agreement with both these depositories. Shareholders can open account with any of the depository participants registered with any of these depositories. As on March 31, 2014 about 99.99% comprising 6,52,01,577 Equity Shares were in the dematerialised form.

18. Financial Calendar (tentative and subject to change)

Particulars	Date
Annual General Meeting	August, 2014
Financial reporting for 1st quarter ending 30th June, 2014	Second week August, 2014
Financial reporting for 2nd quarter ending 30th September, 2014	First week of November, 2014
Financial reporting for 3rd quarter ending 31st December, 2014	First week of February, 2015
Financial reporting for the year ended 31st March, 2015 (audited)	May, 2015
Annual General Meeting for year ended 31st March, 2015	September, 2015

19. Plant Locations

Not applicable

20. Investors' Correspondence

Investors' correspondence may be addressed to:

Mrs. Simmi Singh Bisht

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

CORPORATE GOVERNANCE REPORT (Contd.)

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

Mr. Sanjay Dwivedi

Chief Financial Officer,

Balaji Telefilms Limited

C-13, Balaji House, Dalia Industrial Estate,

Opp. Laxmi Industries, New Link Road,

Andheri (West), Mumbai – 400 053.

Tel: +91-22-40698000, Fax: +91-22-40698181/82

Email: sanjay.dwivedi@balajitelefilms.com

21. Insider Trading

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

22. Secretarial Audit (Reconciliation of Share Capital Report)

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

CERTIFICATE

TO THE MEMBERS OF BALAJI TELEFILMS LIMITED

We have examined the compliance of conditions of Corporate Governance by Balaji Telefilms Limited for the year ended on March 31, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respect with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement, except as stated in the section 'Board of Directors', to the Corporate Governance report of the Company, regarding the post of an Independent Director as required under sub-clause (I)(A)(ii) of clause 49 of the Listing Agreement remaining vacant as at the year-end.

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

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm Registration No: 117366W/W-100018)

For **Snehal & Associates**

Chartered Accountants

(Firm Registration No: 110314W)

A.B. Jani

Partner

Membership No: 46488

Mumbai, dated: May 15, 2014

Snehal Shah

Proprietor

Membership No: 40016

Mumbai, dated: May 15, 2014