



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 here in 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

COMPOSITION OF THE BOARD

The Board currently has six members, of whom two are Executive Directors. The Board has a Non-Executive Chairman. At present half of the strength of the Board of Directors comprises of

Independent Directors. Securities and Exchange Board of India (SEBI) has vide its circular dated 8th April, 2008 amended clause 49 of the listing agreement whereby, if the non-executive chairman is a promoter or related to promoters, atleast one-half of the Board of the Company should consist of independent directors. In view of the said amendment the Company has complied with the requirement by reducing the number of Non-Independent directors by January 2009.

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.

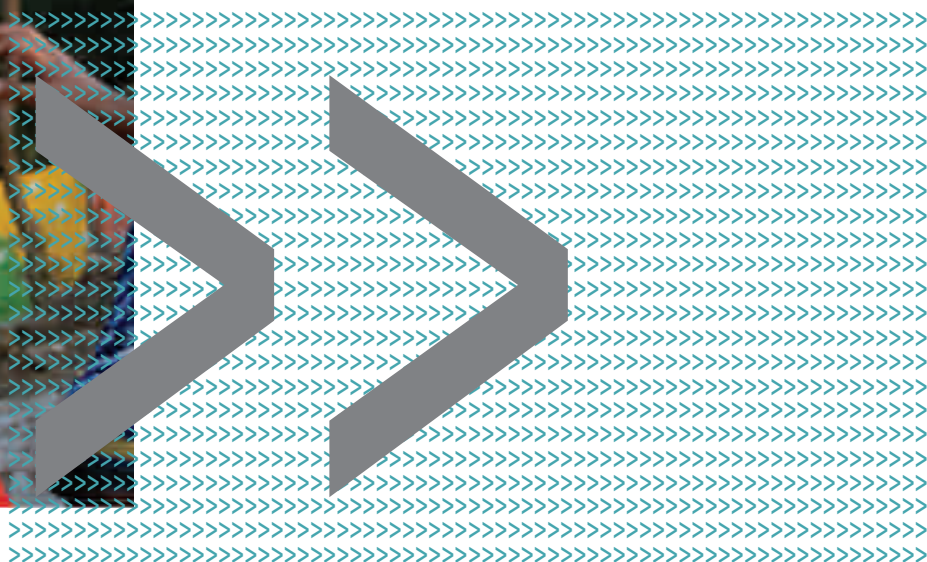
Six meetings of the Board of Directors were held during the year on 22nd May, 29th July, 18th August and 24th October in 2008 and on 28th January and 26th March in 2009. The maximum time gap between any two meetings was not more than four calendar months. None of the Directors of the Company held committee membership of more than ten committees nor committee chairmanships of more than five committees across all companies in which the person was a director.

The names of members of the Board of Directors, their attendance at Balaji Telefilms Limited's Board meetings, last Annual General Meeting (AGM), the number of other directorships and memberships / chairmanships of the committees in various companies are set out here in.



WIDENING OUR HORIZONS

Balaji is primed to tap the opportunities across different genres within the television and films arena.



Name of the Director	Attendance Particulars		No. of Directorships and Committee Memberships / Chairmanships		
	Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. Jeetendra Kapoor (P, N)	6	Present	5	3	1
Ms. Shobha Kapoor (P, E)	6	Present	6	1	0
Ms. Ekta Kapoor (P, E)	5	Present	4	1	0
Mr. Akshay Chudasama (N, I)	5	Present	6	3	0
Mr. Dhruv Kaji (N, I)	6	Present	4	3	2
# Mr. Tusshar Kapoor (P,N)	4	Present	NA	NA	NA
Mr. Pradeep Sarda (N,I)	5	Present	21	2	0
* Mr. John Lau (N,NI)	0	Not Present	NA	NA	NA
* Mr. Paul Aiello (N, NI)	0	Not Present	NA	NA	NA
* Ms. Ella Wong (N,A)	1	Not Present	NA	NA	NA

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

* ceased to be director with effect from 25th August, 2008

ceased to be director with effect from 24th January, 2009

NA = Not Applicable

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. Dhruv Kaji
Members	: Mr. Akshay Chudasama Mr. Jeetendra Kapoor Mr. Pradeep Sarda *Mr. John Lau
Secretary	: Ms. Alpa Khandor
Invitees	: Chief Financial Officer, Representatives of Statutory Auditors and Internal Auditor

* ceased to be director with effect from 25th August, 2008

Meetings and Attendance

The details of meetings held during the year, and the attendance thereat are as follows:

Dates of Meetings: 22nd May, 29th July and 24th October in 2008 and 28th January in 2009.

Attendance

Name of the Director	No. of Meetings attended
Mr. Dhruv Kaji	4
Mr. Akshay Chudasama	3
Mr. Jeetendra Kapoor	4
Mr. Pradeep Sarda	3
Mr. John Lau	0

The Statutory Auditors and Internal Auditor 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 Auditor is reviewed by the Audit Committee.

SHAREHOLDERS' COMMITTEE

Terms of Reference

The functions and powers of the Shareholders' Committee include approval / rejection of transfer / transmission and rematerialization 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 Shareholders' Committee is as follows:

Chairman	: Mr. Jeetendra Kapoor
Members	: Ms. Shobha Kapoor Ms. Ekta Kapoor
Compliance Officer	: Ms. Alpa Khandor, Company Secretary

Meetings and Attendance

The details of meetings held during the year, and the attendance thereat are as follows:

Dates of Meetings: 15th September, 10th October, 4th November, 10th December and 24th December in 2008

Attendance

Name of the Director	No. of Meetings attended
Mr. Jeetendra Kapoor	5
Ms. Shobha Kapoor	5
Ms. Ekta Kapoor	5

The committee oversees share transfers and monitors investors' grievances. The committee reviewed the shareholder grievances and the share transfers for the year and expressed satisfaction with the same. The committee also noted the shareholding in dematerialized mode as on 31st March, 2009 being 99.93%.

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 Remuneration Committee is as follows:

Chairman	: Mr. Akshay Chudasama
Members	: Mr. Dhruv Kaji Mr. Jeetendra Kapoor Mr. Pradeep Sarda * Mr. John Lau
Secretary	: Ms. Alpa Khandor

* ceased to be director with effect from 25th August, 2008



Meetings and Attendance

The details of meetings held during the year, and the attendance thereat are as follows:

Dates of Meeting: 22nd May and 24th October in 2008 and 28th January in 2009

Attendance

Name of the Director	No. of Meetings attended
Mr. Akshay Chudasama	2
Mr. Dhruv Kaji	3
Mr. Jeetendra Kapoor	3
Mr. Pradeep Sarda	2
Mr. John Lau	0

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 are payable to the Managing Director and the Creative Director for the year under review, other than the commission @ of 2.5% each, of the net profits of the Company computed in accordance with Sections 349 and 350 of the Companies Act, 1956.

No remuneration was paid to non-executive directors apart from sitting fees and commission at fixed rate of 0.80% to the Chairman and 0.20% of the net profits of the Company computed in accordance with Sections 349 and 350 of the Companies Act, 1956, to all other Non-Executive Directors as on date with a ceiling of Rs. 3 lacs each, as approved by the shareholders by postal ballot result declared on 14th November, 2006. The Non-Executive Directors are paid remuneration having regard to the prevalent practice in the Industry and commensurate with their experience. Besides the above remuneration, sitting fees and rent amounting to Rs. 22.46 lacs paid to Mr. Jeetendra Kapoor and Rs. 5.09 lacs paid to Mr. Tusshar Kapoor (refer Note No. B-8 in Schedule 15 'Notes on Accounts', annexed to the Financial Statements of the year), there is no other pecuniary transaction by the Company with Non Executive Directors.

Details of the remuneration to the Directors for the year ended 31st March, 2009

Name	Designation	Remuneration for the year 2008-2009 (in Rs.)					Total	No. of shares held by Non-Executive Directors
		Salary	Perquisites	Commission	Sitting Fees	Employer Contribution to Provident Fund		
Ms. Shobha Kapoor	Managing Director	5,520,000	4,830,000	13,700,000	-	662,400	24,712,400	N.A.
Ms. Ekta Kapoor	Creative Director	6,630,000	5,805,000	13,700,000	-	795,600	26,930,600	N.A.
# Mr. Tusshar Kapoor	Director	-	-	-	60,000	-	60,000	N.A.
Mr. Jeetendra Kapoor	Chairman	-	-	4,384,000	90,000	-	4,474,000	4,392,000
Mr. Akshay Chudasama	Director	-	-	300,000	75,000	-	375,000	-
Mr. Dhruv Kaji	Director	-	-	300,000	90,000	-	390,000	-
Mr. Pradeep Sarda	Director	-	-	300,000	75,000	-	375,000	-
* Ms. Ella Wong	Alternate Director	-	-	-	15,000	-	15,000	NA

* ceased to be director with effect from 25th August, 2008

ceased to be director with effect from 24th January, 2009

NA=Not Applicable

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

The agreements with Managing Director and the Creative Director are for a period of five years. The nature of employment of Ms. 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 Creative Director is terminated before expiration of the agreements, the severance fees would be equivalent to the remuneration for unexpired residue of the tenure or for three years, whichever is shorter.

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
12th Meeting	Friday, 18th August, 2006	3:30 p.m.	'The Club', 197, D. N. Nagar, Andheri (West), Mumbai - 400 053.
13th Meeting	Thursday, 26th July, 2007	4:00 p.m.	'Shri Bhaidas Maganlal Sabhagriha" Swami Bhaktivedanta, Marg, J.V.P.D. Scheme, Vile Parle (West), Mumbai - 400 056.
14th Meeting	Tuesday, 29th July, 2008	4:30 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:

2006 - None | 2007 - None

2008

1. Alteration of an Article in Articles of Association of the Company
2. Appointment of Mr. Tusshar Kapoor as Executive Director of Balaji Motion Pictures Limited, wholly owned subsidiary of the Company
3. Appointment of Mr. Ramesh Sippy as Chief Executive Officer of Balaji Motion Pictures Limited, wholly owned subsidiary of the Company

Two special resolutions were passed through postal ballot in October 2008:

1. Alteration of Object clause of Memorandum of Association
2. Alteration of the Articles of Association by adoption of new set of Articles

Details of Voting Pattern

99.99 % of shares in assent and 0.01 % of shares in dissent

Person who conducted the postal ballot

Nilesh G. Shah, 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

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. B - 8 in Schedule 15 "Significant Accounting Policies and Notes on Accounts" 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. Though there is no formal Whistle Blower Policy, 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.
4. 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 and the Group CEO of the Company, forms part of this Report, which along with the auditors' certificate on compliance of Clause 49 of the Listing Agreement by the Company is annexed to this report. The Company has complied with all the mandatory requirements of clause 49 of the Listing Agreement.

RE-APPOINTMENT OF DIRECTORS

The individual details of Directors seeking re-appointment at the ensuing Annual General Meeting of the Company are annexed to the notice of Annual General 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 (regional daily). The financial results and official news releases were displayed on the Company's website www.balajitelefilms.com. Presentation made to the institutional investors and analysts are displayed on the Company's website. No such presentations were made in the current financial year. The Company sends a copy of its half-yearly results to each shareholder.



The Financial Results of the Company for each quarter were also put on the web site of Electronic Data Information and Retrieval (EDIFAR) maintained by National Informatics Centre and can also be accessed from the web site www.sebidifar.nic.in.

Managements' discussion and analysis forms part of the Annual Report, which is being posted to shareholders of the Company.

GENERAL SHAREHOLDER INFORMATION

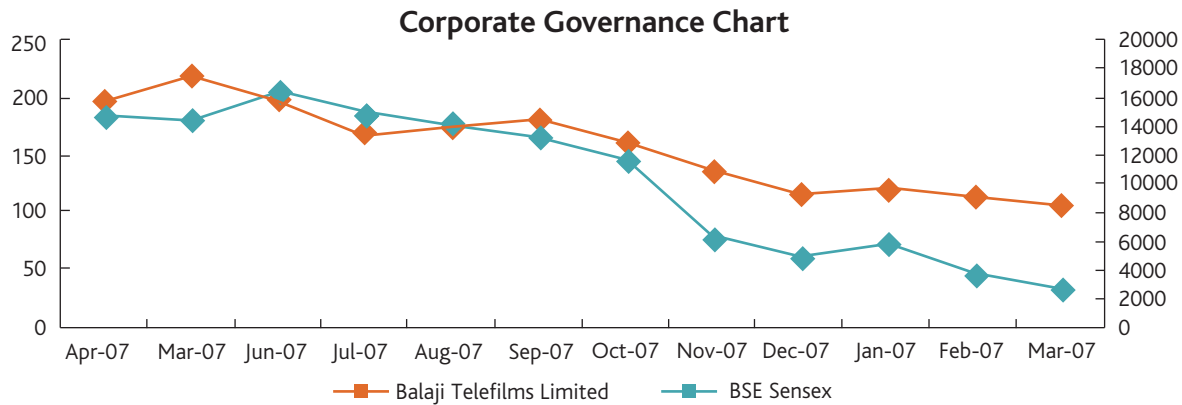
- 1. Date of Book Closure**
20th July, 2009 to 29th July, 2009 (both days inclusive).
- 2. Date, time and venue of the Annual General Meeting**
29th July, 2009 at 4:30 p.m. at "The Club", 197, D. N. Nagar, Andheri (West), Mumbai - 400 053.
- 3. Dividend payment**
The Board of Directors has recommended final dividend of Rs. 0.30 per share, i.e. 15% for the year ended 31st March, 2009. 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**
 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 Email: balaji@balajitelefilms.com 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
- 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 Shareholders' Committee meets as often as required. There were 22 shares transferred in physical form during the year 2008-2009 and no share transfer was pending as on 31st March, 2009.
- 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 22nd November, 2000. The Company's market capitalisation as on 31st March, 2009 was Rs. 19,269.68 lacs. 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	196.50	217.00	1,091,040	215.50	161.55	1,360,879
May	179.90	214.00	3,347,703	214.30	164.10	4,874,647
June	208.00	221.70	2,982,500	221.80	164.00	5,678,725
July	168.50	187.00	864,512	190.00	148.10	1,465,548
August	170.90	200.00	3,329,430	208.00	156.05	6,098,240
September	167.00	178.00	1,167,422	177.70	121.15	2,341,587
October	140.60	147.50	633,077	147.80	65.05	1,368,280
November	77.00	79.30	310,756	79.00	54.00	765,129
December	59.30	87.00	963,262	85.90	57.10	2,403,845
January	69.00	74.90	768,973	74.95	44.25	1,390,853
February	44.50	46.00	1,877,904	46.20	31.15	3,596,371
March	31.60	38.90	3,934,642	38.90	24.80	8,361,702

Fact Sheet

Items	2008-09	2007-08
Earnings per share (Rs.)	4.04	13.40
EPS - Fully diluted (Rs.)	4.04	13.40
Dividend per share (Rs.)	0.30	3.50
Number of shares	65,210,443	65,210,443
Share price data (Rs.)		
High	221.80	388.00
Low	24.80	121.15
Closing	29.55	196.35

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



12. Investor Service Complaints Received During the year

Nature of Complaints	Year ended 31st March, 2009	
	Received	Disposed
Non Receipt of Dividend	20	20
Non Receipt of Annual Report	2	2

The Company has disposed of all of the investor grievances. There are no complaints pending as on 31st March, 2009.

13. Shareholding Pattern of Balaji Telefilms Limited as on 31st March, 2009

Category	No. of shares held	Percentage of shareholding
Promoters	26,085,250	40.00
Foreign Corporate Bodies	16,948,194	25.99
Foreign Institutional Investors	5,406,714	8.29
Mutual Funds / UTI	6,673,130	10.23
Resident Individuals	4,601,793	7.06
Bodies Corporates	4,114,172	6.31
Indian Financial Institutions / Banks	394,372	0.60
Non Resident Indians	279,218	0.43
H U F	230,630	0.36
Clearing Members	476,919	0.73
Trusts	51	0.00
GRAND TOTAL	65,210,443	100



14. Distribution of shareholding as on 31st March, 2009

Number of Shares	Number of Shareholders	% of total Shareholders	Total Shares	Amount	% Holding
1 to 5000	20,648	98.21	3,272,044	6,544,088	5.01
5001 to 10000	171	0.81	619,493	1,238,986	0.95
10001 to 20000	85	0.40	631,943	1,263,886	0.97
20001 to 30000	29	0.14	364,145	728,290	0.56
30001 to 40000	15	0.07	268,341	536,682	0.41
40001 to 50000	6	0.03	136,926	273,852	0.21
50001 to 100000	30	0.14	1,014,332	2,028,664	1.56
100001 & above	41	0.20	58,903,219	117,806,438	90.33
Total	21,025	100.00	65,210,443	130,420,886	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 31st March, 2009 the Company did not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

17. Dematerialization of Equity Shares

The Company's shares are traded in dematerialized form. To facilitate trading in dematerialized 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 31st March, 2009 about 99.93% comprising 65,164,303 Equity Shares were in the dematerialized form.

18. Financial Calendar (tentative and subject to change)

Particulars	Date
Annual General Meeting	29th July, 2009
Financial reporting for 1st quarter ending 30th June, 2009	Last week of July, 2009
Financial reporting for 2nd quarter ending 30th September, 2009	Last week of October, 2009
Financial reporting for 3rd quarter ending 31st December, 2009	Last week of January, 2010
Financial reporting for the year ended 31st March, 2010 (audited)	June, 2010
Annual General Meeting for year ended 31st March, 2010	August, 2010

19. Plant Locations

The details of regional offices of the Company are available on page number 19 of the Annual Report.

20. Investors' Correspondence

Investors' correspondence may be addressed to Ms. Alpa Khandor, 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

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

Mr. Sunil Shahani, 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: sunil.shahani@balajitelefilms.com

21. Insider Trading

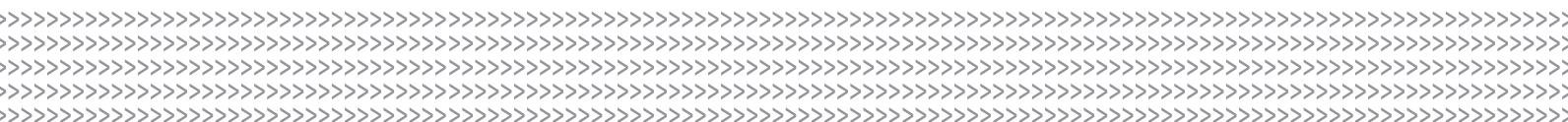
In terms of the SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has framed code of conduct.

22. Secretarial Audit

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 dematerialized shares held with NSDL and CDSL.

23. Non Mandatory Requirements

- Chairman of the Board**
The Company has Non-Executive Chairman, who is entitled to maintain a Chairman's office at the Company's expenses. The expenses incurred by him during performance of his duties are reimbursed to him.
- Remuneration Committee**
The Company has appointed a Remuneration Committee since January 2003.
- Shareholder Rights**
The Company has been sending to each shareholder its half-yearly results, starting from the half-year ended 30th September, 2001.



CEO DECLARATION

We, Shobha Kapoor, Managing Director and Puneet Kinra, Group Chief Executive Officer of Balaji Telefilms Limited based on confirmation received from all the directors and senior management of the Company, do hereby state that all Board Members and senior management personnel have affirmed compliance with the code of conduct of the Company for the year ended 31st March 2009.

Shobha Kapoor
Managing Director
Mumbai,
13th May, 2009

Puneet Kinra
Group Chief Executive Officer

CEO/CFO CERTIFICATION

We, Shobha Kapoor, Managing Director, Puneet Kinra, Group Chief Executive Officer and Sunil Shahani, Chief Financial Officer of Balaji Telefilms Limited, do hereby certify to the Board that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2009 and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit committee
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Shobha Kapoor
Managing Director
Mumbai,
13th May, 2009

Puneet Kinra
Group Chief Executive Officer

Sunil Shahani
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
BALAJI TELEFILMS LIMITED

We have examined the compliance of conditions of corporate governance by BALAJI TELEFILMS LIMITED, for year ended on 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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 with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We 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
Chartered Accountants

For Snehal & Associates
Chartered Accountants

A. Siddharth
Partner

Snehal Shah
Proprietor

Membership No. 31467
Mumbai, Dated: 13th May, 2009

Membership No. 40016
Mumbai, Dated: 13th May, 2009