

REPORT ON CORPORATE GOVERNANCE



Balaji Telefilms Limited (Balaji) 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 maximised
- Ensure that the Board, the Employees and all concerned are fully committed to maximising long-term value to the Shareholders and the Company

COMPOSITION OF BOARD

The Board currently has seven members, of whom two are Executive Directors. The Board has a Non-Executive Chairman. At present, more than 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.

Five meetings of the Board of Directors were held during the year. These were held on May 13, 2009, July 15, 2009, July 29, 2009, October 15, 2009 and January 15, 2010. 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 neither 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'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 below:

Name of the Director	Attendance Particulars		No. of Directorships and Committee Memberships / Chairmanships		
	Board Meetings	Last AGM	Directorships	Committee Memberships	Committee Chairmanships
Mr. Jeetendra Kapoor (P, N)	5	Present	7	3	1
Ms. Shobha Kapoor (P, E)	5	Present	7	1	0
Ms. Ekta Kapoor (P, E)	5	Present	5	1	0
Mr. Akshay Chudasama (N, I)	5	Present	6	5	3
Mr. Dhruv Kaji (N, I)	3	Not Present	6	5	1
Mr. Pradeep Sarda (N,I)	3	Present	22	5	0
Mr. D. G. Rajan# (N,I)	NA	NA	18	8	3

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

#Mr. D. G. Rajan was inducted to the Board of the Company as Additional Director on July 19, 2010

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. Akshay Chudasama*

Members : Mr. Dhruv Kaji*
Mr. Jeetendra Kapoor
Mr. Pradeep Sarda
Mr. D. G. Rajan#

Secretary : Ms. Alpa Khandor

Invitees : Chief Financial Officer,
Representatives of Statutory Auditors and
Internal Auditor

* Mr. Akshay Chudasama took over as Chairman of the Audit Committee from Mr. Dhruv Kaji with effect from July 29, 2009

#Mr. D. G. Rajan was inducted to the Audit Committee as member on July 19, 2010

Meetings and Attendance

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

Dates of Meetings: May 13, July 29 and October 15 in 2009 and January 15, 2010.

Attendance

Name of the Director	No. of Meetings attended
Mr. Akshay Chudasama	4
Mr. Dhruv Kaji	2
Mr. Jeetendra Kapoor	4
Mr. Pradeep Sarda	3

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 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 Shareholders' Committee is as follows:

Chairman : Mr. Jeetendra Kapoor

Members : Ms. Shobha Kapoor
Ms. Ekta Kapoor

Compliance Officer : Ms. Alpa Khandor, Company Secretary

Meeting and Attendance

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

Date of Meeting: - June 10, 2009

Attendance

Name of the Director	No. of Meeting attended
Mr. Jeetendra Kapoor	1
Ms. Shobha Kapoor	1
Ms. Ekta Kapoor	1

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 dematerialised mode as on March 31, 2010 being 99.93%.

REMUNERATION COMMITTEE

Terms of Reference

The Committee is entrusted with the role and responsibilities of approving compensation packages of Managing Director/ Wholetime Director, reviewing and approving the performance based incentives to be paid to the Managing Director/ Wholetime 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 Sarada
Secretary :	Ms. Alpa Khandor

Meetings and Attendance

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

Dates of Meeting: May 13, July 29, and October 15 in 2009

Attendance

Name of the Director	No. of Meetings attended
Mr. Akshay Chudasama	3
Mr. Dhruv Kaji	2
Mr. Jeetendra Kapoor	3
Mr. Pradeep Sarada	2

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. Though both Executive and Non-Executive Directors are entitled to commission @ of 2.5% each, due to insufficient profits none of them were paid any commission.

No remuneration was paid to non-executive directors apart from sitting fees. Although there is eligibility of 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 lakhs each, no commission was paid to any director due to insufficient profits. Besides the sitting fees, rent amounting to Rs. 23.38 lakhs paid to Mr. Jeetendra 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 March 31, 2010

Name	Designation	Remuneration for the year 2009-2010 (in Rs.)					No. of shares held by Non-Executive Directors
		Salary	Perquisites	Sitting Fees	Employer Contribution to Provident Fund	Total	
Ms. Shobha Kapoor	Managing Director	5520000	4830000	-	662400	11012400	N.A.
Ms. Ekta Kapoor	Joint Managing Director	6630000	5805000	-	795600	13230600	N.A.
Mr. Jeetendra Kapoor	Chairman	-	-	75000	-	75000	4392000
Mr. Akshay Chudasama	Director	-	-	75000	-	75000	-
Mr. Dhruv Kaji	Director	-	-	45000	-	45000	-
Mr. Pradeep Sarda	Director	-	-	45000	-	45000	-

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 Joint Managing Director are for a period of three 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 Joint Managing 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
13th Meeting	Thursday, July 26, 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, July 29, 2008	4:30 p.m.	'The Club', 197, D. N. Nagar, Andheri (West), Mumbai - 400 053.
15th Meeting	Wednesday, July 29, 2009	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

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

2009 - None

One special resolution was passed through postal ballot in March 2008

Revision in Remuneration of Creative Director of the Company

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

Two special resolutions were passed through postal ballot in December 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

99.98 % of shares in assent and 0.02 % of shares in dissent

Person who conducted the postal ballot

Nilesh G. Shah, Company Secretary in Practice

Three special resolutions were passed through postal ballot in December 2009

1. Re-appointment of Ms Shobha Kapoor as Managing Director of the Company and Payment of Remuneration to her
2. Appointment of Ms Ekta Kapoor as Joint Managing Director of the Company and Payment of Remuneration to her
3. Appointment of Mr. Ramesh Sippy to the office or place of profit under Balaji Motion Pictures Limited, the wholly owned subsidiary of the Company

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

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.

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.

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. 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 Group CEO of the Company, forms part of this Report, which alongwith the auditor's 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 the Company's share price is released at the earliest.

The Company's financial results were published in Business Standard, Free Press Journal and Navshakti/Sakal (regional daily). The financial results and official news releases were displayed on the Company's web site www.balajitelefilms.com. Presentations 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.sebiedifar.nic.in. SEBI vide its Circular No. CIR/CFD/DCR/3/2010 dated April 16, 2010 has made Amendments to the Equity Listing Agreement to formally discontinue the EDIFAR Filing system and hence these filings have been discontinued forthwith.

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

GENERAL SHAREHOLDER INFORMATION

Date of Book Closure

August 16, 2010 to August 27, 2010
(both days inclusive).

Date, time and venue of the Annual General Meeting

August 27, 2010 at 4:30 p.m. at "The Club", 197,
D. N. Nagar, Andheri (West), Mumbai - 400 053.

Dividend payment

The Board of Directors has recommended final dividend of Rs. 0.30 per share, i.e. 15% for the year ended March 31, 2010. The final dividend will be paid within the stipulated number of days once it is approved at the Annual General Meeting.

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)

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Listing Fees

Paid for both the above Stock Exchanges as per listing agreements

Listing on Stock Exchanges outside India

Not applicable

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
Web site: www.balajitelefilms.com

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

Share Transfer System

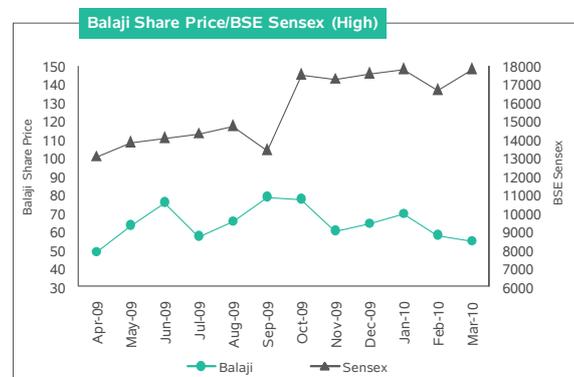
Shares sent for physical transfer are registered and returned within one month from the date of receipt, if the documents are clear in all respects. The Shareholders' Committee meets as often as required. There were no shares transfers in physical form during the year 2009-2010 and no share transfer pending as on March 31, 2010.

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 Company's market capitalisation as on March 31, 2010 was Rs. 33,257.33 lakhs. The monthly high and low quotations as well as the volume of shares traded during the year are as below:

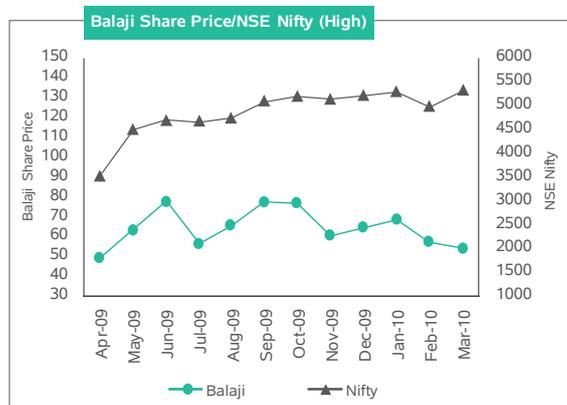
BSE			
Month	High	Low	No. of Shares Traded
April	49.25	28.45	1,86,64,394
May	63.25	40.00	1,72,62,777
June	75.70	51.70	1,49,66,600
July	57.25	40.20	62,86,562
August	65.80	48.70	1,20,98,233
September	78.40	59.40	1,05,36,625
October	77.40	50.35	31,63,309
November	60.25	50.20	18,04,348
December	64.70	53.00	34,62,835
January	70.00	51.25	34,07,367
February	57.70	48.15	7,08,272
March	55.15	48.55	11,54,424

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



NSE			
Month	High	Low	No. of Shares Traded
April	49.30	28.45	32221606
May	63.20	37.50	29217310
June	78.05	51.20	32833973
July	57.20	40.05	13661011
August	65.65	48.60	22274508
September	78.20	59.50	19868428
October	77.40	51.10	6860777
November	60.40	50.30	4132620
December	64.55	53.00	6904335
January	68.25	51.15	6660216
February	57.50	48.10	1555798
March	54.55	48.70	2701078

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



Fact Sheet

Items	2009-10	2008-09
Earnings per share (Rs.)	2.33	4.04
EPS - Fully diluted (Rs.)	2.33	4.04
Dividend per share (Rs.)	0.30	0.30
Number of shares	6,52,10,443	6,52,10,443

(Rs.)		
Share price data		
High	78.4	221.80
Low	28.45	24.80
Closing	51.00	29.55

Investor Service - Complaints Received During the year ended March 31, 2010

Nature of Complaints	Received	Disposed
Non Receipt of Dividend	30	30
Non Receipt of Annual Report	10	10

The Company has disposed of all of the investor grievances. There are no complaints pending as on March 31, 2010.

Shareholding Pattern of Balaji as on March 31, 2010

Category	No. of shares held	Percentage of shareholding
Promoters	26237750	40.24
Foreign Corporate Bodies	16948194	25.99
Foreign Institutional Investors	592958	0.91
Mutual Funds / UTI	7723900	11.84
Resident Individuals	6185179	9.48
Bodies Corporates	6559990	10.06
Indian Financial Institutions / Banks	396372	0.61
Non Resident Indians	324757	0.50
H U F	183359	0.28
Clearing Members	56934	0.09
Trusts	1050	0.00
GRAND TOTAL	65210443	100

Distribution of shareholding as on March 31, 2010

Number of Shares	Number of Shareholders	% of total shareholders	Total Shares	Amount	% Holding
1 to 5000	26,563	98.44	49,00,800	98,01,600	7.52
5001 to 10000	220	0.82	8,24,401	16,48,802	1.26
10001 to 20000	90	0.33	6,66,984	13,33,968	1.02
20001 to 30000	28	0.10	3,49,498	6,98,996	0.54
30001 to 40000	12	0.04	2,06,819	4,13,638	0.32
40001 to 50000	15	0.06	3,44,554	6,89,108	0.53
50001 to 100000	28	0.10	9,60,621	19,21,242	1.47
100001 & above	28	0.10	5,69,56,766	11,39,13,532	87.34
Total	26,984	100.00	6,52,10,443	13,04,20,886	100.00

Shares under Lock-in

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

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

As on March 31, 2010 the Company did not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

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, 2010 about 99.93% comprising 65,162,543 Equity Shares were in the dematerialised form.

Financial Calendar (tentative and subject to change)

Particulars	Date
Annual General Meeting	August 27, 2010
Financial reporting for 1st quarter ending June 30, 2010	July 19, 2010
Financial reporting for 2nd quarter ending September 30, 2010	Last week of October, 2010
Financial reporting for 3rd quarter ending December 31, 2010	Last week of January, 2011
Financial reporting for the year ended March 31, 2011 (audited)	May, 2011
Annual General Meeting for year ended March 31, 2011	July, 2011

Plant Locations

The details of regional offices of the Company are available on page no. 146 of the Annual Report.

Investors' Correspondence

Investors' correspondence may be addressed to:

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. Srinivasa Shenoy
 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: srinivasa.shenoy@balajitelefilms.com

Insider Trading

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

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 dematerialised shares held with NSDL and CDSL.

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 September 30, 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 has affirmed compliance with the code of conduct of the Company for the year ended March 31, 2010.

Shobha Kapoor
 Managing Director
 Mumbai,
 April 28, 2010

Puneet Kinra
 Group Chief Executive Officer

CEO/CFO CERTIFICATION

We, Shobha Kapoor, Managing Director, Puneet Kinra, Group Chief Executive Officer and Srinivasa Shenoy, 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 March 31, 2010 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,
April 28, 2010

Puneet Kinra
Group Chief Executive Officer

Srinivasa Shenoy
Chief Financial Officer

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, 2010, 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.

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
Chartered Accountants
Reg. No 117366W

A.B. Jani
Partner
Membership Number: 46488

Mumbai,
Dated: April 28, 2010

For Snehal & Associates
Chartered Accountants
Reg. No. 110314W

Snehal Shah
Proprietor
Membership Number: 40016

Mumbai,
Dated: April 28, 2010