

CORPORATE GOVERNANCE REPORT

Balaji Telefilms Limited is committed to strong Corporate Governance and believes in its indispensability in investor's protection. Integrity, transparency, accountability and compliance with laws are cemented in the Company's business practices to ensure ethical and responsible leadership both at the Board and at the Management level.

The Report is on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter to be referred as 'Listing Regulations').

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 through ethical business conduct.
- Ensure that the Board continues in its pursuit of achieving its objectives through the adoption and monitoring of corporate strategies and prudent business plans.

CODE OF CONDUCT

The Company has laid down a Code of Conduct for the Directors and Senior Management of the Company and a Code of Conduct for Independent Directors. The Code of Conduct suitably incorporates the duties of Independent Directors 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 Group Chief Executive Officer of the Company, forms part of this Report, which along with the Auditors' certificate on Compliance of Listing Regulations by the Company is annexed to this report. Declaration from Independent Directors affirming Compliance with the Code of Conduct for Independent Directors has also been received.

BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Board either directly exercises its powers or 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. The Board also discharges its responsibilities / duties as mentioned under Regulation 17 of the Listing Regulations and other applicable laws.

COMPOSITION

The Board of your Company has an appropriate mix of Executive and Non- Executive Directors with more than half of the Board of the Company comprising of Independent Directors to maintain its independence and separate its functions of governance and management. Listing Regulations mandate that for a Company with a Non-Executive Chairman who is also a promoter, at least half of the Board should be Independent Directors. As on March 31, 2019, the Board comprised of eleven Members, of whom two are Executive Directors, three Non-Executive Non-Independent Directors, six Independent Directors. The Composition of the Board represents an optimal mix of professionalism, knowledge and experience so as to enable the Board to discharge its responsibilities and provide effective leadership to the business.

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 is a Director.

The names and categories of the Directors on the Board, their attendance at Company's Board Meetings and its Annual General Meeting during the financial year 2018-19 and also the number of Directorships and Committee Memberships / Chairmanships held by them in various Companies as on March 31, 2019 are given below:

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Name of the Director	Attendance Particulars			Name of Listed Entity along with category of Directorship, other Directorships and Committee Memberships/Chairmanships					No of shares held as on March 31, 2019
	Board Meetings		Last AGM	*Other Directorships	Name of Listed Entity	Category of Directorship	#Committee Memberships	#Committee Chairmanships	
	Held	Attended							
Mr. Jeetendra Kapoor (P, N, NI)	4	4	Present	3	N.A.	N.A.	2	1	32,60,522
Mrs. Shobha Kapoor (P, E, NI)	4	4	Present	4	N.A.	N.A.	1	0	1,10,08,850
Ms. Ekta Kapoor (P, E, NI)	4	4	Absent	4	N.A.	N.A.	1	0	1,83,08,208
**Mr. Tusshar Kapoor (P, N, NI)	4	3	Present	N.A.					20,30,250
Mr. Pradeep Kumar Sarda (N,I)	4	1	Present	1	Mercury Trade Links Limited	Director	2	0	NIL
Mr. Duraiswamy Gunaseela Rajan (N,I)	4	4	Present	5	IFGL Refractories Limited	Director	5	4	300
Mr. Ashutosh Khanna (N,I)	4	3	Present	1	N.A.	N.A.	0	0	NIL
Mr. Devender Kumar Vasal (N,I)	4	4	Present	1	N.A.	N.A.	3	0	NIL
Mr. Virendra Babubhai Dalal (N,I)	4	4	Present	1	N.A.	N.A.	2	0	NIL
Mr. Arun Kumar Purwar (N,I)	4	4	Present	5	Alkem Laboratories Limited	Independent Director	2	1	NIL
					Jindal Steel and Power Limited	Independent Director			
					Reliance Communications Limited	Independent Director			
					IIFL Holdings Limited	Independent Director			
Mr. Anshuman Thakur (N, NI)	4	2	Present	0	N.A.	N.A.	0	0	NIL
Ms. Jyoti Deshpande (N, NI)	4	4	Present	3	Network18 Media & Investments Limited	Director	0	0	NIL
					TV18 Broadcast Limited	Director			
					Eros International Media Limited	Director			

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

*Excluding Private Limited Company, Foreign Companies, Section 8 Companies and Alternate Directorships.

#Includes only Audit Committee and Stakeholders' Relationship Committee.

The number of Directorships, Committee Membership(s) / Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and Listing Regulations.

** Mr. Tusshar Kapoor has ceased to be a Non-Executive Non-Independent Director of the Company w.e.f. March 27, 2019.

During the year under review, none of the Independent Director has resigned from the Board of the Company before the expiry of the tenure.

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CHART MATRIX

In terms of the requirement of Listing Regulations, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company's business for effective functioning as given below:

Leadership

Leadership experience in leading well-governed large organizations, with an understanding of organizational systems, strategic planning, forecasting, evaluating best solutions, business strategy and corporate Management.

Finance and Accounting Proficiency

Experience in handling and understanding of accounting and financial statements, financial management, financial reporting, cost analysis / reduction, problem-solving approach.

Understanding the use of Information Technology in Digital Media and Entertainment Industry

Experience in understanding the digital and OTT platform in the industry for its efficient functioning and profitability in the business, ability to anticipate technological driven changes and disruption which may impact the business. Experience in Marketing, Advertising and Media.

Experience of large Companies

Experience of having served in large Companies in diverse industries to provide Board oversight to all dimensions of business, key responsibilities, Board accountability.

Governance

Experience in developing governance practices, maintaining high governance standards with an understanding of changing regulatory framework and environment, protecting the interests of all stakeholders, decision making, maintaining Board and Management accountability, building and developing business ethics, values and adhering to code of conduct.

BOARD INDEPENDENCE

Our definition of 'Independence' of Directors is derived from Section 149(6) of the Companies Act, 2013 and Regulation 16 of Listing Regulations. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, all Non-Executive Directors except Mr. Jeetendra Kapoor,

Ms. Jyoti Deshpande and Mr. Anshuman Thakur are Independent. The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations. The Board of Directors have assessed the same and taken on record their Independence criteria.

In case of appointment / re-appointment of Independent Directors of the Company, formal appointment letters containing the terms and conditions of Independence are issued in the manner provided under the Companies Act, 2013 and the Listing Regulations. The terms and conditions can be accessed on the Company's website on www.balajitelefilms.com

Pursuant to Regulation 25 of the Listing Regulations, a meeting of Independent Directors is required to be held once in a year inter alia, to:

- Review the performance of Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Meeting of Independent Directors of the Company was held on August 10, 2018 without the presence of Non-Independent Directors and Members of the Management.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board's business. The Board / Committee Meetings are pre-scheduled and tentative dates of the Board and Committee Meetings are informed well in advance to facilitate Directors to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is noted and confirmed in the subsequent Board meeting.

The notice of Board meeting is given well in advance to all the Directors. The Agenda of the Board / Committee

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meetings is prepared by the Company Secretary in consultation with the Chairman and the Managing Director of the Company. The Agenda is circulated at least 7 days prior to the date of the meeting. The Agenda for the Board and Committee meetings cover items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The Agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

Prior Approval from the Board is obtained for circulating the agenda items with shorter notice for matters that form part of the Board and Committee agenda and are considered to be in the nature of Unpublished Price Sensitive Information.

During the year under review, 4 (four) meetings of the Board of Directors were held, the dates being May 19, 2018, August 10, 2018, November 14, 2018, and February 12, 2019. The maximum time gap between any two meetings was not more than one hundred twenty days.

FAMILIARIZATION PROGRAMME OF DIRECTORS

The Company has a familiarization programme for its Independent Directors. The Independent Directors are familiarized of their roles, rights, and responsibilities in the Company, nature of industry in which the Company operates and business model of the Company through such programmes. The details of such familiarization program have been disclosed on the Company's website at <http://www.balajitelefilms.com/familiarisation-programme-independent-directors.php>

MECHANISM FOR EVALUATING BOARD MEMBERS

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the Evaluation criteria for the Performance Evaluation of Executive/Non-Executive/Independent Director. During the year under review, a structured questionnaire was circulated to the Members of the Board for seeking feedback from the Directors on various aspects such as Board's & Committees' functioning, knowledge & skills of the Board of Directors, managing relationships, fulfillment of independent criteria by Independent Directors, leadership & strategy formulation by Executive Directors etc. The questionnaire

of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board & Committee and for identifying possible paths for improvement. The Chairman of the Board shared the feedback with the Member about the results of the performance evaluations at the Board Meeting.

COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Minutes of the Meetings of all Committees are placed before the Board for review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action.

The Board has currently established the following Statutory Committees:

AUDIT COMMITTEE

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 terms and composition of the Audit Committee are as per the guidelines set out in the Listing Regulations read with Section 177 of the Companies Act, 2013.

Terms of Reference

The responsibilities of the Audit Committee include overseeing the financial reporting process to ensure proper disclosure of financial statements, recommending appointment, remuneration and terms of appointment of Auditors and approving payment for any other services rendered by the Statutory Auditors, reviewing the Annual Financial Statements and Auditors' Report before submission to the Board, reviewing the Quarterly Financial Statements before submission to the Board, evaluation of internal financial controls and risk management systems, reviewing adequacy of internal audit function, structure and staffing of the internal audit function, reviewing findings of internal investigations and discussing the nature and scope of audit as well as

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post-audit discussion with external auditors, reviewing functioning of Whistle Blower Mechanism and such other responsibilities as set out in Section 177 of the Companies Act, 2013 and Part C, Schedule II of Listing Regulations.

In addition to the above, the Audit Committee mandatorily reviews the following:

- management's discussions and analysis of financial condition and results of operations;
 - statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
 - management letters / letters of internal control weaknesses issued by the Statutory Auditors;
 - internal audit reports relating to internal control weaknesses;
- the appointment, removal and terms of remuneration of the Internal Auditor; and
 - statement of deviation(s):
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations;
 - b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of the Listing Regulations.

Composition

Name of the Members	Designation	Nature of Membership
Mr. Duraiswamy Gunaseela Rajan	Independent Director	Chairman
Mr. Jeetendra Kapoor	Non-Executive Director	Member
Mr. Pradeep Kumar Sarda	Independent Director	Member
Mr. Devender Kumar Vasal	Independent Director	Member
Mr. Virendra Babubhai Dalal	Independent Director	Member
Mrs. Simmi Singh Bisht	Group Head Secretarial	Secretary

Meetings and Attendance

During the year under review, Audit Committee held 4 (four) Meetings, the dates being May 19, 2018, August 10, 2018, November 13, 2018 and February 12, 2019. The details of the attendance thereat are as follows:

Name of the Members	No. of Meetings	
	Held during the tenure	Attended
Mr. Duraiswamy Gunaseela Rajan	4	4
Mr. Jeetendra Kapoor	4	4
Mr. Pradeep Kumar Sarda	4	2
Mr. Devender Kumar Vasal	4	4
Mr. Virendra Babubhai Dalal	4	4

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 the limited review of the quarterly and half yearly accounts of the Company and yearly Audit of the Company's accounts, Auditor's Report and other related matters. The report of the Internal Auditor is also reviewed by the Audit Committee.

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NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

The Committee is entrusted with the following role and responsibilities:

1. Formulation of criteria for determining qualifications, positive attributes & independence of a Director and to recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of Board, Committee and Individual Directors including Independent Directors.
3. Devising a policy on Board Diversity.
4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Recommend to the Board, all remuneration payable to Senior Management.

Performance evaluation criteria for Independent Directors

In accordance with the Companies Act, 2013 and Listing Regulations, the Committee has laid down the following criteria to evaluate the performance of Independent Directors:

- 1) Knowledge to perform the role;
- 2) Time and Level of Participation;
- 3) Performance of Duties and Level of Oversight and
- 4) Professional Conduct and Independence.

Feedback on each Director is encouraged to be provided as a part of the survey.

Composition

Name of the Members	Designation	Nature of Membership
Mr. Ashutosh Khanna	Independent Director	Chairman
Mr. Jeetendra Kapoor	Non-Executive Director	Member
Mr. Pradeep Kumar Sarda	Independent Director	Member
Mr. Devender Kumar Vasal	Independent Director	Member
Mrs. Simmi Singh Bisht	Group Head Secretarial	Secretary

Meetings and Attendance

During the year under review, the Nomination & Remuneration Committee held 5 (five) meetings, the dates being May 19, 2018, June 20, 2018, August 10, 2018, November 13, 2018 and February 12, 2019. The details of the attendance thereat are as follows:

Name of the Members	No. of Meetings	
	Held during the tenure	Attended
Mr. Ashutosh Khanna	5	4
Mr. Jeetendra Kapoor	5	5
Mr. Pradeep Kumar Sarda	5	3
Mr. Devender Kumar Vasal	5	5

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Nomination & Remuneration Policy

The Nomination & Remuneration Policy of the Company along with criteria for making payments to Non-Executive Directors may be accessed at <http://balajitelefilms.com/nomination-remuneration-policy.php>

Details of the remuneration paid to the Directors of the Company for the year ended March 31, 2019:

Name	Designation	Salary	Perquisites	Sitting Fees	Commission	Employer Contribution to Provident Fund	Total
Mr. Jeetendra Kapoor	Chairman	-	-	4,00,000	-	-	4,00,000
Mrs. Shobha Kapoor	Managing Director	2,22,60,000	-	-	-	17,28,000	2,39,88,000
Ms. Ekta Kapoor	Joint Managing Director	2,22,60,000	-	-	-	17,28,000	2,39,88,000
Mr. Tusshar Kapoor*	Non-Executive Director	-	-	3,00,000	-	-	3,00,000
Mr. Pradeep Kumar Sarda	Independent Director	-	-	2,50,000	-	-	2,50,000
Mr. Duraiswamy Gunaseela Rajan	Independent Director	-	-	6,00,000	-	-	6,00,000
Mr. Ashutosh Khanna	Independent Director	-	-	4,00,000	-	-	4,00,000
Mr. Devender Kumar Vasal	Independent Director	-	-	6,00,000	-	-	6,00,000
Mr. Virendra Babubhai Dalal	Independent Director	-	-	6,00,000	-	-	6,00,000
Mr. Arun Kumar Purwar	Independent Director	-	-	5,00,000	-	-	5,00,000
Mr. Anshuman Thakur	Non-Executive Director	-	-	2,00,000	-	-	2,00,000
Ms. Jyoti Deshpande	Non-Executive Director	-	-	4,00,000	-	-	4,00,000

Note: During the year under review, no performance linked incentive was paid / stock option was granted to any Directors of the Company.

None of the Directors are related to any other Directors 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.

*Tusshar Kapoor has ceased to be Director of the Company w.e.f. March 27, 2019.

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STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The Committee is entrusted with the following role and responsibilities:

1. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
2. Resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
3. Review of measures taken for effective exercise of voting rights by shareholders.
4. Review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

Composition

Name of the Members	Designation	Nature of Membership
Mr. Jeetendra Kapoor	Non-Executive Director	Chairman
Mrs. Shobha Kapoor	Executive Director	Member
Ms. Ekta Kapoor	Executive Director	Member
Mr. Devender Kumar Vasal	Independent Director	Member
Mrs. Simmi Singh Bisht	Group Head Secretarial	Secretary

Meetings and Attendance

During the year under review, Stakeholder Relationship Committee held 4 (four) Meetings, the dates being May 19, 2018, August 10, 2018, November 13, 2018 and February 12, 2019. The details of the attendance thereat are as follows:

Name of the Members	No. of Meetings	
	Held during the tenure	Attended
Mr. Jeetendra Kapoor	4	4
Mrs. Shobha Kapoor	4	4
Ms. Ekta Kapoor	4	3
Mr. Devender Kumar Vasal	4	4

Compliance Officer

Mrs. Simmi Singh Bisht, Group Head Secretarial is the Compliance Officer under Listing Regulations.

Shareholder's Complaints during the financial year 2018-19

Sr. No.	Nature of Complaints	Opening Bal.	Received	Disposed	Pending
1.	Non-receipt of Dividend	0	6	6	0
2.	Non-receipt of Annual Report	0	4	4	0
3.	Letters from Regulatory Authorities (NSE/BSE/ROC)	0	0	0	0

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CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of Reference

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, 2013 and any other Regulatory Authority or under any applicable laws, as may be prescribed from time to time.

Composition

Name of the Members	Designation	Nature of Membership
Mr. Jeetendra Kapoor	Non-Executive Director	Chairman
Mrs. Shobha Kapoor	Executive Director	Member
Mr. Duraiswamy Gunaseela Rajan	Independent Director	Member
Mr. Ashutosh Khanna	Independent Director	Member
Mrs. Simmi Singh Bisht	Group Head Secretarial	Secretary

Meetings and Attendance

During the year under review, Corporate Social Responsibility Committee held 4 (four) Meetings, the dates being May 19, 2018, August 10, 2018, November 13, 2018 and February 12, 2019. The details of the attendance thereat are as follows:

Name of the Director	No. of Meetings	
	Held during the tenure	Attended
Mr. Jeetendra Kapoor	4	4
Mrs. Shobha Kapoor	4	4
Mr. Duraiswamy Gunaseela Rajan	4	4
Mr. Ashutosh Khanna	4	3

INTERNAL COMPLAINTS COMMITTEE

Terms of Reference

The Board of Directors in its Board meeting held on January 24, 2014 and February 12, 2019 constituted the Internal Complaints Committee and Apex Committee (Management) of the Company to deal with all complaints and allegations of Sexual Harassment at Workplace.

Composition

The current composition of Internal Complaints Committee is as follows:

Name of the Members	Designation	Nature of Membership
Mrs. Chloe Ferns	Creative Director	Presiding Officer
Mr. Sunil Nair	Chief Operating Officer (ALT Digital)	Member
Mrs. Divya Dixit	Vice President- Marketing	Member
Mr. Bhargav Vyas	AVP – Finance and Accounts	Member
Ms. Neha Kedia	Vice President – Complykaro	External Independent Member

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The current composition of Apex Committee (Management) is as follows:

Name of the Members	Designation	Nature of Membership
Mrs. Shobha Kapoor	Managing Director	Chairperson
Mr. Sunil Lulla	Group CEO	Member
Mr. Nachiket Pantvaidya	Group COO and CEO (ALT Digital)	Member
Mrs. Priyanka Chaudhari	Vice President & Senior Counsel, Legal	Member
Mr. Ashish Pinto	Group Head – HR	Member

GENERAL BODY MEETINGS:

Annual General Meeting

During the preceding three years, the Company's Annual General Meetings were held at "The Club", 197, D. N. Nagar, Andheri (West), Mumbai – 400 053, Maharashtra.

The date and time of Annual General Meetings held during last three years and the Special resolutions passed there at, are as follows:

Financial Year	Date and Time	Time	Special Resolutions passed
2017-18	Friday, August 31, 2018	12:00 Noon	<ul style="list-style-type: none"> • Re-appointment of Mrs. Shobha Kapoor (DIN: 00005124) as Managing Director of the Company; • Re-appointment of Ms. Ekta Kapoor (DIN:00005093) as Joint Managing Director of the Company; • Re-appointment of Mr. Duraiswamy Gunaseela Rajan (DIN: 00303060) as Independent Director of the Company; • Re-appointment of Mr. Pradeep Kumar Sarda (DIN: 00021405) as Independent Director of the Company; • Re-appointment of Mr. Ashutosh Khanna (DIN: 03153990) as Independent Director of the Company; • Re-appointment of Mr. Devender Kumar Vasal (DIN: 06858991) as Independent Director of the Company; • Continuation of Directorship of Mr. Jeetendra Kapoor (DIN: 00005345) as Chairman, Non-Executive Director of the Company.
2016-17	Thursday, August 31, 2017	12:00 Noon	<ul style="list-style-type: none"> • Payment of Commission to Non-Executive Director for a period of 5 years w.e.f April 01, 2017.
2015-16	Wednesday, August 31, 2016	3:00 P.M.	<ul style="list-style-type: none"> • Payment of Commission to Mrs. Shobha Kapoor (DIN: 00005124), Managing Director of the Company for the financial Year 2015-16; • Payment of Commission to Ms. Ekta Kapoor (DIN: 00005093), Joint Managing Director of the Company for the financial Year 2015-16; • Revision in remuneration of Mrs. Shobha Kapoor (DIN: 00005124), Managing Director of the Company; • Revision in remuneration of Ms. Ekta Kapoor (DIN: 00005093), Joint Managing Director of the Company.

No special resolution was passed by the Company during the financial year 2018-19 through Postal Ballot. No special resolution is proposed to be conducted through Postal Ballot on the date of this report.

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MEANS OF COMMUNICATION:

i) Publication of quarterly results

The Unaudited Quarterly/Half Yearly Financial Results are announced within forty-five days of the close of the quarter. The Annual Audited Financial Results are announced within sixty days from the close of the financial year as per the requirements of the Listing Regulations. The aforesaid financial results are sent to BSE Limited (BSE) & National Stock Exchange of India Ltd. (NSE) and are published in Business Standard (All India) and Mumbai Lakshadeep (Regional Daily) within forty-eight hours after they are approved by the Board. Simultaneously, they are also put on the Company's website and can be accessed at <http://www.balajitelefilms.com/outcome-board-meetings-agm-egm.php>

ii) Website and New releases

The Annual Report of the Company, the quarterly/half yearly results, the annual results, presentations made to the Institutional Investors and Analysts of the Company, information required to be disclosed under Regulation 30 (8) and 46 of the Listing Regulations are also placed on the Company's website on www.balajitelefilms.com.

The Company informs to BSE & NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members and subsequently issues a Press Release in this regard.

DISCLOSURES

i) Related Parties Transactions

There have been no materially significant related party transactions between the Company and its Promoters, Directors or their relatives, the Management, Subsidiaries, except for those disclosed in the Board's Report. In line with requirement of Companies Act, 2013 and Listing Regulations, your Company has formulated a policy on Related Party Transactions which is also available on Company's website at <http://www.balajitelefilms.com/related-party-trancation-policy.php>

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

This policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All Related Party Transactions are placed before the Audit Committee for review. Prior omnibus approval is obtained for Related Party Transactions on an annual basis for transactions which are of repetitive nature and / or entered in the ordinary course of business and are at Arm's Length. All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis except those given in Annexure VI in Form No. 2 which forms part of this Report.

Transactions with the related parties are disclosed in Notes forming part of the financial statements.

ii) Disclosure of Pending Cases/ Instances of Non-Compliances

The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India (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.

iii) Compliance with the Discretionary Requirements under Regulation 27 read with Part E of Schedule II

The Board of Directors periodically reviews the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements of Listing Regulations as on March 31, 2019 to the extent mentioned below:

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- Modified Opinion(s) in Audit Report: The Auditors have issued an unmodified opinion on the financial statements of the Company.
- Separate posts of Chairman and Chief Executive Officer (CEO). Chairman's office is separate from that of the Managing Director & CEO.
- Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.
- The quarterly, half-yearly and annual financial results of the Company are posted on the Company's corporate website and extract of these results are published in newspapers. Significant events are also posted on the Company's website under the 'Investor Relations' section.

iv) Vigil Mechanism / Whistle Blower Policy

The Company has established Whistle Blower Policy for its Directors and Employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and is displayed on Company's website at <http://www.balajitelefilms.com/whistle-blower-policy.php>. 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 personnel has been denied access to the Audit Committee of the Board of Directors of the Company.

In order to maintain highest levels of confidentiality, the Company has appointed an outsourced agency viz. 'In Touch India Limited' to receive complaints and coordinate with the Whistle-Blower, if required. This agency forwards the complaints received to the Ethics Committee for preliminary review. The Ethics Committee decides further course of action after preliminary review of the complaint / protected disclosure. The Ethics Committee comprises of the following individuals:

1. Group Chief Executive Officer.
2. Group Chief Financial Officer
3. Group Head – Human Resource
4. General Counsel – Legal

An employee who wishes to report a complaint or make a protected disclosure can contact 'In Touch India Limited' through the following channels:

- Hotline - **1800 103 2931**
- Website - www.speak-up.info/balaji
- E-mail id- balaji@intouch-india.com

In case the Whistle-Blower is not satisfied with action taken on his/her complaint, then the Whistle-Blower can write to the Chairman of the Audit Committee (Email id- dgrajan@balajitelefilms.com).

When escalating the matter, Whistle-Blower should provide complete details of the complaint and the reason for dissatisfaction.

There were no complaints received during the financial year 2018-19.

v) Prevention of Insider Trading

Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") the Company has in place Code of Internal Procedures and Conduct for Regulating, Monitoring, and Reporting of Trading by Designated Persons ("Code"), Code of Conduct for Fair Disclosures of Unpublished Price Sensitive Information and Policy and Procedure for dealing with Leak or Suspected Leak of Unpublished Price Sensitive Information (UPSI), which may be accessed at <http://www.balajitelefilms.com/code-conduct-insider-trading.php>, to deter the instances of insider trading in the securities of the Company based on the Unpublished Price Sensitive Information.

The Company has implemented a software to track the trading of securities carried out by the employees of the Company. A system generated report is prepared by the Service Provider after comparing with Benpos Report to determine cases of any violation of the PIT Regulations and Code.

vi) Prevention of Sexual Harassment at Workplace Policy

The Company has in place Prevention of Sexual Harassment at Workplace Policy in line with the requirements of the Sexual Harassment of Women

CORPORATE GOVERNANCE REPORT

at Workplace (Prevention, Prohibition, Redressal) Act, 2013 and the Rules made thereunder. 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.

vii) Subsidiary Companies

During the year under review, out of the four subsidiaries, ALT Digital Media Entertainment Limited (ALT Digital) became material subsidiary of the Company as its net worth exceeded 20% of the consolidated net worth of the Holding Company in the immediately preceding accounting year. In line with the requirements of Regulation 24(1) of the Listing Regulations, Mr. Duraiswamy Gunaseela Rajan, Mr. Devender Kumar Vasal and Mr. Virendra Babubhai Dalal, who are Independent Directors on the Board of the Company are also Independent Directors on the Board of ALT Digital.

The Company has formulated a policy for determining 'Material Subsidiaries' and the same has been uploaded on the website of the Company and may be accessed at <http://www.balajitelefilms.com/policy-determining-material-subsiidiary.php>.

The Company monitors the performance of the Subsidiary Companies by reviewing:

1. Financial Statements and Investments made by the Subsidiary Companies on quarterly basis;
2. Statement of all Significant transactions entered by the Unlisted Subsidiary Companies;
3. The copies of the minutes of the meetings of the Board of Directors of the Subsidiary Companies are tabled at the subsequent Board Meetings.

viii) Disclosure on Risk Management

The Company has in place a Risk Management Policy. The Risk Management System is periodically

reviewed and evaluated by the Audit Committee and Board of Directors.

ix) CEO/CFO Certification

As required under Regulation 17(8) of the Listing Regulations, a Certificate from Mr. Sunil Lulla, Group Chief Executive Officer and Mr. Sanjay Dwivedi, Group Chief Financial Officer of the Company, on the Financial Statements of the Company is annexed to this report.

x) Disclosure on commodity price risk and commodity hedging activities

The Company has not undertaken any commodity price risk during financial year 2018-19. The Company does not indulge in commodity hedging activities.

xi) Certificate from Practicing Company Secretary

The Company has obtained a Certificate from M/s AVS and Associates confirming that no Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority is annexed to this report.

xii) Compliance with Mandatory Requirements

The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub – regulation (2) of Regulation 46 of Listing Regulations.

xiii) Utilization of Funds- Preferential Allotment/ Qualified Institutions Placement

The funds raised through allotment of shares to Reliance Industries Limited on Preferential basis on August 20, 2017 are utilized for Investment in Alt Digital, wholly owned subsidiary of the Company.

xiv) Total Fees Paid to Statutory Auditors

The total fees paid to Statutory Auditors on consolidated basis for all the services rendered by it to the Company and its subsidiaries is ₹65.50



CORPORATE GOVERNANCE REPORT

Lacs. During the year under review, there was no resignation of Statutory Auditors.

xv) Recommendations of Committee

There was no such instance during the financial year 2018-19 where the Board had not accepted any recommendation of any Committee of the Board.

xvi) Unclaimed Dividend/ Shares

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven

years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'). The details of unclaimed/unpaid dividend are available on the website of the Company on www.balajitelefilms.com

xvii) Disclosure with respect to Demat Suspense Account/ Unclaimed Suspense Account

During the year under review, there were no shares in Demat Suspense Account or Unclaimed Suspense Account of the Company.

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GENERAL SHAREHOLDER INFORMATION:

1. Annual General Meeting	Date	August 30, 2019
	Time	12:00 Noon
	Venue	The Club, 197, D. N. Nagar, Andheri (West), Mumbai – 400 053, Maharashtra.
2. Date of Book Closure		Saturday, August 24, 2019 to Friday, August 30, 2019
3. Financial Calendar	Financial Year	April 01, 2019 to March 31, 2020
	*Financial reporting for 1st quarter ending 30th June, 2019	Second week of August 2019
	*Financial reporting for 2nd quarter ending 30th September, 2019	Third week of November 2019
	*Financial reporting for 3rd quarter ending 31st December, 2019	Second week of February 2020
	*Financial reporting for the year ending 31st March, 2020	Fourth week of May 2020
	*Annual General Meeting for year ending 31st March, 2020	August 2020
	* Tentative and subject to change.	
4. Payment of Dividend		On or after September 04, 2019
5. Listing details	Name of Stock Exchange(s)	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra. National Stock Exchange of India Ltd. Exchange Plaza, 5th floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra .
	ISIN	INE794B01026
	Stock Code	BSE: 532382 NSE: BALAJITELE
	Listing Fees	Paid for both the Stock Exchanges
	Listing on Stock Exchanges outside India	Not Listed
	6. Registered Office of the Company	

CORPORATE GOVERNANCE REPORT

7.	Share Transfer Agent	Karvy Fintech Private Limited (Company's Registrar and Transfer Agent) Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032. Tel: +91-40-67161500 / 2222 Fax No.: +91-40-23431551 Toll Free no.:1800-345-4001 Email: einward.ris@karvy.comw Website: www.karvyfintech.com
8.	Share Transfer System	Shares sent for physical transfer are registered and returned within fifteen days 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 2018-19 and no share transfer pending as on March 31, 2019.
9.	Dematerialisation 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 Limited (NSDL) and Central Depository Services (India) Limited. (CDSL). The Company has entered into agreement with both these depositories. Shareholders can open account with any of the Depository Participant registered with these depositories. As on March 31, 2019 about 99.99% comprising 10,11,24,888 Equity Shares were in the dematerialized form.
10.	Outstanding GDRs/ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on Equity	The Company did not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments as on March 31, 2019.

11. Stock Market Data relating to Shares listed in India

The monthly high and low prices on BSE Limited and National Stock Exchange of India Ltd. as well as the volume of shares traded during the financial year 2018-19 are as below:

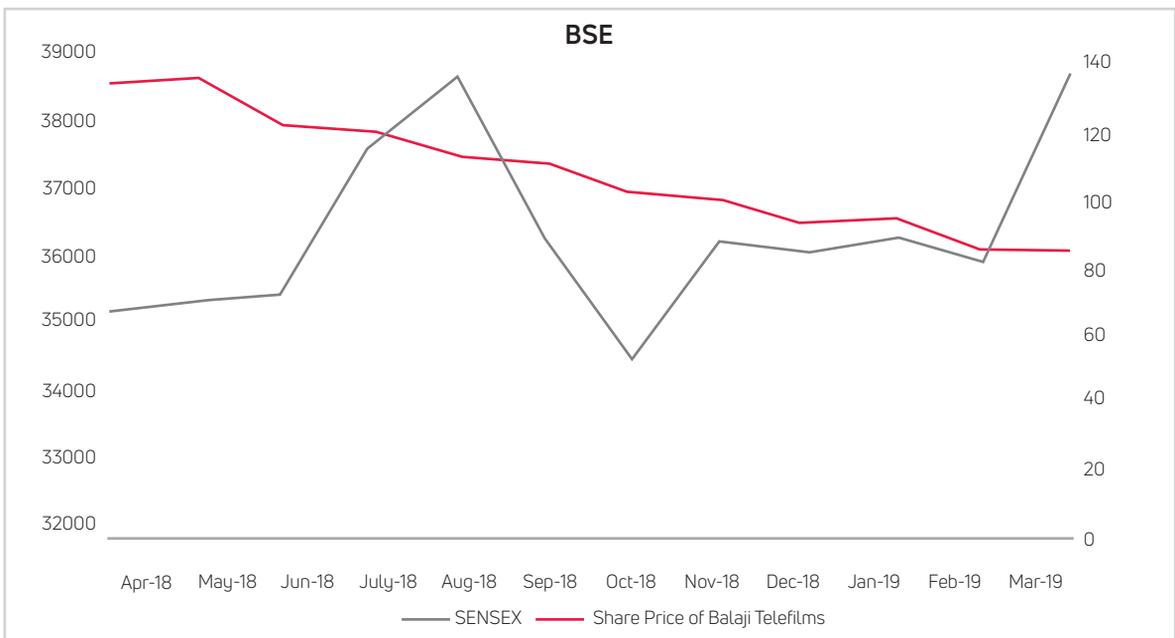
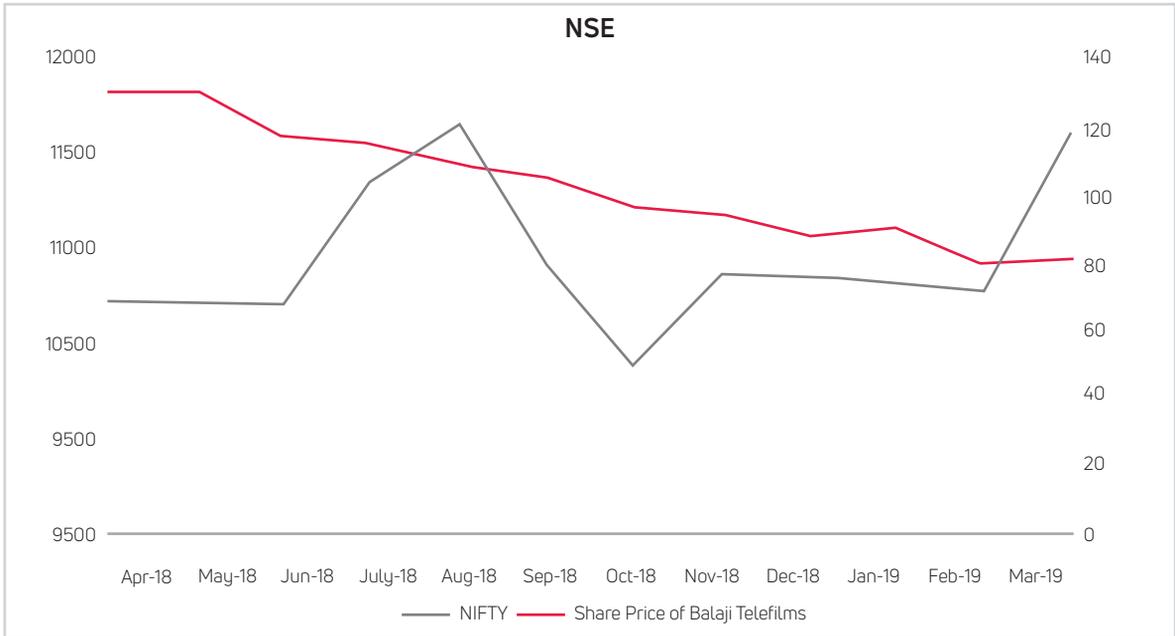
MONTH	BSE			NSE		
	HIGH	LOW	NO. OF SHARES TRADED	HIGH	LOW	NO. OF SHARES TRADED
April	140.00	128.70	2,25,317	140.10	128.00	17,59,386
May	135.00	115.85	7,07,333	135.05	115.50	19,77,668
June	134.00	115.05	4,64,409	133.50	114.80	18,75,829
July	119.00	109.30	1,86,072	119.85	109.15	8,90,827
August	120.50	106.15	6,19,698	120.45	105.50	13,07,957
September	113.40	88.90	3,39,721	113.35	87.95	18,85,474
October	110.75	95.25	2,85,062	111.70	95.00	12,37,229
November	105.05	92.95	49,675	105.30	94.10	4,91,695
December	97.15	87.85	3,23,310	97.90	84.20	6,89,178
January	107.10	85.00	72,55,370	108.00	84.30	33,66,931
February	94.45	79.75	91,073	95.00	78.60	6,03,630
March	92.20	79.00	20,35,805	92.80	81.00	45,35,607

During the year under review, the securities were not suspended from trading on the Stock Exchange(s).

CORPORATE GOVERNANCE REPORT

12. Stock Performance in comparison to Broad – Based Indices

The chart below shows the comparison of the Company’s share price movement on BSE Limited and National Stock Exchange of India Ltd. vis-à-vis the movement of the BSE Sensex and NSE Nifty respectively for the Financial Year March 31, 2019 (based on month end closing);



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13. Credit Rating

Since the Company does not have any debt securities or borrowings, Credit rating is not required for the Company.

14. Shareholding Pattern of Balaji Telefilms Limited as on March 31, 2019

Description	No. of Shareholders	Shares	% Equity
Banks	2	52,214	0.05
Clearing members	38	86,394	0.09
Directors	1	300	0.00
Foreign nationals	1	181	0.00
Foreign portfolio - corp	21	1,10,43,293	10.92
Foreign portfolio investors	2	83,55,450	8.26
HUF	539	4,41,934	0.44
IEPF	1	741	0.00
Indian financial institutions	2	4,49,156	0.44
Bodies corporates	437	3,20,71,554	31.71
Mutual funds	4	5,16,339	0.51
NBFC	7	8,600	0.01
Non resident indians	384	4,77,329	0.47
Non resident indian non repatriable	217	6,43,024	0.64
Promoters	5	3,46,07,830	34.22
Resident individuals	22046	1,23,76,054	12.24
Trusts	1	50	0.00
Total	23708	10,11,30,443	100.00

15. Distribution of shareholding as on March 31, 2019

Number of Shares	No. of Share Holders	% of Total Shareholders	Total Shares	Amount	% to Equity
1 - 5000	23,336	98.43	61,59,375	1,23,18,750	6.09
5001 - 10000	168	0.71	12,52,157	25,04,314	1.24
10001 - 20000	74	0.31	10,65,538	21,31,076	1.05
20001 - 30000	35	0.15	8,84,767	17,69,534	0.87
30001 - 40000	12	0.05	4,51,810	9,03,620	0.45
40001 - 50000	12	0.05	5,54,190	11,08,380	0.55
50001 - 100000	22	0.09	15,00,610	30,01,220	1.48
100001 and above	49	0.21	8,92,61,996	17,85,23,992	88.26
Total	23,708	100.00	10,11,30,443	20,22,60,886	100.00

16. Plant Locations:

As the Company is engaged in the business of Media & Entertainment, there is no plant location.

CORPORATE GOVERNANCE REPORT

17. Address for Correspondence:

Investors' Correspondence	Financial Statements Queries
<p>Mrs. Simmi Singh Bisht - Group Head Secretarial Mr. Kartik Sankaran - Senior VP Investor Relations Balaji Telefilms Limited C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053, Maharashtra. Tel: +91-22-40698000 Fax: +91-22-40698181/82 Email: investor@balajitelefilms.com simmi.bisht@balajitelefilms.com kartik.sankaran@balajitelefilms.com</p>	<p>Mr. Sanjay Dwivedi - Group Chief Financial Officer Balaji Telefilms Limited C-13, Balaji House, Dalia Industrial Estate, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053, Maharashtra. Tel: +91-22-40698000 Fax: +91-22-40698181/82 Email: sanjay.dwivedi@balajitelefilms.com</p>