

ANNUAL REPORT
OF
CHANNEL NINE ENTERTAINMENT LTD
FOR
2011-12

CHANNEL NINE ENTERTAINMENT LIMITED

NOTICE

Notice is hereby given that the Annual General Meeting of the members of the Company will be held on September 29, 2012 at 11.30 a.m. at its Registered Office at 3/12, Ground Floor, Asaf Ali Road New Delhi-110002 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at March 31, 2012 Profit and loss account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To re-appoint Ranjan Gupta & CO. Chartered Accountants as Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
3. To re-appoint Mr. Dinesh Kumar Jindal, who retires by rotation at the Annual General Meeting and being eligible offers himself for reappointment.

By the order of the Board



(Gaj Raj Singh)
Director

Place : New Delhi
Dated : September 1, 2012

NOTE:

1. A Member entitled to attend and vote at the Meeting is also entitled to appoint Proxy to attend and vote at the meeting instead of his place. The Proxy need not be a member of the Company. The Proxy Form in order to be effective and valid must reach the Registered Office of the Company at least 48 hours prior to the commencement of the Meeting.
2. Members seeking any information with regard to the accounts at the time of the meeting are requested to write to the company at least 10 days before the date of the meeting so as to enable the management to keep the relevant information ready.

CHANNEL NINE ENTERTAINMENT LIMITED

DIRECTORS' REPORT

TO THE SHAREHOLDERS:

Your Directors have pleasure in presenting their Annual Report & Audited Statement of Accounts of the Company for the year ended on 31st March, 2012.

FINANCIAL RESULTS:

PARTICULARS	Current Year 2011-2012 (Rs.)	Previous Year 2010-2011 (Rs.)
TOTAL INCOME	25,29,750	2,40,000
PROFIT/LOSS BEFORE DEPRECIATION & TAX	9,12,838.82	(1,85,600.28)
NET PROFIT/LOSS	7,38,897.82	(4,19,333.28)

PERFORMANCE REVIEW:

During the year under review, the Company has made net Income of Rs. 25,29,750 in comparison to previous year's of Rs 2,40,000 and made a Profit of Rs. 7,38,897.82 against previous year's loss of Rs. 4,19,333.28. The Directors of the Company are quite hopeful that the profitability & turnover shall improve.

DIVIDEND:

No Dividend is recommended for the financial year 2011-2012.

SHARES:

The Company has issued 63,000 Equity shares during the financial year.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In compliance to the provisions of section 217(2AA) of the Companies Act, 1956, your *Directors* wish to place on record :-

- a. that in preparing the Annual Accounts, all the applicable accounting standards have been followed.
- b. that the accounting policies are adopted and consistently followed and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss account of the Company for the Financial Year.
- c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding the assets of the Company and for preventing/detecting fraud and irregularities.
- d. that the Directors have prepared the Annual Accounts on going concern basis.

CHANNEL NINE ENTERTAINMENT LIMITED

DIRECTOR

To re-appoint Mr. Dinesh Kumar Jindal who retires by rotation at the Annual General Meeting and being eligible offers himself for reappointment.

AUDITORS:

The Auditors, Ranjan Gupta & Co. Chartered Accountants, retire at the forthcoming Annual General Meeting and being eligible offer themselves for appointment till the conclusion of the next Annual General Meeting.

PERSONNEL:

In accordance with the requirement of section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rule, 1975 & forming part of the Director Report for the year ended 31st March, 2012, no person was employed throughout the financial year for a remuneration of Rs.60,00,000/-P.A. and no person was employed for part of the financial year for a remuneration of Rs.5,00,000/-P.M. .

DEPOSITS:

The Company has not accepted any deposits under section 58A of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rule, 1975.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE:

Information in accordance with the provision of section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rule, 1988 regarding conservation of energy, technology absorption & foreign exchange earning and outgo is as under:-

- (a) Conservation of Energy : Company lays great emphasis on saving in the cost of energy consumption; therefore achieving the reduction in consumption of energy as well as finding alternate cheaper sources of energy is an on going exercise of the company.
- (b) Technology Absorption : N.A.
- (c) Foreign Exchange Earning And Outgo: NIL

INDUSTRIAL RELATIONS:

Industrial Relations continued to remain cordial during the year. The Directors express their appreciation toward the workers and staff for their cooperation and hope for continued harmonious relations.

AUDITOR'S REPORT:

With reference to the Auditors remark, Directors would like to state that notes are self explanatory and there is no need to give any further remarks.

CHANNEL NINE ENTERTAINMENT LIMITED

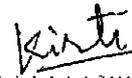
APPRECIATION:

Your Directors wish to place on record their deep sense of appreciation of the devoted services rendered by the executives, staff, workers and Bank etc.

By order of the Board:



GAJ RAJ SINGH
(Director)



KIRTI
(Director)

Place : DELHI
Dated : 01.09.2012

2011-2012

Ranjan Gupta & CO.
Chartered Accountants

A-3/12, 2ND FLOOR,
JANAKPURI, New Delhi-110058

AUDITOR'S REPORT

To
The Shareholders
Channel Nine Entertainment Ltd.
3/12, Ground Floor, Asaf Ali Road,
New Delhi- 110002

1. We have audited the attached Balance sheet of CHANNEL NINE ENTERTAINMENT LTD. having its Registered Office at 3/12, Ground Floor, Asaf Ali Road, New Delhi-110002 as at 31st March, 2012 and also the Profit and Loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement(s). An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principals used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. As required by the Companies (Auditor's Report) order, 2003, issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement of the matters specified in the said order to the extent applicable to the company.
4. Further to our comments as per annexure referred in paragraph (3) above, we state that
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of accounts, as required by law have been kept by the company as appears from our examination of those books.
 - c) The Balance sheet and profit and loss account dealt with by this report are in agreement with the books of accounts.

d) In our opinion, the Profit & Loss account and the Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956

e) On the basis of written representation & informations made available to us, none of the directors of the company are disqualified as on 31.03.2011 from being appointed as directors in term of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

In our opinion and to the best of our information and according to explanations given to us, the said accounts read with accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view in conformity with the accounting principals generally accepted in India :-

i) In the case of the Balance sheet, of the state of affairs of the company as at 31st March, 2012 and

ii) In the case of Profit and Loss account, of the profit of the company for the year ended on that date.

Place: New Delhi.

Date: 01.09.2012



For Ranjan Gupta & CO.
Chartered Accountants

Membership No.:500-82408
Firm Regd.No.

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITOR'S REPORT
OF EVEN DATE IN THE ACCOUNTS FOR THE YEAR ENDED ON 31.3.2012 OF
M/S CHANNEL NINE ENTERTAINMENT LTD. DELHI

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has physically verified during the year all its Fixed Assets. In accordance with a programme of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, the Company has not made any disposals of any fixed assets during the year.
- ii) (a) The Inventory has been physically verified by the management during the current year. In our opinion the frequency of such verification is reasonable.
- (b) The procedure for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company has maintained proper records of inventory. No discrepancies were noticed on the physical verification between the physical stock and books records were not material.
- iii) (a) The Company has granted certain unsecured loans to Companies, Firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. The terms and conditions of which are prima-facie prejudicial to the company to the extent of interest not charged.
- (b) Since the company has not taken any loans from Companies, Firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, therefore the issue of rate of interest and the other terms and conditions of loan taken or granted are not applicable.
- (iv) (a) Based on the audit procedure applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 has been so entered.



- (b) In our opinion and according to the information and explanations give to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 and exceeding the value of Five lakh rupees in respect of any party during the year, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time wherever applicable.
- (v) The company has not accepted any deposit during the year from the public with in the meaning of provisions of Section u/s 58 A and 58 AA of the Companies Act 1956 and the rules made there under. Hence, this clause is not applicable to the company.
- (vi) a) In our opinion, the company has an internal audit system commensurate with its size and the nature of its business.
b) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of the business for the purchase of inventory and fixed assets and for the sale of goods.
- (vii) As informed to us, the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the companies Act, 1956.
- (viii) (a) According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income- tax, Sales tax, Wealth Tax, Custom Duty, Excise Duty, cess and any other statutory dues as applicable with appropriate authorities during the year. As at 31.3.2011 there are no undisputed dues payable for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us there are no dues in respect of Sales Tax / income tax/ custom duty / wealth tax / cess that have not been deposited with the appropriate authorities on account of any dispute.
- (ix) The Company have accumulated losses less then the 50% of the net worth of the company at the end of the year and has not incurred any cash losses during the current year and immediately preceding financial year.
- (x) According to the information and explanation given to us there are no dues payable to any financial institution or bank or any debenture holder.
- (xi) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xii) The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/ societies are not applicable to the company.
- (xiii) The company is dealing in shares and other investments and proper records have been maintained of the transactions and contracts and timely entries have been made



there in . The shares and other securities have been held by the company in it's own name except to the extent of exemption granted under section 49 of the act.

(xiv) According to the information and explanation given to us, the company has not given any guarantee for the loans taken by others from banks and financial institutions.

(xv) The company has not taken any term loan during the year.

(xvi) In our opinion and according to the information and explanations given to us and as shown by the records examined by us no funds raised on short term basis have been used for long term investment and vice versa.

(xvii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956 during the year.

(xviii) The company has not issued any debenture, therefore the clause is not applicable.

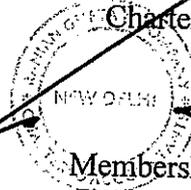
(xix) The company has not raised any money by public issues during the year.

(xx) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

Place : New Delhi.

Date : 01.09.2012

For Ranjan Gupta & CO.
Chartered Accountants



Membership No.500-82408
Firm Regd.No.

CHANNEL NINE ENTERTAINMENT LTD.
BALANCE SHEET
As On 31st March, 2012

		(in Rupees)	
Particulars	Note No.	31st March, 2012	31st March, 2011
1	2	3	4
I EQUITY AND LIABILITIES		Rs.	Rs.
Shareholders' Funds			
1 Share Capital	1	5,301,000.00	4,671,000.00
Reserves & Surplus	2	50,340,408.54	2,981,511.00
Loans Funds			
Unsecured Loans	3		
		55,641,408.54	7,652,511.00
II APPLICATION OF FUNDS			
1 Fixed Assets	4		
Gross Block		38,852,794.00	1,352,794.00
Less : Accumulated Depreciation		1,884,524.56	806,480.00
Net Block		36,968,269.44	546,314.00
Investment	5	3,041,000.00	3,041,000.00
2 Current Assets, Loans and Advances			
Sundry Debtors	6	7,330,541.00	4,867,541.00
Cash and Bank Balances	7	296,105.10	236,378.00
Loans and Advances	8	9,058,173.00	9,083,173.00
		16,684,819.10	14,187,092.00
Less : Current Liabilities & Provisions			
Current Liabilities	9	1,047,679.00	10,116,895.00
Provisions		5,000.00	5,000.00
Net Current Assets		1,052,679.00	10,121,895.00
		15,632,140.10	4,065,197.00
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)			
Notes on Accounts	12		
		55,641,408.54	7,652,511.00

As per our Report of even date
 For Ranjan Gupta & Co.
 Chartered Accountants

For and on behalf of the Board of Directors

Membership No. 500-82408
 Firm Regd.No.
 Place:- New Delhi
 Date:- 01. Sep. 2012



Qingh
 (Director)

Kirti
 (Director)

CHANNEL NINE ENTERTAINMENT LTD.
Profit & Loss Account for the year ended 31st March 2012

(in Rupees)

	Particulars	Refer Note No.	31st March, 2012	31st March, 2011
III	INCOME			
	Other Income		2,529,750.00	240,000.00
			2,529,750.00	240,000.00
IV	EXPENDITURE			
	Employee Costs	11	91,000.00	72,000.00
	Other Costs	10	447,866.90	247,430.00
	Depreciation	4	1,078,044.28	88,044.28
	Preliminary Expenses (W/off)		-	18,126.00
V	Profit / (Loss) before Tax		1,616,911.18	425,600.28
	Defered Tax		912,838.82	(185,600.28)
	Provision For tax		173,941.00	233,733.00
VI	Profit / (Loss) after tax		738,897.82	(419,333.28)
	Balance in profit and loss account brought forward		738,897.82	
	Profit and loss account balance carried forward to balance sheet		52,510.72	471,844.00
			791,408.54	52,510.72
	Notes on Accounts	12		

As per our Report of even date
For Ranjan Gupta & Co
Chartered Accountants

For and on behalf of the Board of Directors

Ranjan Gupta
Membership No.: 500-82408
Firm Regd.No.
Place:- New Delhi
Date:- 01.SEP.2012



Qingh
(Director)

Kirti
(Director)

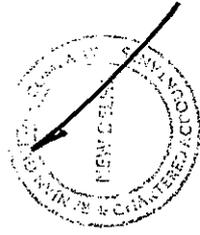
CHANNEL NINE ENTERTAINMENT LTD.

NOTES 4 :- FIXED ASSETS

(As Per Companies Act, 1956)

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK		Dep. Rate As On Rate SLV
	OP. BAL. 01.04.2011	ADDITION	DEDUCTION	CL. BAL. 31.03.2012	OP. BAL. 01.04.2011	FOR THE YEAR	CL. BAL. 31.03.2012	As On 31.03.2012	
Tangible									
Air Conditioner	48457	-	-	48,457	19,471	2,302	21,772	26,685	28,986
Camera	591349	-	-	591,349	237,584	28,089	265,673	325,676	353,765
EPABX	2014	-	-	2,014	2,014	0	2,014	-	-
Office Equipment	18251	-	-	18,251	7,249	867	8,116	10,195	11,002
Inverters	1412	-	-	1,412	1,412	0	1,412	-	-
DVD Player	2728	-	-	2,728	2,728	0	2,728	-	-
Sony T.V.	8412	-	-	8,412	8,412	0	8,412	-	-
Multimedia Projector	171789	-	-	171,789	171,789	0	171,789	-	-
Digital Contents*	0	37500000	-	37,500,000	-	990,000	990,000	36,510,000	-
Furniture & Fixture	226756	-	-	226,756	120,783	14,354	135,136	91,620	105,973
Scooter	19856	-	-	19,856	19,856	0	19,856	-	-
Computer	261770	-	-	261,770	215,183	42,433	257,616	4,154	46,587
Intangible									
TOTAL	1,352,794	37,500,000	-	38,852,794	806,480	1,078,044	1,894,525	36,968,269	546,314
PREVIOUS YEAR	1352794	-	-	1,352,794	806,480	88,044	806,480	546,314	694,358

* Part Period Pro Data

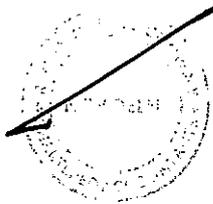


CHANNEL NINE ENTERTAINMENT LTD.

Notes To Financial Statements

	Notes	As At 31 March 2012 (Rs)	As At 31 March 2011 (Rs)
Notes 1: Share Capital			
Authorised:			
100,000 Equity Shares Of Rs 10 Each)		100,000,000.00	10,000,000.00
Issued, Subscribed And Paid Up Capital			
467100 Equity shares of Rs.10 each, Fully paid up		5,301,000.00	4,671,000.00
Total		5,301,000.00	4,671,000.00
Reconciliation of Number of Shares:			
Particulars		Equity Shares	
		Number	Amounts
Shares outstanding at the beginning of the year		467,100.00	4,671,000.00
Shares Issued during the year		63,000.00	630,000.00
Shares bought back during the year		-	-
Shares outstanding at the end of year		-	-
		530,100.00	5,301,000.00
B) Details of Shareholders holding more than 5% shares as at 31 March 2012:			
Name of Shareholders		As at 31 March 2012	
		No. of Shares held	% of Holding
Gajraj Singh		341900	64.50
		341900	
Notes 2: Reserves And Surplus			
Share Premium		49,549,000.00	2,929,000.00
Profit & Loss A/c		791,408.54	52,511.00
Total		50,340,408.54	2,981,511.00
Notes 3: Unsecured Loans			
Loan from Companies		-	-
Other Long term liabilities		-	-
Notes 5: Investment			
Investment in Companies & Partnership Firm		3,041,000.00	3,041,000.00
Other Investments		-	-
Total		3,041,000.00	3,041,000.00
Notes:6 Sundry Debtors			
Unsecured, Considered good			
Debts outstanding for a period exceeding six months		7,330,541.00	4,867,541.00
Other Debts		-	-
Total		7,330,541.00	4,867,541.00

Notes 7: Cash And Bank Balances			
Cash In Hand			
Balance With Scheduled Banks		261,742.48	137,991.48
Total		34,362.62	98,386.52
		296,105.10	236,378.00
Notes 8: Loans and Advances			
Loan & Advances		9,058,173.00	9,083,173.00
Total		9,058,173.00	9,083,173.00
Notes 9: Current Liabilities			
Sundry Creditors		979.00	9,434,680.00
Other Current Liabilities		1,046,700.00	682,215.00
Total		1,047,679.00	10,116,895.00
Notes 11: Employee Cost			
Salary and Wages		91,000.00	72,000.00
Total		91,000.00	72,000.00
Notes 10: Other Costs			
Auditors Remunerations			
Electricity and Water Expenses		5,000.00	5,000.00
Interest paid on Tds		35,784.00	29,035.00
Filing Fee		30.00	10,996.00
Legal and Professional Charges		10,500.00	11,000.00
Office Maintenance		20,000.00	7,500.00
Office Rent		104,686.00	35.00
Printing & Stationery Expenses		242,136.00	182,136.00
Bank Charges		-	1,726.00
Professional Charges		330.90	-
Total		29,400.00	-
		447,866.90	247,428.00



CHANNEL NINE ENTERTAINMENT LTD.

(Grouping forming part of Schedules to the Financial Statements
for the year ending 31st March, 2012)

GROUP	Amount Rs.	Amount Rs.
<u>Preliminary Expenses (W/off)</u>	AS ON 31.03.12	AS ON 31.03.11
Preliminary Expenses		18126
Less: Written off		18126
TOTAL		-
<u>SUNDRY DEBTORS</u>		
Mayur Development & Leasings Ltd.	2515000	
CROSS OVER FILMS INDIA P LTD	400116	452116
D.G.CINEMA PVT LTD	697218	559000
VITAL COMMUNICATIONS LTD	0	147218
VISVASH SECURITY LTD.	1031985	1031985
ZOOM COMMUNICATIONS (P) LTD.	2686222	2686222
TOTAL	7330541	4867541
<u>Notes 7: Cash And Bank Balances</u>		
Cash In Hand		
Balance With Scheduled Banks	261742.48	137991.48
FD with ICICI Bank	3492.62	67516.52
	30870.00	30870.00
	296105	236378
<u>Sundry Creditors</u>		
Mater Finlease Ltd.	979	675979
	979	675979
<u>Other Current Liabilities</u>		
TDS on Rent	50904	6363
TDS on Contract	(659)	
Abaskar Comstruction PVt Ltd	18642	
National Impex Agencies	63815	
Avisha Credit Capital Ltd	38842	8746338
Salary Payable	19000	6000
Jeffred Tax Liabilities	682215	(233,733)
Provision for Tax	173941	
	1046700	8524968
TOTAL	1047679	9200947



EMPLOYEE COSTS

Salary

72000

72000

TOTAL

72000

72000

Other Costs

Auditors Remunerations

5000

5000

Electricity and Water Expenses

35784

29035

Interest paid on Tds

30

10996

Filing Fee

10500

11000

Legal and Professional Charges

49400

7500

Office Maintenance

104686

35

Office Rent

242136

182136

Printing & Stationery Expenses

330.9

1726

Bank Charges

447867

0

TOTAL**LOANS & ADVANCES (Asst)**

SECURITY DEPOSIT (TELEPHONE)

8000

8000

SECURITY DEPOSIT (RENT)

763500

763500

TDS AY2006-07

21

21

TDS AY2003-04

25603

25603

Eco Friendly Food Processing Park Ltd

370449

190449

Visvas Projects Ltd

7890600

7830600

MAYUR DEVELOPMENTS & LEASINGS LTD.

0

265000

TOTAL

9058173

9083173

INVESTMENT (LONG TERM)

Dev Versha Jatro Valley P.Ltd.

800000

800000

Gandharva Holding Ltd.

850000

850000

Cosmo Corporate Services Ltd.

663000

663000

Share Pur. -Mayur Development & Leasings Ltd

328000

328000

Invest in Goldline International Finvest Ltd.

400000

400000

TOTAL

3041000

3041000

Provisions

Auditors Remuneration

5000

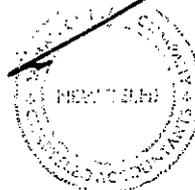
5000

Provision For Taxation

TOTAL

5000

5000



CHANNEL NINE ENTERTAINMENT LTD.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2011.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Method of Accounting

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and referred to in section 211 (3C) of the Companies Act, 1956. The significant accounting policies are as follows:

(b) Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation. The company capitalizes all costs relating to the acquisition and installation of fixed assets. Depreciation on fixed assets is provided pro-rata to the period of use on the Straight Line Method using rates specified in Schedule XIV to the Companies Act, 1956 which is as follow:-

Plant and Machinery	4.75%
Furniture and Fixture	6.33%
Vehicle	9.50%
Computers	16.21%
Digital Contents	5.28%

(c) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of that asset. Other borrowing costs are recognized as an expense in the year in which they are incurred.

(d) Taxes on Income

Provision for Taxation comprises of Income Tax Liability as per Normal provision of IT Act 1961 and deferred tax resulting from timing difference between Book Profits & Tax Profits. The Deferred Tax Liabilities is provided in accordance with the Accounting Standard -22 (AS-22), "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.

(e) Income and Expenditure are being accounted for an accrual basis.



f) Miscellaneous Expenditure

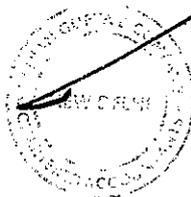
Preliminary Expenses are amortized over a period of five years.

NOTES TO ACCOUNTS

1. **Contingent liabilities** **NIL** **previous year** **NIL**
2. Figures of previous year have been regrouped, re-cast or rearranged to make them comparable with Current year's figures wherever deemed necessary.
3. Figures in bracket indicate negative figure.
4. Information required under Paragraph 3 and 4 of the Schedule VI of the Companies Act, 1956 are given to the extent applicable.
5. Loans & Advances & other current assets excludes investment in the shares of other companies. Provision for any devaluation in the values of investments was not ascertained and hence not provided for, if any in the books of accounts. Investments are classified into long term & short term investment. Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary in the opinion of management.
6. Balances of the Debtors, Creditors and Loans & Advances are subject to confirmation & reconciliation.
7. There were no Employees covered under the PF, ESI Act. Also the requirement of AS - 15 (Revised) as notified by Companies (Accounting Standard) Rules 2006 relating to the provision for Employee Benefit viz. leave encashment, Gratuity, etc. is not applicable. Hence the disclosure required has not been given.
8. Disclosure under Accounting Standard -18- Related Party Disclosure:

Sr. No.	Name of related party	Nature of transaction	Amount (Rs.)
1.	Master Finlease Ltd.	Current Liabilities	979
2.	Avisha Credit Capital ltd.	Current Liabilities	38,842
3.	Mayur Development & Leasings Ltd	Investment	3, 28,000
4.	Mayur Development & Leasings Ltd.	Debtor	2, 55,000

9. The Company has no dealing with Small & Medium Enterprises covered under the SME's Act; hence, no information is given as required under the Act.



	Current Year	Previous Year
10. Expenditure in Foreign Currency	Nil	Nil
11. Remittance in Foreign Currency	Nil	Nil
Earning in Foreign Currency	Nil	Nil
12. Payments to Auditors:	31.3.12	31.03.11
For Audit Fees	5000.00	5000.00

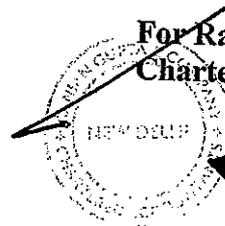
FOR AND ON BEHALF OF
BOARD OF DIRECTORS

Singh

(DIRECTOR)

Kirti

(DIRECTOR)



For Ranjan Gupta & Co.
Chartered Accountants

Ranjan Gupta

Place: Delhi
Dated: 01.09.2012

CHANNEL NINE ENTERTAINMENT LTD.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER NOTES VI, PART IV OF THE COMPANIES ACT, 1956

I. Registration Details

Registration No.	116330	State Code	55
Balance Sheet Date			31.03.2012

II. Capital Raised during the year (Amount in Rs. Thousand)

a) Public Issue	NIL
b) Right Issue	NIL
c) Bonus Issue	NIL
d) Private Placement	630

III. Position of Mobilisation and Deployment of Funds:

Total Liabilities	55,641.00	(Rs. In Thousand) Total Assets	55,641.00
<u>Sources of Funds</u>			
Paid up Capital	5301	Reserve & Surplus	50,340.00
Secured Loan	0	Unsecured Loans	-
<u>Application of Funds</u>			
Net Fixed Assets	36968	Misc. Expenditure	-
Investments	3041	Accumulated Losses	-
Net Current Assets	15632		

IV. Performance of the Company (Amount Rs. In Thousand)

Turnover	2529	Total Expenditure	1,617.00
Profit before tax	912	Profit after tax	739.00
Earning per share in Rs.	0	Dividend rate %	-

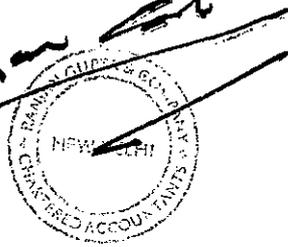
V. Generic Names of three Principal Products/Services of Company

N. A.

As per the Report of even date attached

for Channel Nine Entertainment Ltd.

Date : 01. Sep. 2012
Place : New Delhi



Q. Singh
DIRECTOR

Kirti
DIRECTOR

ATTENDANCE SLIP

CHANNEL NINE ENTERTAINMENT LIMITED
Registered office: 3/12, GROUND FLOOR, ASAF ALI ROAD, DELHI Delhi INDIA - 110002

(Please complete this attendance slip and hand it over at the entrance of the hall)

I hereby record my presence at the Annual General Meeting of the Company on 29th September, 2012.

Full Name of the Shareholder in Block Letters:.....

Folio No.:

No. of Shares held:

Name of Proxy (if any):
(In Block Letters)

Member's Signature
*Strike out whichever is not applicable.

Signature of Proxy

PROXY FORM

CHANNEL NINE ENTERTAINMENT LIMITED
Registered office: 3/12, GROUND FLOOR, ASAF ALI ROAD, DELHI Delhi INDIA - 110002

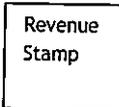
I/We.....Of.....
..... being a member/members of CHANNEL NINE ENTERTAINMENT LIMITED hereby appoint
..... as my/our proxy to vote for me/us and on my /our behalf at
the Annual General Meeting of the Company to be held on 29th September, 2012 or at any
adjournment thereof.

Signed this Day of 2012

Ref.Folio No.

Signature

No.of Shares



- 1 The proxy need not be a member of the Company
- 2 The proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.