

21st  
Annual Report  
2009-2010

FOUR K ANIMATION LIMITED

## FOUR K ANIMATION LIMITED

(Formerly Star AGE Infotech Ltd.)

### 21st Annual Report 2009-2010

#### Board of Directors

Mr .R. Nagaraja Sharma	Executive Director
Mr. Priyesh Pethe	Executive Director
Mr. Schmidtgen W. Jan	Independent Non Executive Director
Mr. T.Sundararajan	Independent Non Executive Director
Mr. Deepak Rane	Independent Non Executive Director
Mr. Nirmal Jodhani	Independent Non Executive Director
Mr. M A Samee ( Upto 15.02.2010)	Independent Non Executive Director

#### Compliance Officer

Mr. Nitin Sarfare

#### Auditors

M/s. P.V.H.S.Kishore Babu  
Chartered Accountants  
New No.26, Chari Street,  
T.Nagar, Chennai – 600 017

#### Bankers

State Bank of Mysore  
T.Nagar Branch,  
Chennai – 600 017

Bharat Overseas Bank Limited  
T.Nagar Branch,  
Chennai – 600 017

J.P. Morgan Chase Bank N.A. –U.S.A.

#### Registered Office

No. 26, Chari Street, T. Nagar, Chennai -600 017

#### Share Transfer Agents

M/s. Cameo Corporate Services Limited  
Subramaniam Buildings,  
V Floor, 1 Club House Road,  
Chennai – 600 002

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## 21st Annual Report 2009-2010

### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **Twenty First Annual General Meeting** of the Members of **Four K Animation Limited** will be held at **11.00 A.M** on **Tuesday 28<sup>th</sup> September, 2010**, at **No: 26, Chari Street, T. Nagar, Chennai – 600 017** to transact the following businesses.

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss account for the year ended 31st March, 2010, the Balance sheet as at that date and the reports of Directors and the Auditor thereto.
2. To appoint a director in place of Mr. Schmidtgen Wilfried Jan, who retires by rotation and being eligible offers himself for re- appointment.
3. To appoint M/s. P.V.H.S. Kishore Babu, Chartered Accountant, Chennai (Membership No. 026488) as the Auditor of the Company for the period commencing from the conclusion of this meeting till the conclusion of next Annual General Meeting and to authorize the Board to fix their remuneration.

**“RESOVLED THAT** pursuant to Section 224 of the Companies Act, 1956 and other applicable provisions, if any, M/s. P.V.H.S. Kishore Babu, Chartered Accountant, Chennai (Membership No. 026488), registered with the Institute of Chartered Accountants Of India be and are hereby reappointed as Statutory Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company on a remuneration as may be mutually decided by the Board and Statutory Auditors.”

#### SPECIAL BUSINESS:

4. To consider and if though fit to pass the following Resolution with or without modification if any, as a Ordinary Resolution:

**“RESOLVED THAT** pursuant to provisions of Section 260 of the Companies Act, 1956 and other applicable provisions, if any, Mr. Priyesh Pethe, who was appointed as an Additional Director by the Board to hold office up to the date of this Annual General Meeting and in respect of whom notice under section 257 of the Companies Act, 1956 have been received from a member signifying his intention to propose Mr. Priyesh Pethe as a candidate for the office of the Director be and is hereby elected and appointed as Director of the Company upon terms of his appointment initially approved by the Board.”

5. To consider and if though fit to pass the following Resolution with or without modification if any, as a **Ordinary Resolution:**

**“RESOLVED THAT** Pursuant to provisions of Section 262 and all other applicable provisions of the Companies Act, 1956 (including all such statutory modifications and amendments made thereof) Mr. Deepak Rane, who was appointed as a Director to fill the Casual Vacancy caused due to the resignation of Mr. Stephan Lethaus be and is hereby appointed as a Director of the Company and in respect of whom notice under section 257 of the Companies Act, 1956 have been received from a Director, eligible to retire by rotation.”

**“RESOLVED FURTHER THAT** any Director of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the above resolution.”

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### Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy need not be a member.
2. Instruments of Proxy in order to be effective must be received by the Company not less than 48 hours before the meeting.
3. The Register of Members and the Transfer Book in respect of the Equity Shares will remain closed from 21st September, 2010 to 26th September, 2010 both days inclusive.
4. The members are requested to intimate to the Registrar and Transfer Agents, Cameo Corporate Services Limited, No.1, Subramaniam Building, Club House Road, Mount Road, Chennai – 600 002 change of address, if any, at the earliest quoting their registered folio number.
5. Members holding shares in more than one folio in identical order of names are requested to write to the R&TA enclosing their share certificates to enable us to consolidate their holdings in one folio to facilitate better service.
6. Members seeking any information with regard to accounts or operations are requested to write to the company at an early date so as to enable the management to keep their information ready.

By Order of the Board

Sd/-

**R.Nagaraja Sharma**  
Director

Chennai  
31/08/2010

### EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173 OF THE COMPANIES ACT, 1956 IN RESPECT TO THE SPECIAL BUSINESS

#### Item No. 4

Mr. Priyesh Pethe, was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 with effect from 05<sup>th</sup> April, 2010. Pursuant to provisions of section 260 of the Companies Act, 1956 Mr. Pethe holds office only upto the conclusion of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose Mr. Priyesh Pethe as a candidate for the office of Director of the Company.

The Board recommends his appointment as a Director. A brief Resume of Mr. Priyesh Pethe is provided hereunder for your reference

Name	<b>Mr. Priyesh Pethe</b>
Age	<b>27 years</b>
Qualification	<b>B.Sc in Physics</b>
Expertise	<b>Administration</b>
Experience	<b>5 years</b>
Shares held	<b>Nil</b>

None of the Directors of the Company except Mr. Priyesh Pethe, is interested or concerned in passing of this resolution.

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### Item No. 5

Mr. Deepak Rane, was appointed as a Director to fill Casual Vacancy caused due to the resignation of Mr. Stephan Lethaus on 5<sup>th</sup> April 2010. Pursuant to provisions of Section 262 of the Companies Act, 1956 a Director appointed to fill the casual vacancy holds office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been so vacated.

A Company has received a notice from Mr. Nagaraja Sharma, Director of the Company in terms of section 257 of the Companies Act, 1956 proposing the candidature of Mr. Deepak Rane to act as a Director."

The Board recommends his appointment as a Director. A brief Resume of Mr. Deepak Rane is provided hereunder for your reference

Name	<b>Mr. Deepak Rane</b>
Age	<b>28 years</b>
Qualification	<b>M.Com, ACS, L.L.B</b>
Expertise	<b>Legal, Secretarial and Compliance</b>
Experience	<b>7 years</b>
Shares held	<b>Nil</b>

None of the Directors of the Company except Mr. Deepak Rane, is interested or concerned in passing of this resolution.

Chennai  
31/08/2010

By Order of the Board  
Sd/-  
R.Nagaraja Sharma  
Director

## FOUR K ANIMATION LIMITED

(Formerly Star AGE Infotech Ltd.)

### DIRECTORS REPORT

Dear Members,

Your Directors take great pleasure in presenting their report on the business and operations of your Company along with the Annual Report and audited financial statements for the Financial Year 2009-10.

#### FINANCIAL RESULTS:

(Amt in Lacs)

PARTIULARS	YEAR ENDED	
	2009-10	2008-09
Profit Before Depreciation	(2.55)	(2.33)
Less: Depreciation	2.71	4.24
Profit Before Tax	(5.26)	(6.57)
Les: Provision for FBT	0.00	0.01
Profit after Tax	(5.26)	(6.58)
Less: Provision for MAT	-	-
Profit after MAT	(5.26)	(6.58)

#### REVIEW OF OPERATIONS

The Company has incurred losses of Rs. 5.26 Lacs during the financial year. Your Directors expects to achieve better performance in the future and taking maximum efforts to control the costs and optimize in the results in the coming years. The shares of your Company are listed at Bombay Stock Exchange & Madras Stock Exchange. However the trading in equity shares of your Company at Bombay Stock Exchange is presently suspended due to non-compliances of some clauses of listing Agreement. The Company is in the process of reviving the Company.

#### DIVIDEND

In view of losses being suffered by the Company your Directors have not recommended dividend for the financial year 2009-10.

#### DIRECTORS

In accordance with the requirements of the Companies Act, 1956, Mr. Schmidtgen Wilfried Jan retires by rotation and being eligible, offer himself for re-appointment.

During the year under review, Mr. Priyesh Pethe was appointed as an Additional Director w.e.f 5<sup>th</sup> April, 2010. In terms of provisions of section 260 of the Companies Act, 1956 his term would expire at the conclusion of ensuing Annual General Meeting. The Resolution to appoint Mr. Pethe as a Director of the Company is put forward for your approval.

The term of Mr. Deepak Rane who was appointed as a Director in place of Mr. Stephan Lethaus expired at the ensuing Annual General Meeting. The Resolution to appoint Mr. Rane as a Director of the Company is put forward for your approval.

Brief particulars and expertise of the directors seeking appointment/re-appointment and details of their other directorship and committee memberships have been given in the Explanatory Statement to the Notice convening Annual General Meeting.

Mr . M A Samee have resigned from the Board of Directors with effect from 15.02.2010.

#### DEPOSITS

During the year under review, the Company has not accepted any deposits from the public under Section 58A and 58AA of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules.

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### **DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956**

As required under Section 217 of the Companies Act, 1956, your Directors confirm that:

- In preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that 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 of the Company for that period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- The Directors have prepared the annual accounts on a going concern basis.

### **AUDITORS AND THEIR REPORT:**

The Company's Auditors **M/s P.V.H.S.Kishore Babu, Chartered Accountants, Chennai**, (M. No. 026488) retire at the ensuing Annual General Meeting, being eligible offers themselves for re-appointment to act as Auditor's of the Company.

### **INFORMATION AS PER SECTION 217(1) (e) OF THE COMPANIES ACT, 1956:**

The particulars as required under Section 217 (1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, regarding conservation of energy and technology absorption are not given as the Company has not undertaken any manufacturing activity.

The Company has made software exports during the year 2009-2010 and earned as foreign exchange a sum of Euro 45161 is received from 4K Animation Germany. There is no outgo of foreign exchange during the year from India.

The Company did not enter into any related party transactions.

### **SUBSIDIARIES:**

The Company has no subsidiaries.

### **PERSONNEL:**

No employee of the Company was in receipt of remuneration over and above the sum specified under section 217(2A) of the Companies Act, 1956.

### **ACKNOWLEDGEMENT:**

Your Directors place on record its sincere appreciation towards the Company's valued customers for their support and the confidence reposed by them in the Company. We take this opportunity to thank the Company's clients, shareholders, auditors and bankers for their continued support during the year and look forward to their continued support in the future.

**For and on behalf of the Board**

Sd/-

**R Nagaraja Sharma**

**Director**

**Chennai**  
**31/08/2010**

## FOUR K ANIMATION LIMITED

(Formerly Star AGE Infotech Ltd.)

### COMPLIANCE CERTIFICATE

To,  
**The Members**  
**Four K Animation Ltd.**  
**Chennai**

CIN: L92100TN1989PLC017816

Auth. Cap. Rs. 5,00,00,000 /-

Paid up Cap: Rs. 3,00,00,000 /-

We have examined the registers, records, books and papers of **Four K Animation Ltd. having its Registered Office situated at Flat No.5, New No.26, Chari Street, T Nagar, Chennai-600017** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company, for the financial year ended on **31<sup>st</sup> March, 2010** (Financial Year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Acts and rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time limit prescribed under the Act and rules made there under except as qualified in Annexure B.
3. The Company, being a Public Limited Company, comments under Section 3(1)(iii) of the Companies Act, 1956, applicable to private company are not required.
4. The Board of Directors duly met 5 (Five) times respectively on **30.04.2009, 31.07.2009, 31.08.2009, 31.10.2009 and 31.01.2010** in respect of these meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company has closed its Register of Members during the financial year under review however the notice of book closure is not published in the news paper as required under section 154 of the Act.
6. The Annual General Meeting for the Financial Year ended 31<sup>st</sup> March, 2009 was held on 29<sup>th</sup> September, 2009 giving due notice to the members of the company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra ordinary meeting(s) were held during the financial year.
8. As per the information available and documents provided by the Company, it has not given loans to persons referred to in the Section 295 of the Act.
9. The company has not entered into any contract under the provisions of section 297 of the Act are applicable.
10. The company has complied with the necessary provisions and procedures wherever necessary in respect of transaction for which entries are required to be made in the register maintained under section 301 of the Act.
11. As there were no instances falling under the preview of Section 314 of the Act, the Company has not obtained any approvals from its Directors, members or the Central Government as the case may be.
12. The Company has not issued any duplicate share certificates during the financial year under review.
13. The Company has:
  - (i) delivered all certificate on lodgment of transfer of shares after complying with procedures of the act.
  - (ii) not deposited any amount in a separate Bank Account as no dividend was declared during the financial year under review.
  - (iii) not posted warrants to any member of the company as no dividend was declared during the financial year under review.
  - (iv) the company is not required to transfer amounts in respect of unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as the company do not have any of the amount lying in any of the above referred five accounts.
  - (v) duly complied with the requirements of section 217 of the Act.



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14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancy during the financial year.
15. The company has not appointed any managerial persons during the period under review pursuant to section 269 read with Schedule XIII under the Act.
16. The company has not appointed any sole-selling agents during the financial year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, the Registrar of Companies or such other authorities prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms and companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares during the financial year under review.
20. The company has not bought back any shares during the financial year ending 31<sup>st</sup> March, 2010.
21. The Company has no preference share capital or debentures and as such there was no redemption of preference shares or debentures during the financial year.
22. There were no transaction necessitating the company to keep in abeyance the rights to dividend / rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any fresh deposits from the public including any unsecured loans falling within preview of sections 58A of the Act during the financial year under review.
24. The Company has not made any fresh borrowing during the financial years within the provisions of section 293(1)(d) of the Act.
25. The company has not made any fresh loans to or investments in other bodies corporate.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the financial year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the financial year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the financial year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the financial year under scrutiny.
30. The company has not altered its articles of association during the financial year under review.
31. There was no prosecutions initiated against or show cause notices received by the company during the financial year under review for offences under the Act.
32. The company has not received any amount as security from its employees during the financial year under certification.
33. The company has not deducted any contribution towards Provident Fund during the financial year under review.

Mumbai.  
31.08.2010

Sd/-  
Vaishali Parab  
C.P. No. 9073

## FOUR K ANIMATION LIMITED

(Formerly Star AGE Infotech Ltd.)

### Annexure A

#### Registers maintained by the Company

1. Register of Members u/s 150 of the Act.
2. Register and Returns u/s 163 of the Act.
3. Books of Accounts and other Records u/s 209 of the Act.
4. Register of Directors u/s 303 of the Act.
5. Register of Directors' Shareholding u/s 307 of the Act.
6. Register of Contracts u/s 301.
7. Register of Charges.

### Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending on 31<sup>st</sup> March 2010.

Sr No.	Form No./ Return	Filed under Section	Date of filing
1	32	-	13/03/2010
2	66	383A	29/10/2009
3	23AC/ACA	220	29/10/2009
4	20B	159	24/11/2009

Mumbai.  
31.08.2010

Sd/-  
Vaishali Parab  
C.P. No. 9073

## 21st Annual Report 2009-2010

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India is presented below.

#### Industry structure and Development:

The overall Global recession has been affected all industries in India and especially the animation industry gone through serious turmoil. As per analysis of various business schools about the industry is very serious setback and it will take at least one and half year to recover from the slow down condition of business strategy.

#### Opportunities and Business out look:

From the past scenario and recent global crisis the economy is recovering and it will yield good results in the future period and in the long run it will fetch good result for the animation industry.

#### Risk and Concern:

As the animation industry depends only on the global market since the consumption strategy is high and it is affected very much for the relevant financial year and with great hope and expectation the economy and industry will have steady grow in the current financial year.

#### Internal Control systems and their adequacy:

The system on of internal control comprises controls established to provide reasonable assurance of safeguarding assets and maintenance of proper accounting records and its accuracy. The business risks and its control procedures are reviewed frequently. Systems audit is also conducted regularly to review the systems with respect to security and its adequacy. Reports are prepared and circulated to senior management and action taken to strengthen controls where necessary.

#### Business performance:

The Company being the seventh year of operation in the business of animation software area, it has achieved low turnover in animation and multimedia business to the previous year. Company has made a loss of Rs.2.55 lacs as compared to previous year loss Rs.2.33 lacs. This is due to global recession. Our Company however, is making effort to bring more business in the coming financial year.

#### Human Resource and Industrial Relations:

Your Company continued to have cordial relations with its employees and the Company has team of able and experienced professionals. The Company believes that it will manage to achieve expected growth with planed organization structure.

### CORPORATE GOVERNANCE

In line with the requirement of clause 49 of the Listing Agreement, a separate report on Corporate Governance, along with a certificate of Practicing Company Secretary of the Company is annexed herewith for the information of the members.

By Order of the Board  
For Four K Animation Limited  
Sd/-  
R.Nagaraja Sharma  
Director

Chennai  
31/08/2010

## FOUR K ANIMATION LIMITED

(Formerly Star AGE Infotech Ltd.)

### CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance:

We are committed to introducing sound corporate governance practices in tandem with internal developments to position ourselves to confirm to the best of corporate governance practices. The company takes feedback into account in its periodic reviews of the guidelines to ensure their continuing relevance, effectiveness and responsiveness to the needs of stakeholders. We believe that all our plans and actions must serve the underlying goal of value creation over a sustained period of time.

#### Board of Directors:

Composition:

The composition of the Board of Directors of the Company is in complete conformity with the requirements of Clause 49 of the Listing Agreement. The Board met **5(Five)** times on during the financial year 2009-2010. The details of the Board of Directors, their attendance records and other relevant details during the year are as under:

Name of Director	Category of Directorship	No. of Board meetings attended out of the five meetings held	Attendance at last AGM held on 29 <sup>th</sup> September, 2009	No. of Directorships in other Public Companies	No. of Committee Position held in Other Public Companies
Mr.Sundararajan Theenadayalan	Executive Director	5	Yes	Nil	Nil
Mr. Nagaraja Sharma Rajagopalan	ExecutiveDirector	5	Yes	1	2
Mr.Stephan Lethaus +	Non-Executive	4	No	Nil	Nil
Mr.Daniel Binder +	Non-Executive	4	No	Nil	Nil
Mr. Schmidtgen Wilfried Jan	Non-Executive	4	Yes	Nil	Nil

+ Resigned with effect from 05.04.2010

# Resigned with effect from 15.02.2010

\* Appointed with effect from 05.04.2010

#### Relationship of Directors:

None of the Directors are related to one another. During the year under review, no Executive Director has any material pecuniary relationship or transactions amongst themselves or with the Company.

#### Board Meetings and Board Committee meetings:

Board Procedure & Code of Conduct:

The Board meets at least once a quarter to discuss and decide on Company/business policy, and strategy apart from other normal Board business such as reviewing the quarterly performance and financial results. Board meetings are governed with structured agenda.

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*Number of Board Meetings held and the dates on which held:*

Five (5) Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held and the number of Directors present are as follows:

Sr. No.	Dates on which the Board Meetings were held	Total strength of the Board	No. of Directors present
1	30/04/2009	5	4
2	31/07/2009	5	4
3	31/08/2009	5	4
4	31/10/2009	5	4
5	31/01/2010	5	4

### Committees of the Board:

#### Audit Committee:

The Audit Committee of the Company comprises of Mr. R. Nagaraja Sharma, Mr. Daniel Binder, Mr. Stephen Lethaus. The Board of Directors specifies the terms of reference for the Audit committee in writing. The constitution, role and the powers of the audit Committee of the company are as per the guidelines set out in the Listing Agreement with Stock Exchanges.

The Committee meets periodically and reviews:

- Audited and Un-audited financial results;
- Business plans, various financial statements & reports placed by the management;
- Disclosure requirements;
- Auditors' report on financial statements;
- All other important matters within the scope and purview of the committee.

The Audit Committee meetings are usually held at the registered office of the company and are usually attended by the members of the Audit Committee and the representatives of the Statutory Auditors. The operation heads are also invited to the meetings as required. The Audit Committee met four times in the year under review on the following dates: 30/04/2009; 31/07/2009; 31/08/2009; 31/10/2009 and 31/01/2010

### Directors' Compensation:

The details of remuneration paid to the Directors' during the year are as follows:

Name of the Director	Sitting Fees Rs.	Salaries, Commission and perquisites, etc. Rs.	Total Rs.
Mr. R.Nagaraja Sharma	3,000	Nil	3,000
Mr. T. Sundararajan	Nil	Nil	Nil
Mr.Schmidtgen Wilfried Jan	5,000	Nil	5,000
Mr. Daniel Binder	Nil	Nil	Nil
Mr. Stephan Lethaus	3,000	Nil	3,000
Mr. Priyesh Pethe	Nil	Nil	Nil
Mr.Deepak Rane	Nil	Nil	Nil
Mr. Nirmal Jodhani	Nil	Nil	Nil

## FOUR K ANIMATION LIMITED

(Formerly Star AGE Infotech Ltd.)

### Investor's Grievance Committee:

Mr. Stephan Lethaus heads the Investor's Grievance Committee. The Investor's Grievance Committee of the Company comprises of Mr. R. Nagaraja Sharma, Mr. Schmidtgen Wilfred Jan, Mr. Stephen Lethaus. The Committee looks into the redressal of complaints of investors such as transfer, non-receipt of dividend/notices/ annual reports.etc. The committee deals with various matters relating to transfer/transmission of shares, issue of duplicate share certificate, review of shares dematerialized and all other investors grievances, monitoring expeditious redressal of investors' grievances and all other matters related to shares/debentures. There were no investors' grievance/requests/ complaints received during the year under review.

### General Body Meetings:

- a) Details of location and time, of General Meeting & Special Resolutions passed in the last three years:

Year	AGM/EGM	Date	Time	Venue
2008-2009	AGM	29/09/2009	10.30 A.M.	No.26, Chari Street, T.Nagar, Chennai – 17
2007-2008	AGM	29/09/2008	10.30 A.M.	No.26, Chari Street, T.Nagar, Chennai – 17
2006-2007	AGM	28/09/2007	10.30 A.M.	14/1,3 Floor, Parsn Complex, 600 Mount Road, Chennai - 6

AGM-Annual General Meeting, EGM – Extra Ordinary General Meeting

- a) Postal Ballot:  
During the year under review no resolution was passed through postal ballot.

### COMPLIANCE OFFICER

As on date **Mr. Nitin Sarfare**, is acting as Compliance officer of the Company.

### Disclosures:

There are no materially significant transactions made by the company with its promoters the Directors or the Management, their subsidiaries or relatives etc., which require separate disclosure.

No penalties/strictures have been imposed on the company by any regulatory authority for non-compliance of any laws.

### a. Related Party Transaction:

The Company has not entered in any related party transaction as per section 301 of the companies Act, 1956.

### b. Disclosure of Accounting Treatment:

In the preparation of financial statements, the company has followed the accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable.

### c. Disclosure of Risk Management:

The Company has laid down procedure to inform board of members about the risk assessment and minimization procedures which is periodically reviewed by the Board.

### d. Code of conduct:

The Company adopted the code of conduct and ethics for directors and senior management. The code had been circulated to all the members of the board and senior management. The Board members and senior management have affirmed their compliance with the code and a declaration signed by the manager of the company appointed in terms of the Companies Act, 1956.

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### GENERAL INFORMATION FOR SHAREHOLDERS

#### 1. Annual General Meeting:

The Annual General Meeting of the Company will be held on Tuesday, the 28<sup>th</sup> September, 2010 at No.26, Chari Street, T.Nagar, Chennai – 600 017 at 11.00 a.m.

#### 2. The Financial Year covers the period from 1<sup>st</sup> April to 31<sup>st</sup> March:

#### 3. Book Closure:

The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, the 21<sup>st</sup> September, 2010 to Sunday, the 26<sup>th</sup> September, 2010 (both days inclusive).

#### 4. Dividend:

The Board has not recommended Dividend on equity shares.

#### 5. Listing on Stock Exchanges:

The Company's securities are listed on the following Stock Exchanges:

- A. Bombay Stock Exchange Limited (BSE)  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai 400 001
- B. Madras Stock Exchange Limited (MSE)  
No.30, Second Line Beach,  
Chennai, 600 001, Tamilnadu, India

#### 6. Stock/Script Code:

##### **Bombay Stock Exchange:**

Script Code – BSE – 511421

Company Name – FOURK ANIM

#### 7. The Stocks of the Company were not traded.

#### 8. Registrar & Transfer Agents:

Cameo Corporate Services Limited  
Subramanian Building",  
#1, Club House Road,  
Chennai 600 002, India  
Ph : 91-44 - 2846 0390 (5 lines)  
Fax : 91-44 - 2846 0129  
E-mail : cameo@cameoindia.com

#### 9. Share Transfer System:

The transfers of shares in physical form is processed and completed by the Registrar & Transfer Agent within a period of fifteen days from the date of receipt thereof provided all documents are in order. The Company has, as per SEBI guidelines offers the facility of transfer cum demats. All complaints received from shareholders have been cleared till date.

## FOUR K ANIMATION LIMITED

(Formerly Star AGE Infotech Ltd.)

### 10. Distribution of Share holding as on March 31, 2010:

Since the shares of the Company are suspended for trading the market price and distribution schedule thereof is not available.

### 11. Dematerialization of Shares:

The Company is in the process of getting its shares dematerialized with NSDL & CDSL.

### 12. Location of Office of Company & Address of Correspondence:

Registered Office: No.26, Chari Street,  
T. Nagar, Chennai – 600 017

Chennai  
31/08/2010

For and on behalf of the Board  
Sd/-  
R. Nagaraja Sharma  
Director

## CORPORATE GOVERNANCE CERTIFICATE FROM AUDITOR

### Auditor Certificate on compliance of conditions of corporate governance under clause 49 of the listing agreements:

To the Members of Four K Animation Ltd

We have examined the compliance of the conditions of corporate governance by Four K Animation Ltd for the year ended 31<sup>st</sup> March, 2010 as stipulated in clause 49 of the Listing Agreement of the company with the stock exchanges in India.

The Compliance 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 corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and the best of our information and according to the explanations given to Us we certify that the company has complied with the conditions of corporate governance As stipulated in the above-mentioned listing agreements.

Place: Chennai  
Date: 31/08/2010

For P.V.H.S.Kishore Babu  
Chartered Accountants  
Sd/-  
(P.V.H.S.Kishore Babu)  
Partner  
Membership No.026488



## 21st Annual Report 2009-2010

### CEO CERTIFICATION

- a) I have reviewed the financial statements and the cash flow statement for the year 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 that we have evaluated the effectiveness of internal control systems of the company 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 they are aware and the steps they 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.

Place: Chennai  
Date: 31/08/2010

Sd/-  
**R. Nagaraja Sharma**  
Chief Executive Officer

### DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

This is to certify that:

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, a Code of Conduct for the Board members and the Senior Management Personnel of the Company has been approved by the Board.

All Board members and Senior Management Personnel have affirmed compliance with the said Code of Conduct for the period ended March 31, 2010.

Place: Chennai  
Date: 31/08/2010

For Four K Animation Limited

Sd/-  
**R. Nagaraja Sharma**

## FOUR K ANIMATION LIMITED

(Formerly Star AGE Infotech Ltd.)

### AUDITOR'S REPORT

To,  
The Members of  
**FOUR K ANIMATION LIMITED**

We have audited the attached Balance Sheet of **FOUR K ANIMATION LIMITED**, as at 31st March, 2010 and also the annexed Profit & Loss Account of the Company for the year ended on that date annexed thereto.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.

1. Further to our comments in the annexure referred to in paragraph 1 above, we report 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 account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement have been prepared in compliance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, to the extent applicable;
  - e) On the basis of written representations from the Directors and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2010 from being appointed as Directors in terms of Section 274(1)(g) of the Companies Act, 1956;
  - f) Subject to what is stated in above, in our opinion and to the best of our information and according to the explanations given to us, the accounts read with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
    - a) In the case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2010;
    - b) In the case of the Profit & Loss Account, of the Loss for the year ended on that date;
    - c) In the case of the Cash Flow Statement, of the Cash Flows for the year ended that date.

**For P.V.H.S.Kishore Babu.**  
Chartered Accountants

Place: Chennai  
Date: August 31, 2010

**(P.V.H.S.Kishore Babu)**  
Partner  
Membership No.026488

## 21st Annual Report 2009-2010

### ANNEXURE TO THE AUDITORS' REPORT

#### The Companies (Auditor's Report) Order, 2003 ('CARO')

As required by Companies (Auditor's Report) Order, 2003 issued by Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and explanations given to us and on the basis of such checks, as we considered appropriate, we have to state that ;

- 1) a) The Company has maintained proper records showing full particulars including Quantitative details and situation of Fixed Assets.
  - b) All the assets have been physically verified by the management during the year but, according to the information and explanation given to us, there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c) During the year, The Company has not disposed off any substantial/major part of assets.
- 2) The company does not hold any inventory and hence the question of physical verification etc does not arise.
- 3) The company has not granted loans during the year to parties covered in the registered maintained under section 301 of the Company Act, 1956. The company has not taken unsecured loans during the year from parties covered in registered maintained u/s 301 of the Act.
- 4) 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 its business with regard to purchases of inventory, fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- 5) Based on audit procedures 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 have been so entered.
- 6) The Company has not accepted any deposits under the provisions of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- 7) In our opinion, the Company has an internal audit system commensurate with size and nature of the business.
- 8) The Central Government has not prescribed the maintenance of cost records u/s 209(1) (d) of the Companies Act, 1956 for any of the products of the Company.
- 9) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including, Income Tax, Sales Tax, Cess and any other material statutory dues applicable to it. The Company is not liable under the provisions of Investor Education and Protection Fund, Wealth Tax for the financial year covered by our audit. There are no undisputed statutory liabilities outstanding more than six months as on 31<sup>st</sup> March 2010.
  - b) According to the information and explanation given to us, there are no dues of Income tax and cess, which have not been deposited on account of any dispute.
- 10) The Company have accumulated losses of Rs. 10048652 as at 31.03.2010. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 11) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues a financial institution or bank.

## FOUR K ANIMATION LIMITED

(Formerly Star AGE Infotech Ltd.)

- 12) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) The Company has not a chit fund, nidhi/mutual benefit fund and therefore the requirement pertaining to such class of companies is not applicable.
- 14) According to the information and explanation given to us, the Company did not deal in or trade in shares, securities, debentures or other investment .The shares and other investment acquired by the company by way of investment are held by the company in its own name.
- 15) The Company has not given any guarantee for loans taken by others from banks or financial institution.
- 16) The Company has taken term loan from Financial Institution during the year.
- 17) On the basis of review of utilization of funds on overall basis, related information as made available to us and as represented to us by the management, funds raised on short-term basis have not been used for long-term investment during the year.
- 18) The Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 19) The Company has not issued any debentures during the year and therefore, the question of creating the security in respect thereof does not arise.
- 20) The Company has not made any public issue during the year and therefore, the question of disclosing the end use of money does not arise.
- 21) According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For P.V.H.S.Kishore Babu.**  
Chartered Accountants

Place: Chennai  
Date: August 31, 2010

**(P.V.H.S.Kishore Babu)**  
Partner  
Membership No.026488

## 21st Annual Report 2009-2010

### BALANCE SHEET AS AT MARCH 31, 2010

	Schedule	As at 31.03.2010 Current Year Rupees	As at 31.03.2009 Previous Year Rupees
<b>Share Holder's Funds</b>			
Share Capital	1	30,000,000.00	30,000,000.00
Reserves & Surplus	2	3,000,000.00	3,000,000.00
Deferred Tax Liability		29,189.08	141,593.29
<b>Total</b>		<b>33,029,189.08</b>	<b>33,141,593.29</b>
<b>Application of Funds</b>			
<b>Fixed Assets</b>	3		
Gross Block		9,339,904.00	9,339,904.00
Less: Depreciation		8,720,496.02	8,449,252.09
<b>Net Block</b>		<b>619,407.98</b>	<b>890,651.91</b>
Investments			
Current Assets, Loans & Advances			
a. Current Assets	4	3,333,911.38	3,545,795.95
b. Loans & Advances	5	579,727.00	666,851.00
		<b>3,913,638.38</b>	<b>4,212,646.95</b>
Less: Current Liabilities & Provisions			
a. Current Liabilities	6	71,935.00	115,817.32
b. Provisions	7	1,242.00	1,246.00
		<b>73,177.00</b>	<b>117,063.32</b>
<b>Net Current Assets</b>		<b>3,840,461.38</b>	<b>4,095,583.63</b>
Miscellaneous Expenses to the			
Extent not written off			
Profit & Loss Account		28,569,319.72	28,155,357.75
<b>Total</b>		<b>33,029,189.08</b>	<b>33,141,593.29</b>

The Schedules referred to above and the notes attached form an integral part of accounts

This is the Profit & Loss Account referred to in our report of even date .

For **P.V.H.S.Kishore Babu.**

Chartered Accountants

Sd/-

**(P.V.H.S.Kishore Babu)**

Partner

Membership No.026488

**For Four K Animation Limited**

Sd/-

R. Nagaraja Sharma  
Director

Sd/-

T. Sundararajan  
Director

Place: Chennai

Date: August 31, 2010

**FOUR K ANIMATION LIMITED***(Formerly Star AGE Infotech Ltd.)***PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**

	<b>Schedule</b>	<b>As at 31.03.2010 Current Year Rupees</b>	<b>As at 31.03.2009 Previous Year Rupees</b>
<b>INCOME</b>			
Income from Software Development		853,000	2,911,323
Income from Software Development		2,911,323	3,938,575
Other Income		-	-
<b>Total</b>		<b>2,911,323</b>	<b>3,938,575</b>
<b>EXPENDITURE</b>			
Operating and Administrative Expenses	<b>8</b>	3,166,440	4,171,894
Depreciation	<b>3</b>	271,244	424,119
<b>Total</b>		<b>3,437,684</b>	<b>4,596,013</b>
Net Profit/(Loss) before Tax		(526,361)	(657,438)
Less: Provision for Taxation		-	-
Less: Deferred Tax Liability		(112,404)	(251,155)
Less: Provision for FBT		-	1,246
Net Loss after Tax		(413,957)	(407,529)
Add: Balance Brought Forward		28,155,363	27,747,834
Balance of Loss transferred to Balance Sheet		28,569,320	28,155,363
		28,569,320	28,155,363

Notes on Accounts

**9**

The Schedules referred to above and the notes attached form an integral part of accounts

This is the Profit &amp; Loss Account referred to in our report of even date .

For **P.V.H.S.Kishore Babu**

Chartered Accountants

Sd/-

**(P.V.H.S.Kishore Babu)**

Partner

Membership No.026488

**For Four K Animation Limited**

Sd/-

R. Nagaraja Sharma  
Director

Sd/-

T.Sundararajan  
Director

Place: Chennai

Date: August 31, 2010

## 21st Annual Report 2009-2010

### SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2010 Current Year Rupees	As at 31.03.2009 Previous Year Rupees
<b>Schedule : 1</b>		
<b>Share Capital</b>		
<b>Authorised</b> 5000000 Equity Shares of Rs.10/- each	50,000,000.00	50,000,000.00
<b>Issued, Subscribed and paid up</b> 3000000 Equity Shares of Rs.10/- each	30,000,000.00	30,000,000.00
<b>Total</b>	<b>30,000,000.00</b>	<b>30,000,000.00</b>
<b>Schedule : 2</b>		
<b>Reserves &amp; Surplus</b>		
General Reserve	1,750,000.00	1,750,000.00
Contingency Reserve	1,250,000.00	1,250,000.00
<b>Total</b>	<b>3,000,000.00</b>	<b>3,000,000.00</b>
<b>Schedule : 3</b>		
<b>Fixed Assets</b>		
Gross Block	9,339,904.00	9,339,904.00
Less: Depreciation	8,720,496.02	8,449,252.09
<b>Net Block</b>	<b>619,407.98</b>	<b>890,651.91</b>

#### FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	31.03.2009	Additions	DELETIONS	31.03.2010	31.03.2009	For the year	DELETIONS	31.03.2010	As on 31.03.2010	As on 31.03.2009
Computers	2,975,050.00	-	-	2,975,050.00	2,603,236.19	148,725.60	-	2,751,961.79	223,087.81	371,813.81
Furniture & Fittings	2,418,087.00	-	-	2,418,087.00	2,418,087.00	-	-	2,418,087.00	-	-
Office Equipments	73,003.00	-	-	73,003.00	64,073.82	1,242.05	-	65,315.87	7,687.13	8,929.18
Air Conditioners	367,947.00	-	-	367,947.00	246,798.48	16,851.76	-	263,650.24	104,296.76	121,148.52
Software	1,200,000.00	-	-	1,200,000.00	811,239.51	104,424.19	-	915,663.70	284,336.30	388,760.49
Interiors	2,305,817.00	-	-	2,305,817.00	2,305,817	-	-	2,305,817.00	-	-
<b>Total</b>	<b>9,339,904.00</b>	-	-	<b>9,339,904.00</b>	<b>8,449,252.09</b>	<b>271,243.93</b>	-	<b>8,720,496.02</b>	<b>619,407.98</b>	<b>890,651.91</b>

**FOUR K ANIMATION LIMITED***(Formerly Star AGE Infotech Ltd.)***SCHEDULES FORMING PART OF THE BALANCE SHEET**

	As at 31.03.2010 Current Year Rupees	As at 31.03.2009 Previous Year Rupees
<b>Schedule : 4</b>		
<b>Current Assets</b>		
Cash on hand	3,237.33	11,345.00
Balances with Scheduled Banks	122,342.00	891,711.00
Sundry Debtors		
Unsecured Considered Good		
Trade Debtors Exceeding six months.	3,208,332.05	2,642,739.95
Others	-	-
<b>TOTAL</b>	<b>3,333,911.38</b>	<b>3,545,795.95</b>
<b>Schedule : 5</b>		
<b>Loans &amp; Advances</b>		
Trade advance	212,221.00	299,345.00
Tax deducted at Source	367,506.00	367,506.00
Deffered Taxation Asset	-	-
Advances	-	-
<b>TOTAL</b>	<b>579,727.00</b>	<b>666,851.00</b>
<b>Schedule : 6</b>		
<b>Current Liabilities</b>		
Sundry Creditors for expenses	-	-
Sundry Creditors for others	35,435.00	79,317.32
Audit Fees Payable	36,500.00	36,500.00
<b>TOTAL</b>	<b>71,935.00</b>	<b>115,817.32</b>
<b>Schedule : 7</b>		
Provisions	1,242.00	1,246.00
<b>Schedule : 8</b>		
<b>Adminstrative &amp; Other Expenses</b>		
Salaries & Allowances	110,000.00	525,121.00
Director's Remuneration	315,000.00	315,000.00
Film Production and Software Dev Expenses	2,179,420.00	2,748,567.00
Hospitality & Welfare Expenses	1,234.00	45,678.00
Miscellaneous Expenses	1,453.00	12,500.00
Rent & Electricity	134,367.00	134,367.00
Advertisement Expenses	8,000.00	8,000.00
Travelling & Conveyance	23,452.00	25,671.00
Repairs & Maintenance	2,345.00	12,645.00
Postage,Telegram & Telephone Charges	5,463.00	5,672.00
Business Promotion Expenses	-	-
Printing & Stationery	4,564.00	6,789.00
Rates & Taxes	12,343.00	14,567.00
Bank Charges	1,123.00	2,125.00
Director's Sitting Fees	23,000.00	23,000.00
Consultancy and Professional Charges	75,000.00	21,050.00
Auditor's Remuneration	20,000.00	20,000.00
Books & Forms	234.00	485.00
Car Hire Charges	240,000.00	240,000.00
Security Charges	6,100.00	6,100.00
Vehicle Maintenance	3,342.00	4,557.00
<b>Total</b>	<b>3,166,440.00</b>	<b>4,171,894.00</b>



## 21st Annual Report 2009-2010

### Significant Accounting Policies and Notes on Accounts

#### 1. Significant Accounting Policies

- a. The Financial Statements have been prepared in accordance with the accepted Accounting principles on accrual basis and comply with the accounting standards Referred to in section 211 (3C) of the Companies Act, 1956 as adopted consistently by the company.
- b. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.
- c. Fixed assets are stated at historical cost less accumulated depreciation.
- d. Depreciation on fixed assets is provided on written down value basis prescribed in Schedule XIV to the Companies Act, 1956.
- e. The Company has made necessary provision for income tax, taking into account the Allowances and exemptions under the Income Tax Act, 1961.
- f. Deferred Tax resulting from timing difference between book and tax profits is accounted for under the liability method at the current rate of tax, to the extent that the timing difference are expected to crystallize.

#### 2. Notes on Accounts

- a. The Company has not entered into any transactions during the year with any related party within the meaning of the Accounting Standard(AS-18) Related Party Disclosures and hence reporting under the same do not arise.
- b. Estimated amount of contracts remaining to be executed on capital account not provided for Nil Nil
- c. In compliance with Accounting Standard (AS- 22) relating to Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India, the deferred tax Liability accruing during the year aggregating to Rs. (29,189) has been recognized in the Profit & Loss Account.
- d. Auditor's Remuneration represents payments towards

Statutory Audit	15,000	15,000
Income Tax Matters	2,500	2,500
Certificates	2,000	2,000
Expenses Reimbursed	500	500
- e. CIF Value of Imports

i) Components and spare parts	Nil	Nil
ii) Capital Goods	Nil	Nil
- f. Director's Remuneration 1,85,000 3,15,000
- g. Expenditure in Foreign Currency during the year on account of Royalty, know-how, Professional Consultation fees and interest.

Foreign Travel	Nil	Nil
Amount remitted during the year in Foreign Currency		
On account of Dividends	Nil	Nil
Earnings in Foreign Currency	29,11,323	39,38,575
- h. Previous Year's figures have been regrouped wherever found necessary.
- i. Figures have been rounded off to the nearest rupee.

As per our report of even date  
Signatories to the Balance Sheet  
Profit & Loss Account and Schedules

For **P.V.H.S.Kishore Babu.**

Chartered Accountants

Sd/-

**(P.V.H.S.Kishore Babu)**

Partner

Membership No.026488

**For Four K Animation Limited**

Sd/-

R. Nagaraja Sharma  
Director

Sd/-

T. Sundararajan  
Director

Place: Chennai

Date: August 31, 2010

**FOUR K ANIMATION LIMITED***(Formerly Star AGE Infotech Ltd.)***8) BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE****I Registration Details**

Registration No.	: 17816
State Code	: 18
Balance Sheet Date	: 31-03-2010

**II Capital Raised during the year**

Public Issue	: NIL
Right Issue	: NIL
Bonus Issue	: NIL
Private Placement	: NIL

**III Position of Mobilisation and Development of Funds**

<b>Rupees</b>	<b>Amt. Rs.</b>
Total Liabilities	33102366.08
Total Assets	33102366.08

**Sources of Funds****Amt. Rs.**

Paid- Up Capital	30,000,000
Reserves & Surplus	3,000,000
Secured Loans	: NIL
Unsecured Loans	: NIL

**Application of Funds**

Net Fixed asset	619,407.98
Investment	
Net Current assets	3,840,461.38
Miscellaneous Expenditure	
Accumulated Losses	28,569,319.72

<b>IV Performance of Company</b>		Profit After Tax	-413,957
Turnover (Gross Income)	0	Earning Per Share	0
Total Expenditure	3,437,684	Dividend Rate%	
Profit/(Loss) Before Tax	(526,361)		

**V Generic Name of Three Principal Products/Service of the Company (as per monetary terms)**

Item Code No.	N.A.
(ITC Code)	
Product Description	Fiancial and Trading Activities Signatories to Schedules 1 to 6

For **P.V.H.S.Kishore Babu**

Chartered Accountants

Sd/-

**(P.V.H.S.Kishore Babu)**

Partner

Membership No.026488

**For Four K Animation Limited**

Sd/-

R. Nagaraja Sharma  
Director

Sd/-

T. Sundararajan  
Director

Place: Chennai

Date: August 31, 2010

## 21st Annual Report 2009-2010

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

	31/3/2010 (Rupees)	31/3/2009 (Rupees)
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before tax and extraordinary items	(5.26)	(6.57)
Adjustment for		
Depreciation	2.71	4.24
Miscellaneous Expenditure written off	-	-
Operating Loss before Working Capital Changes	(2.55)	(2.33)
Adjustments for		
Trade Receivables & other assets	(5.66)	(3.52)
Income Tax	-	-
Current Liabilities & Provisions	(0.44)	4.30
Net Cash Generated from Operations	(8.65)	(1.56)
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	-	-
Loans & Advances	(0.87)	0.21
Investments	-	-
Net Cash used in investing Activities	(0.87)	0.21
C. Cash Flow from Financing Activities:		
Proceeds from Issue of Share Capital	-	-
Proceeds from Long Term Borrowings	-	-
Repayment of Unsecured Loans	-	-
Net Cash from Financing Activities	-	-
D. Net Decrease (Increase) in Cash and Cash equivalents	(7.77)	(1.34)
E. Cash and cash equivalents at the beginning of the year	9.03	10.37
F. Cash and cash equivalents at the end of the year	1.26	9.03

For **P.V.H.S.Kishore Babu**

Chartered Accountants

Sd/-

**(P.V.H.S.Kishore Babu)**

Partner

Membership No.026488

Place: Chennai

Date: August 31, 2010

**For Four K Animation Limited**

Sd/-

Sd/-

R. Nagaraja Sharma  
Director

T. Sundararajan  
Director

## **FOUR K ANIMATION LIMITED**

*(Formerly Star AGE Infotech Ltd.)*

### **AUDITORS CERTIFICATE**

We have examined the above cash flow statement of Four K Animation Limited for the period ended 31<sup>st</sup> March 2010. The Statement has been prepared by the Company in accordance with the requirement of Listing Agreement, and is based on and in Agreement with Profit & Loss Accounts for the period ended 31<sup>st</sup> March 2010 and Balance Sheet of the Company as on that date which has been duly audited by us.

#### **AS PER REPORT OF EVEN DATE**

**For P.V.H.S.Kishore Babu.**

Chartered Accountants

Sd/-

**(P.V.H.S.Kishore Babu)**

Partner

Membership No.026488

Place: Chennai

Date: August 31, 2010

## 21st Annual Report 2009-2010

### Four K Animation Limited

Regd. Office: No.26, Chari Street, T. Nagar- Chennai-600017.

#### ATTENDANCE SLIP

Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the **21<sup>st</sup> Annual General Meeting** of the Company at the **Regd. Office** of the company on Tuesday, the **28<sup>th</sup> September, 2010** at **11.00 a.m.**

\_\_\_\_\_  
Name of the Shareholder

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Folio No.

\_\_\_\_\_  
(Full name of Proxy)

**Note:** No Duplicate Attendance Slip will be issued at the meeting hall. You are requested to bring your copy of Annual Report to the Meeting.

### Four K Animation Limited

Regd. Office: No.26, Chari Street, T. Nagar- Chennai-600017.

#### PROXY FORM

I/We.....of.....  
in the district of ..... being a member/members of the above named Company hereby appoint  
..... of ..... in the district of.....  
or failing him ..... of ..... In the district of  
..... as my / our proxy to vote for me/us on my our behalf at  
my our behalf at the **21<sup>st</sup> ANNUAL GENERAL MEETING** of the Company to be held at **Regd. Office** of the company, on  
Tuesday, **the 28<sup>th</sup> September, 2010** and at any adjournment thereof.

Signed this..... day of ....., 2010.

Reg. Folio No.....

No. of Shares .....

Revenue  
Stamp

**NOTE:** This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

PRINTED MATTER

BOOK - POST

To,

*If undelivered, please return to:*

FOUR K ANIMATION LIMITED

Regd. Office :

No. 26, Chari Street, T. Nagar, Chennai - 600 017