

SANGUINE MEDIA LIMITED
ANNUAL REPORT
2012-2013

CORPORATE INFORMATION

BOARD OF DIRECTORS

Kumar Raichand Madan	Managing Director
Devendra Otavkar	Executive Director
Dhiresb Munver	Independent Director
Vanraj Kahor	Independent Director
Ami Motta	Independent Director

BANKERS

South Indian Bank
Mount Road, Chennai- 600 002

REGISTERED OFFICE ADDRESS

3 C, Sagas Manor, 1A, 3rd Street,
B.N.Road, T. Nagar, Chennai-600 017
Tel No.: 044-28150595,044-42048324
Fax : 044-42048326

AUDITORS

M/S A. K. Rajgopalan & Co.
New No. 18, Old No. 84, Luz Avenue,
Mylapore, Chennai – 600 004

REGISTRAR AND SHARE TRANSFER AGENTS

Purva Share Registry India Pvt. Ltd.
No. 9, Shiv Shakti Industrial Estate,
Ground Floor, JR Boricha Marg,
Opp. Kasturba Hospital,
Lower Parel,
Mumbai – 400 011.

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NOTICE

Notice is hereby given that the 17th Annual General Meeting of the Members of Sanguine Media Limited will be held at the Registered Office of the Company situated at 3 C, Sagas Manor, 1A, 3rd Street, B.N.Road, T. Nagar, Chennai-600 017 on 28th September, 2013, at 10.00 a.m., to transact the following:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013, the Profit & Loss Account of the Company for the financial year ended on that date and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Vanraj D Kahor, who retires by rotation, and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Dhires U Munver, who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification s, the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 224A of the Companies Act, 1956 and as per the applicable provisions of the Articles of Association of the Company, consent of the Members be and is hereby accorded to re- appoint Messrs. A. K. Rajagopalan & Co., Chartered Accountants, Chennai, bearing Membership no.26133 as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

By Order of the Board
sd/-
Kumar Raichand Madan
Managing Director

Place: Chennai
Date: 29th August, 2013

NOTES:

1. **A Member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll on his behalf and such proxy need not be a member of the Company.**

Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting.

2. **Members/Proxies attending the meeting should bring their copy of Annual Report to the meeting along with the duly filled in Attendance sheet.**
3. **Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.**
4. **In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.**
5. **Additional information, pursuant to Clause 49 of the Listing Agreement(s) with Stock Exchanges, on Directors recommended by the Board for re-appointment at the Annual General Meeting forms part of the Report on Corporate Governance in the Annual Report.**
6. **Relevant Documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturday /Sunday & Public Holidays, between 10.00 a.m. to 1.00 p.m. up to the date of the Meeting.**
7. **The Register of Members and the Share Transfer Books of the Company will remain closed from 26th September, 2013 to 28th September, 2013(Both Days Inclusive).**
8. **Members are requested to notify immediately any change in their addresses to the Registrar and Share Transfer Agent, Purva Share Registry India Pvt. Ltd. No. 9, Shiv Shakti Industrial Estate, Ground Floor, JR Boricha Marg, Opp. Kasturba**

Hospital, Lower Parel, Mumbai- 400 011 for shares held in physical form and to their respective Depository Participants for shares held in electronic form.

9. Members/beneficial Owners are requested to quote their full name as per the Company's record, Folio No. /DP and Client ID Nos. as the case may be, in all their correspondences with the Company.
10. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
11. Queries on accounts and operations of the Company, if any, may be sent to the Company seven days in advance of the meeting so as to enable the management to keep the information ready at the Meeting.

By Order of the Board

sd/-

Kumar Raichand Madan
Managing Director

Place: Chennai

Date: 29th August, 2013.

DIRECTORS REPORT

To,
The Members,
SANGUINE MEDIA LIMITED
Chennai.

Your Directors are pleased to present their Seventeen Annual Report on the Business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS

The financial performance of your Company for the year ended March 31, 2013 is summarized below:

(Rupees in Lacs)

Particulars	Year Ended 31.03.2013	Year Ended 31.03.2012
Sales	8158.01	7443.00
Expenses	7880.09	7171.28
Operating Profit	277.92	271.72
Less Finance Charges	0.08	0.73
Profit/(Loss)Before Depreciation & Tax	277.84	270.99
Less: Depreciation	264.22	259.22
Profit/(Loss) before Tax	13.62	11.77
Less: Current Tax	2.60	0
Profit/(Loss) after Tax	11.02	11.77

YEAR IN RETROSPECT

During the year, your Company has been able to generate revenue from Shares & Securities & financing activities, advisory business, but revenue from media products is not encouraging.

During the year under review, the Company achieved a turnover of Rs. 8089.52 lacs from Share trading (previous year Rs. 7350.49 Lacs) and Rs. 1.71 lacs from sale of media products (previous year Rs. 1.53 Lacs) However, there has been marginal increase in profitability on account of better cost control/expenses, the Company has made a modest profit of Rs. 13.61 lacs (previous there was loss of Rs. 11.77)

DIVIDEND

The Board of Directors does not recommend any Dividend for the year under review.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs has undertaken "Green initiative in Corporate Governance" and allowed Companies to share documents with its shareholders through an electronic mode. Members are requested to support their green initiative by registering/updating their email addresses, in respect of shares held in dematerialized form with their respective depository participants and in respect of shares held in physical form with RTA of the Company.

PUBLIC DEPOSITS

During the year, your Company has not accepted any Deposits under Section 58A and Section 58AA of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary Company within the meaning of section 4 of the Companies Act, 1956. Thus the Company is not required to furnish a statement pursuant to the provisions of Section 212 of the Companies Act, 1956.

CONSOLIDATED FINANCIAL STATEMENTS

The Company does not have any subsidiary Company within the meaning of section 4 of the Companies Act, 1956. Thus the provisions in respect of submission of consolidated financial results are not applicable to the Company.

AUDITORS AND COMMENTS ON AUDITORS REPORT

The Statutory Auditors M/s A.K. Rajagopalan & Co, Chartered Accountants, Chennai, having Membership No 26133 holds office until the conclusion of the ensuing Annual General Meeting and is eligible for reappointment.

The Company has received letters from all of them to the effect that their reappointment, if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956 and that they are not disqualified for re-appointment within the meaning of Section 226 of the said Act.

Further the observations furnished by the Auditors in their report are self-explanatory and do not call for any further comments.

DISCLOSURES IN RESPECT OF THE CORPORATE GOVERNANCE NORMS

The Company is complying with Clause 49 of the Listing Agreement with the Stock Exchanges. A separate Corporate Governance Report on compliance on Clause 49 of the Listing Agreement with the Stock Exchange as reviewed and certified is given to this Report.

DIRECTORS

Mr. Vanraj D Kahor and Mr. Dhires U Munver, Director of the Company, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself/herself for re-appointment. The background of the Directors proposed for reappointment is given under the Corporate Governance section of the Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 217 (2AA) of the Companies Act, 1956, in relation to the Annual Financial Statements for the Financial year 2012-2013, your Directors confirm the following:

- a In the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures.
- b That 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 and loss of the Company for that period.
- c That the Directors have taken sufficient and proper 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 material fraud and other irregularities.
- d That the Directors have prepared the Annual Accounts on a going concern basis.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTIONS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 with respect to Conservation of Energy and Technology Absorption is not furnished as the Company does not fall under the category mentioned in the abovementioned rules.

PARTICULARS OF EMPLOYEES

During the year under review, no employee of the Company was in receipt of remuneration exceeding the sum prescribed under section 217(2A) of the Companies Act 1956, read with the Companies (particulars of employees) Rules 1975.

LISTING

The Shares of your Company are presently listed on

- A Madras Stock Exchange Limited and
- B Bombay Stock Exchange Limited.

The Company has paid the listing fees for the current financial year to Bombay Stock Exchange.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation and acknowledge with gratitude the support and co-operation extended by the clients, employees, vendors, bankers investors, media financial institutions, and both the Central and State Governments and their agencies and look forward to their continued support.

By Order of the Board

sd/-

Kumar Raichand Madan

Managing Director

Place: Chennai

Date: 29th August, 2013.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

The Company philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all interactions with its stakeholders, including shareholders, employees, Government and the society in general. The Company endeavors to improve on these aspects on an ongoing basis.

The Company has adopted a code of conduct as required under clause 49 of the Listing Agreement with the Stock Exchanges. The relevant standards of Corporate Governance have been fully complied with by the Company.

BOARD OF DIRECTORS

1) Board of Directors

The present strength of the Board is 5. The Board comprises of one Managing Director and the remaining 4 are Non-Executive Directors.

The size and the composition of the Board confirms with the requirements of Corporate Governance under the Listing Agreement with the Stock Exchanges and other applicable laws. The Independent Non-Executive Directors of the Company do not have any other material or pecuniary relationship or transactions with the Company, its promoters, its management which in the judgment of the Board may affect independence of judgment of Directors. None of the Directors on the Board is a member of more than 10 committees or chairman of more than 5 committees across all the Companies in which he is a Director. Necessary disclosures regarding committee positions in other public companies as on 31st March, 2013 have been made by the Directors.

The composition of the Board, attendance at the Board Meetings held during the Financial year under review and at the last Annual General Meeting, number of Directorship and memberships/chairmanships in the company are given below :-

Sr. No	Name of Directors	Category	Number of other Director ships *	Number of memberships on other Board Committees **	
				As a Chairman	As Member
1	Kumar Raichand Madan	Executive Director and Managing Director	2	NIL	1
2	Vanraj Dadbhai Kahor	Non Executive Independent Director	8	NIL	2
3	Dhiresb Uttamchand Munver	Non Executive Independent Director	1	NIL	1
4	Ami Jigar Motta	Non-Executive Independent Director	NIL	NIL	NIL
5	Devendra Prabhakar Otavkar	Executive Director	NIL	NIL	NIL

2) Board Meeting Details

5 Board Meeting were held during the financial year 2012-13, after giving appropriate notice. Agenda papers of the Board Meetings are duly circulated among the Board Members well in advance of each meeting.

Date of the Board Meeting	Business Transacted
14-5-2012	March, 2012 unaudited results
20-7-2012	June, 2012 quarterly results
1-09-2012	To approve Annual Report for the year ending 31 st March, 2012. To hold AGM, fix its date time & venue Reappointment of Statutory Auditors of the Company. Reappointment of Directors of the Company.
22-10-2012	September, 2012 quarterly results
13-02-2013	December, 2012 quarterly results.

The Board periodically reviews compliance reports of all the laws applicable to the Company and has put in place procedures to review steps to be taken by the Company to rectify instances of non-compliance, if any.

Particulars of Directors, their attendance at the Annual General Meeting and the Board Meetings, mentioned hereinabove, held during the financial year 2012-13 are as under:-

Sr. No	Name of Director	Designation	Date of Appointment	Number of Board Meeting Attended	Attendance at the last AGM
1	Kumar Raichand Madan	Managing Director (Executive)	3/7/2010	5	Yes
2	Vanraj Dadbhai Kahor	Non- Executive Independent Director	31/3/2010	4	Yes
3	Dhiresb Munver	Non- Executive Independent Director	3/7/2010	5	Yes
4	Ami Motta	Non-Executive Independent Director	3/7/2010	5	Yes
5	Devendra Prabhakar Otavkar	Executive Director	31/3/2010	4	Yes

The Independent Directors have confirmed that they satisfy the "criteria of independence" as stipulated in the amended Clause 49(I) (A) of the Listing Agreement.

3) Directors retiring by Rotation

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Vanraj D Kahor and Mr. Dhiresb U Munver retires by rotation and being eligible offers himself for reappointment.

Appropriate resolutions for reappointment of aforesaid directors are being moved at the ensuing Annual General Meeting.

DETAILS OF RE-APPOINTED DIRECTORS:

Name of Director	Mr. Vanraj D Kahor
Designation	Non-Executive Director
Names of public Limited Companies in which Director is holding Directorships	NIL
Experience	Operations Management
Qualifications	B.Com

Name of Director	Mr. Dhires U Munver
Designation	Non-Executive Director
Names of public Limited Companies in which Director is holding Directorships	NIL
Experience	Finance
Qualifications	B.Com

4) Code of Conduct

The Company has instituted a Code of Conduct for Members of the Board and Senior Management of the Company and the compliance of the same is affirmed by the Board and Senior Management Personnel annually.

A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management Personnel is given below:

To

The Members

Sanguine Media Limited

This is to confirm that the Board has laid down a code of conduct for all Board Members and senior management of the Company.

It is further confirmed that all the directors and senior management personnel of the Company have affirmed compliance with the code of conduct of the Company as at 31st March 2013, as envisaged in Clause 49(I) (D) (ii), of the Listing Agreement.

Place: Chennai

Date: 29th August, 2013

Sd/-

Kumar Raichand Madan
Managing Director

COMMITTEES OF THE BOARD

The Board has constituted 3 Committees namely:

1. Audit Committee
2. Remuneration Committee
3. Shareholders/Investors Committee

Details of all the Committees of the Board and other related information are provided hereunder:

I. **Audit Committee:**

Overall Purpose/ Objective

The Board of Directors constituted an Audit Committee in line with the provisions of Clause 49 of the Listing Agreements entered into with the Stock Exchanges read with section 292A of the Companies Act, 1956. The Audit Committee constituted comprises of a combination of executive and non- executive independent directors. During the year ended 31st March, 2013, the Board reconstituted its Audit committee under the chairmanship of Ami Motta, Independent Director of the Company.

The Audit Committee assists the Board

- i. To have an oversight of the integrity of the Company's financial statements,
- ii. Compliance with legal and regulatory requirements,
- iii. Performance of the internal audit functions.

The Audit Committee is entrusted with the responsibility to supervise the Company's internal Control and Financial Reporting process. The composition of the Audit Committee and the attendance of each member in the meetings of the Committee are mentioned below:

Composition & Meetings:

As on March 31, 2013, the Audit Committee of the Company comprises of three directors, of which two directors are non- executive independent directors.

The Committee functions under the Chairmanship of Mrs. Ami Motta. The Composition of the Audit Committee as on 31st March 2013, which complies with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement(s) is as under.

Name of the Member	Category	Chairman / Member	Attendance
Ami Motta	Non-Executive Independent Director	Chairman	5
Kumar R Madan	Executive Director	Member	5
Devendra P Otavkar	Non-Executive Independent Director	Member	5

Terms of Reference

The Company had constituted an Audit committee. The terms of audit committee broadly are as under:

- > Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- > Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- > Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- > Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- > Reviewing, with the management, performance of statutory and internal auditor's adequacy of the internal control systems.
- > Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

The Committee met 5 times during the year ended 31st March, 2013, 14/05/2012, 20/07/2012, 13/08/2012, 22/10/2012 & 13/02/2013 and the time gap between the two meetings did not exceed four months.

II. Remuneration Committee

The Company has constituted a Remuneration Committee with terms of reference to evaluate compensation/commission & benefits for Directors and employees.

Terms of Reference

1. Frame the Company's policies on Directors/ Employees with the approval of Board.
2. Make recommendations to the Board in respect of appointment/ re-appointment of Directors.
3. Recommend the compensation payable to the Directors.
4. Approve promotions/ salary revision of Members of Operating Council.
5. Review of HR Policies/ initiatives and senior level appointments.

Composition of the Committee:

Name of the Member	Category	Chairman / Member
Mr. Dhiresh U Munver	Non-Executive Independent Director	Chairman
Mr. Kumar R Madan	Executive Director	Member
Mr. Vanraj D Kahor	Non-Executive Independent Director	Member

The Company does not have any employee Stock option scheme.

Remuneration Policy:

The Remuneration Structure comprises of sitting fees to Non- Executive Directors and salary and perquisites to Executive Directors within the Limit approved by the Members.

However during the year under review, no sitting fees or remuneration were paid to either of the Executive/Non-Executive Directors.

III. Shareholders/ Investor Grievance Committee

The Board has constituted the Shareholders and Investors Grievance Committee. Terms of reference

1. To scrutinize and approve registration of transfer of shares/ debentures/ warrants issued/

to be issued by the company

2. To exercise all power conferred on the Board of Directors under Articles of Association
3. To decide all question and matters that may arise in regard to transmission of shares/ debentures/ warrants issued/ to be issued by the Company.
4. To approve and issue duplicate shares/ debentures/ warrants certificates in lieu of those reported lost.
5. To refer to the Board and any proposal of refusal of registration of transfer of shares/ debentures/ warrants for their consideration.
6. To look into shareholders and investors complaints like transfer of shares, non – receipt of declared dividends, etc, and
7. To delegate all or any of its power of Officers/ Authorized signatories of the Company.

Composition

The Shareholders Grievance Committee consists of Mr. Devendra Otavkar, Independent Director as Chairman, Mr. Vanraj D Kahor, Independent Director and Mr. Kumar R Madan, Managing Director of the Company as Members of Shareholders Grievance Committee.

The constitution and terms of reference of the Share Transfer & Shareholders/ Investors Grievance Committee is in agreement with the guidelines prescribed under Clause 49 of the Listing Agreement entered into with the Stock Exchange. The committee members met once in each quarter in the year 2012-13.

Investor Grievances

During the year under review, No complaints were received by the Company, hence no complaint is pending to be resolved at the end of the financial year.

RELATED PARTY TRANSACTION

During the year under review, there were no related party transactions of the Company with its promoters, directors or the Management or their relatives and subsidiaries and associates.

Thus furnishing a disclosure of the same is not required.

DISCLOSURE OF ACCOUNTING TREATMENT

The Company follows the Accounting Standards as notified by the Central Government of

India under the Companies (Accounting Standards) Rules, 2006 and in the preparation of the financial statements, the Company has not adopted treatment different from that prescribed in any of the Accounting Standards.

RISK MANAGEMENT

The Company has carried out detailed exercise on Business Risk Management covering the entire spectrum of business operations and the Board has been informed about the risk assessment and minimization procedures as required under Clause 49 of the Listing Agreement. The Board periodically discusses the significant business risks identified by the management and the mitigation process being taken up by them.

DISCLOSURES BY THE MANAGEMENT

The Management of the Company has made disclosures to the Board relating to all the material, financial and commercial transactions stating that they did not have personal interest that could result in a conflict of interest of the Company at large.

SECRETARIAL AUDIT

Pursuant to Clause 47 (c) of the Listing agreement with the Stock Exchanges, certificates on half yearly basis, have been issued by a Practicing Company Secretary for due compliance of share transfer formalities by the Company.

Pursuant to SEBI (Depositories and Participants) Regulations, 1996, certificates have also been issued by a Practicing Company Secretary for timely dematerialization of the shares of the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report appearing elsewhere are prepared in accordance with the requirements laid out in clause 49 of the Listing Agreement forms part of the Annual Report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has framed a Code of Conduct for prevention of insider trading based on SEBI (Insider Trading) Regulations, 1992. This Code is applicable to all Directors/officers/ designated employees. The Code ensures the prevention of dealing in Company's shares by persons having access to unpublished price sensitive information.

COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange. The Company has submitted the compliance reports in the prescribed format to the stock exchanges for the quarters ended June, 2012, September, 2012, December, 2012 and March, 2013 as stipulated in Clause 49 of the listing agreements entered into with the Stock Exchange.

DISCLOSURES

There are no materially significant related party transactions between the Company and its promoters, directors or management or their relatives, having any potential conflict with interests of the Company at large. Transactions with related parties are disclosed elsewhere in the Annual Report.

There has not been any non-compliance by the Company and no penalties or strictures imposed by SEBI or Exchanges or any statutory authority on any matter relating to capital markets, during the last three years.

MEANS OF COMMUNICATION

The Company has promptly reported all material information including declaration of quarterly financial results, press releases, etc. to all Stock Exchanges where the securities of the Company are listed. The financial results quarterly, half yearly and annual results and other statutory information were communicated to the shareholders by way of an advertisement in an English newspaper viz. "Financial Express" and in a vernacular language newspaper viz. "Makkal Kural" as per the requirements of the Stock Exchanges.

Annual/ Half yearly/ Quarterly results are submitted to the Stock Exchange.

No presentations have been made to institutional investors or to the analysts.

GENERAL SHAREHOLDERS INFORMATION**i) Date, Time and Venue of the Annual General Meeting**

The 17th Annual General Meeting of the Company for the financial year 2012-13 will be held on 28th September, 2013 at 10.00 a.m. at the Registered Office of the Company situated at 3 C, Sagas Manor, 1A, 3rd Street, B.N.Road, T. Nagar, Chennai- 600 017.

ii) Details of previous Annual General Meetings for last 3 years

Year Ended	Day, Date and Time of the Annual General Meetings	Venue
2011-2012	Saturday, 29 th September, 2012 at 10.00 a.m.	No. 7, Rukmani Street, West Mambalam, Chennai- 600 033
2010-2011	Friday, 30 th September, 2010 at 9.00 a.m.	No. 7, Rukmani Street, West Mambalam, Chennai- 600 033
2009-2010	Wednesday, 18 th August, 2010 at 2 p.m.	Nahar Hall', Deshbandhu Plaza, Whites Road, Royapettah, Chennai- 600 014

iii) Details of Special Resolution passed during the Previous Annual General Meetings for last 3 years

Day, Date and Time of the Annual General Meetings	Special Resolution Passed
Friday 30/09/2011 – 9.00 am	To adopt investment as main object of the Company
Wednesday – 18/08/2010 – 2.00 pm	Preferential Allotment of 10 crores convertible equity warrants. Increase in authorized capital from 15 crores to 120 crores.

All the above resolutions were passed with requisite majority.

None of the resolutions proposed at the ensuing Annual General Meeting need to be passed by Postal Ballot. No special resolution has been passed through postal ballot during the year.

Pursuant to the provisions of section 154 of Companies Act, 1956 and Clause 16 of the Listing Agreement, Register of Members and Share Transfer Book of the Company would remain closed from 26th September, 2013 to 28th September, 2013(both days inclusive) for the purpose of the Annual General Meeting of the Company.

- i) Registered & Corporate office
3 C, Sagas Manor, 1A, 3rd Street, B.N. Road, T.Nagar, Chennai.
Tel: 044-42048324
Fax: 044-42048326
E-mail:- smedialtd@gmail.com
- ii) Listing on the Stock Exchanges
The Company is presently listed on the Bombay Stock Exchange and the Madras Stock Exchange.

- iii) ISIN No.
The shares of the Company bear the ISIN No. INE617F01012 for both the Depositories.
- iv) Register and Share Transfer Agents:
Purva Share Registry India Private Limited
No. 9, Shiv Shakti Industrial Estate, Ground Floor,
JR Boricha Marg, Opp. Kasturba Hospital,
Lower Parel, Mumbai – 400 011.

The trading in the Company is permitted in the dematerialized form, as per notification issued by SEBI.

The Financial Year of the Company is from 1st April, 2012 to 31st March, 2013.

- v) Market Price Data (High/Low during each month) on BSE:

Monthly high and low quotations and volume of shares traded on Bombay Stock Exchange for financial year 2012-2013 are;

Month	Open Price	High Price	Low Price	Close Price
April 2012	1.09	1.63	1.01	1.63
May 2012	1.71	2.21	1.71	2.16
June 2012	2.16	2.19	1.99	2.05
July 2012	2.04	2.79	1.88	2.79
August 2012	2.92	3.55	2.62	2.64
September 2012	2.51	3.00	2.28	2.59
October 2012	2.47	3.63	2.12	3.13
November 2012	2.98	3.70	2.55	2.99
December 2012	3.12	3.12	2.29	2.84
January 2013	2.95	3.18	2.70	3.02
February 2013	3.00	3.10	2.24	2.24
March 2013	2.13	2.13	1.48	1.53

- vi) Distribution of Shareholding as on March 31, 2013

Sr. No	Range	No. of Shares held	Percentage to paid up capital	Amount of the Shares	% of holding
1	UPTO 5,000	1307	40.77	2908560	0.25
2	5,001 - 10,000	525	16.38	4786660	0.42
3	10,001 - 20,000	379	11.82	6476880	0.57
4	20,001 - 30,000	172	5.36	4637640	0.41

5	30,001 - 40,000	99	3.09	3646870	0.32
6	40,001 - 50,000	152	4.74	7400270	0.65
7	50,001 - 1,00,000	191	5.96	15485970	1.36
8	1,00,001 AND ABOVE	381	11.88	1095657150	96.03
	Total	3206	100.00	1141000000	100.00

vii) Categories of Shareholders as on March 31, 2013

Category	No of shares	% of shareholding
Indian Promoters	1000	0.00
Banks/ Financial Institutions/ Insurance Cos/Government	4100	0.00
FII/ NRIs	384645	0.34
Private Bodies Corporate	89691300	78.61
Indian Public/ Clearing Members	24018955	21.05
TOTAL	114100000	100

NOMINATION FACILITY:

The Shareholders may avail themselves of the nomination facility under section 109A of the Companies Act, 1956. The nomination form (Form 2B) along with instruction will be provided to the members on request. In case the members wish to avail of this facility, they are requested to write to the Company's registrars M/s Purva Share Registry Private Limited.

Investors are advised to avail this facility, especially investors holding securities in single name, to avoid the process of transmission by law. Investors holding shares held in electronic form, the nomination has to be conveyed to your Depository Participants directly, as per the format prescribed by them.

OUTSTANDING GDRs/ ADRs/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

There are no GDRs/ ADRs/ Warrants or any convertible instruments whose conversion is pending as on date. Thus there is no anticipated impact upon the Equity of the Company.

COMPLIANCE WITH THE NON- MANDATORY CLAUSES OF THE LISTING AGREEMENT

The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement and every effort have been made to comply with the non- mandatory requirements of the Clause, the details of which are mentioned hereunder:

1) Training of the Board Members

New Directors appointed by the Board are given formal induction and orientation with respect to the Company's vision, strategic direction and core values including ethics, corporate governance practices, financial matters and business operations.

Periodic presentations are made at the Board and Committee Meetings, on business strategy, business model, clientele business prospects, and nature of transactions and performance updates of the Company, global business environment, business strategy and risks involved.

2) Meetings of Independent Directors

The Independent Directors of the Company meet from time to time as they deem appropriate without the presence of the Executive Directors or Management Personnel.

These meetings are conducted in an informal and flexible manner to enable the Independent Directors to discuss the matters pertaining to the affairs of the Company and put forth their views to the Lead Independent Director.

The Lead Independent Director takes appropriate steps to present such views to the Managing Director.

3) Whistle Blower Policy

The Board of Directors of the Company has formulated Ethical Practices policy in line with the Whistle Blower Policy and any employees has free access to communicate with committee members for any matter of concern.

Place: Chennai
Date: 29th August, 2013

By Order of the Board
Sd/-
Kumar Raichand Madan
Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Sanguine Media Limited

1. We have examined the compliance of corporate Governance by M/S. Sanguine Media Ltd for the period ended on 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, We certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For A.K.Rajagopalan & Co.,
Chartered Accountants
Firm Registration No: 003405S
Sd/-
Partner
M.No: 026133

Place: Chennai
Dated: 29th August, 2013

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORTS

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2013.

The management discussion and analysis have been included in consonance with the code of corporate governance as approved by The Securities and Exchange Board of India (SEBI).

Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinion or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

OVERVIEW

The operation of the company during majority of the year was mainly centered in Finance Business and Share Trading. The company was dealing in Lending, Advancing and Depositing Money in Industrial and other Undertakings and Businesses and to deal in acquiring, selling, subscribing, transferring, holding, disposing, and otherwise dealing and investing in shares, securities, movables, etc.

INDUSTRY STRUCTURE AND DEVELOPMENT:

Of late, especially in the past few decades, there has been tremendous growth in the Finance Industries in India and the development thereof has been remarkable. The company was in the business of TV software, marketing, production & print media advertisement. The Company diversified into share trading & financial activities during 2011-2012.

OPPORTUNITIES AND THREATS:

Some of the key trend of the industry that are favorable to the company to exploit these emerging opportunities are:

1. Clients are more comfortable with uniform high quality and quick service and process across the enterprise.
2. There are good prospects for expanding further activities in this direction.
3. The company is also facing server competition from other travel companies. Some of the key changes in the industry unfavorable to the company are:
 - i. Heightened competition.
 - ii. Increasing Compliances.
 - iii. Attraction and retention of human capital.
 - iv. Regulatory changes.

OUTLOOK

The Indian economy has grown at its slowest pace in a decade in 2012-13. The economy grew at 5% this financial year as compared to 6.2% in previous year. A significant portion of the Company's income arises from investment and trading operation, which are largely dependent on the conditions of the stock market. The stock market activity depends largely upon the economic growth momentum and a combination of several factors like inflation, domestic saving, surging portfolio investments into India etc. the unusual developments in the global economy indicate heightened uncertainties and new challenges for the emerging market economies like India.

RISK & CONCERNS:

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Globalization with increasing integration of markets, newer and more complex products and transactions and an increasingly stringent regulatory framework has exposed organizations to and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success. The sustainability of the business is derived from the following:

- a) Identification of the diverse risks faced by the company.
- b) The evolution of appropriate systems and processes to measure and monitor them.
- c) Risk Management through appropriate mitigation strategies within the policy framework.
- d) Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review.

- e) Reporting these risk mitigation results to the appropriate managerial levels.
- f) There is the risk of loss from inadequate or failed systems, processes or procedures. These may be attributed to human failure or technical problems given the increase use of technology and staff turnover. Your company has in place suitable mechanisms to effectively reduce such risks. All these risks are continuously analyzed and reviewed at various levels of management through an effective information system.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal control systems are embedded in the processes across all functions in the Company. These systems are being regularly reviewed and wherever necessary are modified or redesigned to ensure better efficiency and effectiveness. The systems are subjected to supervision by the Board of Directors and the Audit Committee, duly supported by Corporate Governance. Company Complies with all Applicable statutes, policies, procedures, listing requirements and management guidelines. It Adheres to applicable accounting standards and polices.

HUMAN RESOURCES/INDUSTRY RELATIONS:

The company provides excellent working environment so that the individual staff can reach his/her full potential. HR strives to enable the organization to achieve its objectives by constantly aligning the 'people factor' with the 'business needs'. This creates a need for constantly evolving and stimulating the systems and processes in the context of organizational culture. As part of the HR Action plan, we have initiated steps to work on each of key variables that affect human resources, both at a strategic level and at an operational level. The company is poised to take on the challenges and march towards accomplishing its mission with success.

CAUTIONARY STATEMENT

Statement in the Management Discussion and analysis describing the company's objectives exceptions or predications may be forwards looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Several factors could make significant difference to the company's operation. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural statutes, policies, procedures, listing requirements and management guidelines. It Adheres to applicable accounting standards and polices.

CERTIFICATION ON FINANCIAL STATEMENTS OF THE COMPANY

I, Kumar Raichand Madan, Managing Director & CEO of Sanguine Media Limited ('the Company'), to the best of our knowledge and belief certify that:

- (a) I have reviewed the financial statements and the cash flow statement with all the notes to accounts of the Company for the year ended March 31, 2013 and that to the best of our knowledge, information and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - ii) The financial statements and other financial information included in this report presents a true and fair view of the Company's affairs for the period presented in this report and are in compliance with existing accounting standards, applicable laws and regulations and full explanation has been given for any material departure in compliance of Accounting Standards.
- (b) To the best of my knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2013 are fraudulent, illegal or violative to the Company's Code of Conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee/ Board of Directors all significant deficiencies in the design or operation of such internal controls, if any, of which I am aware and steps taken or proposed to be taken to rectify.
- (d) During the year:
 - i) There has not been any significant change in internal control over financial reporting;
 - ii) There have not been any significant changes in accounting policies; and
 - iii) There have been no instances of fraud, whether or not material that involve management or other employees having significant role in the Company's internal control system over financial reporting.

Place: Chennai
Date: 29th August, 2013

By Order of the Board
sd/-
Kumar Raichand Madan
Managing Director



A.K.RAJAGOPALAN & CO.,

CHARTERED ACCOUNTANTS
CHENNAI, COONOR & TIRUPPUR.

Partners

R.VEERARAGHAVAN, B.Sc., F.C.A.,

A.R.RANGANATHAN, B.Sc., F.C.A.,

T.R.ASHOK, B.Sc., F.C.A.,

M.RAMASAMY, B.Sc., F.C.A., DISA (ICAI)

INDEPENDENT AUDITOR'S REPORT

To

The Members of **M/s Sanguine Media Limited**

Report on the Financial Statements:

1. We have audited the accompanying financial statements of the **M/s Sanguine Media Limited** which comprise the Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

2. Management is responsible for the preparation of these financial statements in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial



statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
 - (ii) in the case of the Profit and Loss Account the Profit for the year ended on that date
 - (iii) in the case of Cash Flow Statement for the year ended on that date

Report on Other Legal and Regulatory Matters:

7. 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



8. As required by section 227(3) of the Act, 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 appears from our examination of those books
 - c) The Balance Sheet, Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For A.K.RAJAGOPALAN & CO.,
Chartered Accountants

A handwritten signature in blue ink, appearing to read 'T.R. Ashok', is written over a faint, larger signature.

CA T.R.ASHOK
PARTNER

Place: CHENNAI
Date: 28/08/2013

Membership Number: 026133
Firm Registration Number: 003405S



ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 3 of our report of even date)

M/s Sanguine Media Limited

(Annexure to Auditor's Report)

- (i) The Company has maintained proper records showing full particulars including Quantitative details and situation of fixed assets.
 - a. All the assets have not been physically verified by the management during the year but there is verification on regular basis 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.

- (ii) The Company has not granted any loan unsecured/secured from firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

- (iii) In our opinion there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of commercial advertisement time and fixed assets and also sale of commercial advertisement time.
During the course of audit, we have not observed any continuing failure to correct major weakness in internal control.

- (iv) In our opinion there are no transactions that need to be entered in the register maintained in pursuance section 301 of the Companies Act, 1956 and hence items (a) and (b) of clause (v) to paragraph 4 of the order not applicable.

- (v) The company has not accepted any deposits from the public within the preview of Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of Companies Act, 1956 and the rules framed there under.



- (vi) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business
- (vii) The Central Government has not prescribed the maintenance of cost records by the company under section 209(1)(d) of the Companies Act, 1956
- (viii)
- a. According to the information and explanation given to us, and on the basis of our examination of books of account, the provision of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Sales Tax, Wealth-tax, Service Tax, Custom Duty, Excise Duty, cess and other material statutory dues applicable to the company with appropriate authorities, during the financial year ended 31st march 2013
 - b. There are no dues of Income-tax, Sales Tax, Wealth-tax, Service Tax, Custom Duty, Excise Duty and Cess, which are outstanding as on 31st March 2013 for a period of more than six months from the date they become payable.
- (ix) The company has no accumulated losses as at the end of 31st March 2013. The company has not incurred cash loss during the financial year ended 31st March 2013 and in the financial year immediately preceding year ended 31st March 2013.
- (x) The company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xi) During the year under review, the company has not granted any Loans and Advances on the basis of securities by way of pledge of shares, debentures and other securities.
- (xii) The company is not a chit fund or a Nidhi mutual benefit fund/society. Therefore, the provisions of clause (xiii) to paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiii) According to the information and explanations given to us the company is not dealing or trading in shares, securities, debentures, and other securities. Accordingly, the provisions of clause (xiv) to paragraph 4 of the order not applicable.



- (xiv) According to the information and explanations given to us the company has not given any guarantee for loans taken by others from banks or financial institutions
- (xv) The company has not obtained any term loans. Therefore, the provisions of clause to paragraph 4 of the order are not applicable.
Based on our verification of the books of accounts, the information and explanations given to us, in this regard and on the overall examination of the balance sheet of the company we are of the view that the funds raised on short term basis by the company have not been utilized for long term purpose and vice versa.
- (xvi) During the year under review, the company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the companies Act 1956.
- (xvii) The company has not issued any debentures during the year under review.
- (xviii) The company has not raised any money by way of public issue.
- (xix) Based on our verification of Books of account and other relevant records and based on the information and explanations given to us, we have not noticed or reported any fraud on or by the Company during the year under review.

For A.K.RAJAGOPALAN & CO.,
Chartered Accountants

CA T.R.ASHOK
PARTNER

Place: CHENNAI
Date: 28/08/2013

Membership Number: 026133
Firm Registration Number: 003405S

SANGUINE MEDIA LIMITED

BALANCE SHEET AS AT MARCH 31, 2013

		(Amount in Rupees `)			
	Particulars	Note No.	AS AT MARCH 31, 2013		AS AT MARCH 31, 2012
I	EQUITY AND LIABILITIES				
(1)	Shareholders' funds				
	Share Capital	3	1,141,000,000		1,141,000,000
	Reserves and Surplus	4	107,611,814		106,510,132
			1,248,611,814		1,247,510,132
(2)	Non-current liabilities				
	Long term borrowings				0
	Deferred tax liabilities (net)	5	25,522,646		25,522,646
	Other Long term Liabilities				0
	Long term provisions				0
			25,522,646		25,522,646
(3)	Current liabilities				
	Short term borrowings	6	118,798,501		114,073,501
	Trade payables	7	57,923		5,063,757
	other current liabilities	8	260,000		0
	Short term provisions		0		0
			119,116,424		119,137,258
	TOTAL		1,393,250,884		1,392,170,036
II	ASSETS				
(1)	Non-current assets				
	Fixed Assets				
	Tangible assets	9	146,407,040		152,740,855
	Intangible Assets	9	0		3,238,617
	Non current investments	10	87,500,000		278,146,176
	Long term loans and advances	11	1,062,875,412		845,479,530
	Other non current assets	12	18,650,000		35,500,000
			1,315,432,452		1,315,105,177
(2)	Current assets				
	Inventories	13	40,000,000		40,000,000
	Trade receivables	14	32,544,722		32,544,654
	Cash and cash equivalents	15	1,301,867		1,796,151
	Short term loans and advances	16	3,971,844		2,724,054
			77,818,432		77,064,859
	TOTAL		1,393,250,884		1,392,170,036
III	Notes forming part of Financial Statements				

As per our attached report of even date
For A. K. RAJAGOPALAN & Co.,
Chartered Accountants
firm Regd. No. 003405S

For and on behalf of Board of Directors

Sd-

Sd-

Sd-

CA. T. R. ASHOK
Partner
Membership No : 026133

Director

Director

Place : Chennai
Date : 29.08.2013

SANGUINE MEDIA LIMITED**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2013**

		(Amount in Rupees)			
	Particulars	Note No.	2012-2013		2011-2012
I	Revenue from operations	17	809,123,501		735,202,523
II	Other Income	18	6,677,900		9,097,810
III	Total Revenue (I+II)		815,801,401		744,300,333
IV	Expenses				
	Cost of materials consumed/Sales	19	786,678,162		715,706,658
	Employee benefits expense	20	572,140		374,670
	Finance costs	21	8,381		73,225
	Depreciation/Amortisation of Expenses	9	26,422,432		25,921,669
	Other expenses	22	758,605		1,047,553
	Total expenses		814,439,720		743,123,775
V	Profit Before exceptional and extraordinary items and Tax (III-IV)		1,361,681		1,176,558
VI	Exceptional items		-		-
VII	Profit Before Tax (V - VI)		1,361,681		1,176,558
VIII	Tax expense:				
	Current tax		260,000		-
	Deferred Tax Liability/(Asset)		-		-
	Income Tax paid for earlier years		-		-
			260,000		-
VIII	Profit / (Loss) for the period (V-VI)		1,101,681		1,176,558
XIV	Earning per equity share:	- 23			
	Basic		0.01		0.01
	Diluted		0.01		0.01
	Notes forming part of Financial Statements				

As per our attached report of even date
For A. K. RAJAGOPALAN & Co.,
Chartered Accountants
firm Regd. No. 003405S

Sd-

CA. T. R. ASHOK
Partner
Membership No : 026133

Place : Chennai
Date : 29.08.2013

For and on behalf of Board of Directors

Sd-

Director Director

SANGUINE MEDIA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in Rupees)

Particulars	Year Ended 31.03.2013	Year Ended 31.03.2012
(A) Cash Flow Opening Activities (Indirect Method)		
Profit Before Tax	1,101,681.00	1,176,558.00
Add Non-cash Item	-	-
Depreciation	26,422,432.00	25,921,669.00
Deferred Tax	-	-
Loss on sale of Assets	-	-
Cash Flow Before Working Capital Changes	27,524,113.00	27,098,227.00
Working Capital / Adjustments		
Add Change in Inventory	-	-
Add Change in Debtor	(68.00)	2,968,421.00
Add Change in Loan & Advances	(218,643,672.00)	(70,415,535.00)
Add Change in Current Liabilities (excluding Provision for Tax)	(20,834.00)	99,194,688.00
Add Short term Loan & Advances	16,850,000.00	
Cash Flow From Operating Activities Before tax	(201,814,574.00)	58,845,801.00
Less Tax Paid	-	-
Cash Flow From Operating Activities	(174,290,461.00)	58,845,801.00
(B) Cash Flow From Investing Activities		
Sale of Fixed Assets	-	-
Purchase of Assets	(16,850,000.00)	(57,030,899.00)
Change in Deferred Revenue Expenditure	-	-
Purchase of Investment	190,646,176.00	-
Net Cash Flow from Investing Activity	173,796,176.00	(57,030,899.00)
(c) Cash Flow From Financial Activities		
Change in Share Capital	-	-
Change in Share Premium	-	-
Changes in Secured Loans	-	-
Net Cash Flow from Financing Activity	-	-
Net Increase in Cash And Cash Equivalents (A+B+C)	(494,285.00)	1,814,902.00
i Cash And Cash Equivalents As At The Closing	1,301,867.00	1,796,151.00
ii Cash And Cash Equivalents As At The Opening	1,796,151.00	(18,751.00)
Net Increase in Cash And Cash Equivalents (i-ii)	(494,284.00)	1,814,902.00

As per our report attached of even date
For A.K. Rajgopalan & Co.
Chartered Accountants

Sd-
CA. T. R. ASHOK
Partner
Membership No : 026133

Place : Chennai
Date : 29.08.2013

For and on behalf of the board

Sd-
Kumar Madan Raichand
Managing Director

Sd-
Devendra.P.Otavkar
Director

SANGUINE MEDIA LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

1 Corporate Information

Sanguine Media Limited, is a company incorporated in September 1995 under the Indian Companies Act, 1956, Sanguine Media Limited operates as a media company in India. It manages various events, including entertainment shows, product launches, customer/consumer meets, employees motivational programs, training and development programs, international/Indian artist program, concerts, and television events. The company also provides rural marketing services, such as rural van operation/video on wheels, market promotion, consumer contact/promotion, promotional selling, promotional distribution, market research and Trading & Investment Activity in Shares & Securities & related instruments etc.

2 Significant Accounting Policies

a) Basis of Accounting

The accounts of the Company are prepared under the historical cost convention and are in accordance with the applicable accounting standards and accordingly accrual basis of accounting is followed for recognition of income and expenses except where otherwise stated and where the exact quantum is not ascertainable. Expenditure on issue of share capital, if any, is accounted when actually incurred.

b) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognized:

- (i) Revenue will be recognised on completion of the project / telecast of advertisement / prints of ads in news papers/ magazines etc
- (ii) Interest income is recognised on a time proportion basis taking in to account the amount outstanding and the applicable interest rate
- (iii) Dividend income is recognised when the company's right to receive dividend is established on the reporting date.

c) Fixed Assets

Fixed assets are stated at total capitalized costs relating and attributable directly or indirectly to acquisition and installation thereof as reduced by the accumulated depreciation thereon.

d) Depreciation/Amortization

Depreciation / Amortization on Fixed Assets is provided on Straight Line Method, at the rates specified in Schedule XIV to the Companies Act, 1956 (as amended).

e) Inventories

Inventories are valued as follows:

- (i) Raw Materials, Stores and Spares: at cost
- (ii) Work in Progress: at lower of estimated cost or net realizable value
- (iii) Waste Materials, Damaged goods, Scrap: if any at net estimated realizable value
- (iv) Finished Goods: at lower of cost or market value.

f) Investments

Investments that are intended to be held for more than a year, from the date of acquisition are classified as long term investment are carried at cost less any provision for permanent diminution in value. Investments other than long term investments are being current investments are valued at cost or fair market value whichever is lower.

g) Assets & Liabilities

The Assets and Liabilities are taken at the book value certified by the Management

h) Foreign Currency Transactions

Foreign Currency Transactions are normally recorded at the exchange rate, prevailing on the date of transaction or conversion, as the case may be.

i) **Taxes on Income**

(i) **Current Tax:** Provision for Income Tax is determined in accordance with the provisions of Income Tax Act, 1961.

(ii) **Deferred Tax Provision:** Deferred Tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted on the Balance Sheet date.

Deferred Tax Assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can realized.

j) **Miscellaneous Expenditure**

Preliminary expenses / shares and deferred revenue expenses etc. are not amortise during the year

k) **Presentation and Disclosure of Financial Statement**

During the year ended 31-03-2013, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. however , it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirement applicable in the current year

3 Share Capital

Particulars	As at March 31,2013		As at March 31,2012	
	(Amount in Rupees `)		(Amount in Rupees `)	
Authorised				
120000000 Equity Shares of ` 10 each (Previous Year - 120000000 Equity Shares of ` 10 each)		1,200,000,000		1,200,000,000
		<u>1,200,000,000</u>		<u>1,200,000,000</u>
Issued, Subscribed & Paid Up				
114100000 Equity Shares of ` 10 each , fully paid up (Previous Year- 114100000 Equity Shares of ` 10 each , fully paid up)		1,141,000,000		1,141,000,000
		<u>1,141,000,000</u>		<u>1,141,000,000</u>

a) **Reconciliation of Number of Shares**

Particulars	As at March 31,2013		As at March 31,2012	
	Number of Shares	(Amount in Rupees `)	Number of Shares	(Amount in Rupees `)
Equity Shares at the beginning of the year	114,100,000	1,141,000,000	114,100,000	1,141,000,000
Add: Preferential allotment during the year	0	0	0	0
Equity Shares at the end of the year	<u>114,100,000</u>	<u>1,141,000,000</u>	<u>114,100,000</u>	<u>1,141,000,000</u>

b) **Terms/ rights attached to the Equity Shares**

The Company has only one class of Equity Shares having a par value of ` 10 each. Each Shareholder is eligible one vote per share. Any Shareholder whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) **Details of Shares held by the shareholders holding more than 5% (percentage)of aggregate shares in the Company**

No shareholders is holding more than 5 % shares in the company

* Equity Shares of ` 10 each fully paid up

d) **Shares allotted as fully paid up by way of bonus shares (during 5 years preceding March 31, 2013)**

The Company have not allotted bonus shares during the 5 preceding financial year by the capitalisation of Securities Premium and Reserves.

4 Reserves & Surplus

Particulars	As at March 31,2013		As at March 31,2012	
	(Amount in Rupees `)		(Amount in Rupees `)	
Securities Premium Account				
Balance as per last financial statements	119,455,500		119,455,500	
Add: Premium on fresh issue of Equity Shares	0		0	
		119,455,500		119,455,500
Profit and Loss Account				
Balance as per last financial statements	(12,945,368)		(14,121,926)	
Add: Current Year's Profit	1,101,681		1,176,558	
		(11,843,686)		(12,945,368)
		<u>107,611,814</u>		<u>106,510,132</u>

5 Deferred Tax Liabilities (net)

Particulars	As at March 31,2013		As at March 31,2012	
	(Amount in Rupees `)		(Amount in Rupees `)	
Deferred Tax Liabilities				
on account of difference in depreciation on fixed Assets	25,522,646		25,522,646	
Less: Deferred Tax Assets	0		0	
		25,522,646		25,522,646
		<u>25,522,646</u>		<u>25,522,646</u>

6 Short Term Borrowings

Particulars	As at March 31,2013		As at March 31,2012	
	(Amount in Rupees `)		(Amount in Rupees `)	
Unsecured Loans				
Loans & Advances (Personal Guarantee of Directors)	3,423,501		3,423,501	
Inter Corporate Deposits	115,375,000	118,798,501	110,650,000	114,073,501
		<u>118,798,501</u>		<u>114,073,501</u>

7 Trade Payables:

Particulars	As at March 31,2013		As at March 31,2012	
	(Amount in Rupees `)		(Amount in Rupees `)	
Current Payble for Goods & Expenses/advances		57,923		5,063,757
		<u>57,923</u>		<u>5,063,757</u>

8 Other Current Liabilities

Particulars	As at March 31,2013		As at March 31,2012	
	(Amount in Rupees `)		(Amount in Rupees `)	
Other Payables				
Outstading Expenses		0		0
Provision For Taxation		260,000		0
		<u>260,000</u>		<u>0</u>

10 Non Current Investments:

Particulars	As at March 31,2013	As at March 31,2012
	(Amount in Rupees`)	(Amount in Rupees`)
Trade Investments		
Investment in Equity Instruments (at Cost)		
Quoted		
10200000 Equity Shares of` 10/- each of Dhanus Technologies Limited	60,000,000	60,000,000
Unquoted investments		
Non quoted shares & application Money Pending Allotment	27,500,000	218,146,176
	87,500,000	278,146,176

11 Long Term Loans and Advances

Particulars	As at March 31,2013	As at March 31,2012
	(Amount in Rupees`)	(Amount in Rupees`)
Sundry Advancess & Loans (Unsecured and Considered Good)		
Sundry Advances/ loans	1,062,875,412	845,479,530
	1,062,875,412	845,479,530

12 Other Non Current Assets

Particulars	As at March 31,2013	As at March 31,2012
	(Amount in Rupees`)	(Amount in Rupees`)
Miscellaneous Expenditures	11,577,865	11,577,865
Deferred Revenue Expenditures	23,922,135	23,922,135
	35,500,000	35,500,000
Less :- Written off during the Year	16,850,000	0
	18,650,000	35,500,000

13 Inventories

Particulars	As at March 31,2013	As at March 31,2012
	(Amount in Rupees`)	(Amount in Rupees`)
Inventory (Unutilised Commercial Time)	40,000,000	40,000,000
	40,000,000	40,000,000

14 Trade Receivable

Particulars	As at March 31,2013	As at March 31,2012
	(Amount in Rupees`)	(Amount in Rupees`)
Due for period exceeding six months (Unsecured Considered Good)	32,544,722	13,328,164
Others (Unsecured, Considered Good)	0	19,216,490
	32,544,722	32,544,654

15 Cash and Cash Equivalents

Particulars	As at March 31,2013	As at March 31,2012
	(Amount in Rupees `)	(Amount in Rupees `)
Cash in hand	58,636	2,000
Balances with Banks		
Current Accounts	1,243,231	1,794,151
	<u>1,301,867</u>	<u>1,796,151</u>

*Balances in earmarked accounts having an original maturity of more than 12 months.

16 Short Term Loans and advances

Particulars	As at March 31,2013	As at March 31,2012
	(Amount in Rupees `)	(Amount in Rupees `)
Balances with Government Authority		
Unsecured and Considered Good		
Advance-Tax and Tax Deductible at Source	3,971,844	2,724,054
	<u>3,971,844</u>	<u>2,724,054</u>

17 Revenue from operations

Particulars	2012-13	2011-12
	(Amount in Rupees `)	(Amount in Rupees `)
Sale of shares & Securities	808,952,189	735,049,474
Sale of Media & Entertainment Products	171,312	153,049
	<u>809,123,501</u>	<u>735,202,523</u>

18 Other Income

Particulars	2012-13	2011-12
	(Amount in Rupees `)	(Amount in Rupees `)
Profit on sale of Investments	-5,800,000	133,366
Interest Income	12,477,900	8,963,444
Dividend Income	0	1,000
	<u>6,677,900</u>	<u>9,097,810</u>

19 Cost of Sales / Material Consumed

Particulars	2012-13	2011-12
	(Amount in Rupees `)	(Amount in Rupees `)
Cost of Sales / Material Consumed		
Inventory at the beginning of the year	40,000,000	40,000,000
Add: Net Purchases	786,678,162	715,689,358
	826,678,162	755,689,358
Less: Inventory at the end of the year	40,000,000	40,000,000
	786,678,162	715,689,358
Add :- Direct Expenses	0	17,300
	<u>786,678,162</u>	<u>715,706,658</u>

20 Employees Benefit Expenses

Particulars	2012-13	2011-12
	(Amount in Rupees')	(Amount in Rupees')
Salaries, Wages, Bonus & Other Allowances	570,000	320,700
Staff Welfare Expenses	2,140	53,970
	<u>572,140</u>	<u>374,670</u>

21 Finance Costs

Particulars	2012-13	2011-12
	(Amount in Rupees')	(Amount in Rupees')
Interest Paid	0	53,108
Bank Charges/ Processing Fees etc	8,381	20,117
	<u>8,381</u>	<u>73,225</u>

22 Other Expenses

Particulars	2012-13	2011-12
	(Amount in Rupees')	(Amount in Rupees')
Advertisement Expenses/ Sales Promotion	6,193	48,611
Brokerage And Commission	0	20,000
Consultancy / Legal & Professional Charges	12,500	61,000
Electricity Expenses	11,487	9,500
Office Expenses	22,458	82,802
Postage / Courier	2,531	6,203
Printing & Stationery	5,775	23,085
Registration / Filing , Listing Fees & R & T Fees	311,423	214,834
Rent Rates & Taxes	275,000	55,000
Repairs & Maintenance	0	21,920
Telephone Expenses	12,418	23,890
Travelling & Convyance exp.	5,642	82,046
Auditors Remuneration	94,166	94,166
Discount/ written off	-988	304,496
	<u>758,605</u>	<u>1,047,553</u>

23 Earning Per Share (EPS)

Particulars	2012-13	2011-12
	(Amount in Rupees')	(Amount in Rupees')
Net Profit After taxation	1,101,681	1,176,558
Weighted Average number of Equity Shares	114,100,000	114,100,000
Add: Dilutive Potential Equity Shares	0	0
Number of Equity Shares for Dilutive EPS	114,100,000	114,100,000
Nominal Value of Shares	10	10
Basic Earning Per Share	0.01	0.01
Diluted Earning Per Share	0.01	0.01

24 Research & Development Expenses

The expenditure on Research & Development is not sepa-rately ascertainable as the same has been included under various heads of expenditure in the Profit & Loss Account.

25 Managerial Remuneration:

Particulars	2012-13	2011-12
	(Amount in Rupees')	(Amount in Rupees')
Directors' Remuneration	NIL	NIL

Computation of Net Profit in accordance with the Companies Act, 1956. The Commission by way of percentage of profits has not been paid to the Managing Director

26 Details of Payment to Auditors

Particulars	2012-13	2011-12
	(Amount in Rupees')	(Amount in Rupees')
As Auditor		
Statutory, Tax Audit Fees & other Matters	94,166	94,166
	<u>94,166</u>	<u>94,166</u>

27 Segment Reporting:

Segment reporting is not applicable.

28 Related Party Disclosure**a) Related Parties and their relationship****Key Managerial Personnel**

Mr. Kumar Raichand Madan	Managing Director
Mr. Vanraj dadbhai Kahor	Director
Mr. Dhiresb Uttamchand Munver	Director
Ms. Ami Gigar Motta	Director
Mr. Devendra Prabhakar Otavakar	Director

29 Expenditure in Foreign Currency

Particulars	2012-13	2011-12
	(Amount in Rupees')	(Amount in Rupees')
Import of Services / Sales	NIL	NIL
	<u>NIL</u>	<u>NIL</u>

30 Earning in Foreign Exchanges

Particulars	2012-13	2011-12
	(Amount in Rupees')	(Amount in Rupees')
Export of Services / Sales	NIL	NIL
	<u>NIL</u>	<u>NIL</u>

31 Contingent Liabilities / Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existences in the financial statements

Contingent assets are not recognised in the financial statements. However contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, assets and related income are recognised in the period in which the change occurs.

32 Balances in the accounts of debtors, creditors and contracts and contractors, certain Bank Accounts are taken subject to confirmation and reconciliation and only upon such confirmation and reconciliation, the entries for discounts, claims and writing off sundry balances etc. will be recorded in the books.

33 In the absence of detailed information from Small Scale and Ancillary Undertaking, included under the head Sundry Creditors dues there from are not ascertained as on the date of Balance Sheet.

34 Previous year's figures have been regrouped / rearranged wherever deemed necessary.

SANGUINE MEDIA LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

09 Fixed Assets:

Sr. No.	DESCRIPTION	Rate	GROSS BLOCK			DEPRECIATION			NET BLOCK	
			As at 01.04.2012	Additions	Deduct.	As at 31.03.2013	As at 01.04.2012	For the Period	As at 31.03.2013	As on 31.03.2012
A	Tangible Assets									
1	Computers & Printers	16.21%	604,961	0	0	604,961	542,282	62,679	604,961	62,679
2	Furniture & Fittings	6.33%	19,474	0	0	19,474	6,308	1,233	7,541	13,166
3	Contents	3.75%	167,197,400	0	0	167,197,400	14,532,391	6,269,903	20,802,294	152,665,010
	Total (A)		167,821,835	0	0	167,821,835	15,080,980	6,333,815	21,414,795	152,740,855
B	Intangible Assets									
1	Goodwill	20%	17,000,000	0	0	17,000,000	17,000,000	0	17,000,000	0
2	TV Software Contents	25%	74,143,209	0	0	74,143,209	70,904,592	3,238,617	74,143,209	3,238,617
	Total (B)		91,143,209	0	0	91,143,209	87,904,592	3,238,617	91,143,209	3,238,617
	Total (A+B)		258,965,044	0	0	258,965,044	102,985,573	9,572,432	112,558,005	155,979,471
	Previous Year		201,934,145	57,030,899	0	258,965,044	77,063,904	25,921,669	102,985,573	124,870,241

(Amount in Rupees)



Form A

1	Name of the Company	Sanguine Media Limited
2	Annual financial statements for the year ended	31 st March, 2013
3	Type of Audit observation	Un-qualified
4	Frequency of observation	N.A.

For Sanguine Media Limited

R. Melan
(CEO/Managing Director)



For Sanguine Media Limited

P. Otterlein
(Chief Financial Officer)



For A K Rajagopalan & Co.,
Chartered Accountant

T.R. Ashok

CA T.R. ASHOK
PARTNER
Membership Number: 026133
Firm Registration Number: 003405S



For Sanguine Media Limited

Prasanna
(Chairman of Audit Committee)



Regd. Off. 3 C, Sagas Manor, 1A, 3rd Street, B.N.Road, T. Nagar, Chennai-600 017.

PROXY FORM

Regd Folio No. _____

No. of Shares: _____

D.P.ID* _____

Client ID* _____

I/We _____ of

_____ Being a shareholder/shareholders of Sanguine Media Limited

hereby appoint _____ or failing him/her

_____ as my/ our proxy to attend and vote for me/us and on my/our behalf at the 17th Annual General Meeting of the Company to be held on 28/09/2013 at 10.00 a.m. and at any adjournment thereof.

Signed this _____ day of _____ 2013

Affix Re.1/-
Revenue
Stamp

Signature of the shareholder _____

Note: The Proxy form duly completed and signed must be deposited at the Registered office of the company not less than 48 hours before the time for holding the Meeting.

*Application for shares held in electronic form.

Regd. Off. 3 C, Sagas Manor, 1A, 3rd Street, B.N.Road, T. Nagar, Chennai-600 017.

ATTENDANCE SLIP
17th Annual General Meeting

Regd. Folio No. _____

No. of Shares: _____

D.P.ID* _____

Client ID* _____

Name of the Attending Member _____

I/We hereby record my/our presence at the 17th Annual General Meeting of the Company at Regd. Off. 3 C, Sagas Manor, 1A, 3rd Street, B.N.Road, T. Nagar, Chennai-600 017.

Signature of the shareholder(s), / Proxy/ Representative _____

Note:

- 1) Member/ Proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and hand over the same duly signed at the entrance.
- 2) Member/ Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference.

BOOK – POST

If Undelivered please return to:

REGISTERED OFFICE;

3 C, Sagas Manor, 1A, 3rd Street,

B.N.Road, T. Nagar, Chennai-600 017

Tel No.: 044-28150595/ 044-42048324

Fax : 044-42048326

Email ID:- smedialtd@gmail.com