



ERA

E-ZONE

Believe in difference



ANNUAL REPORT 2010-11



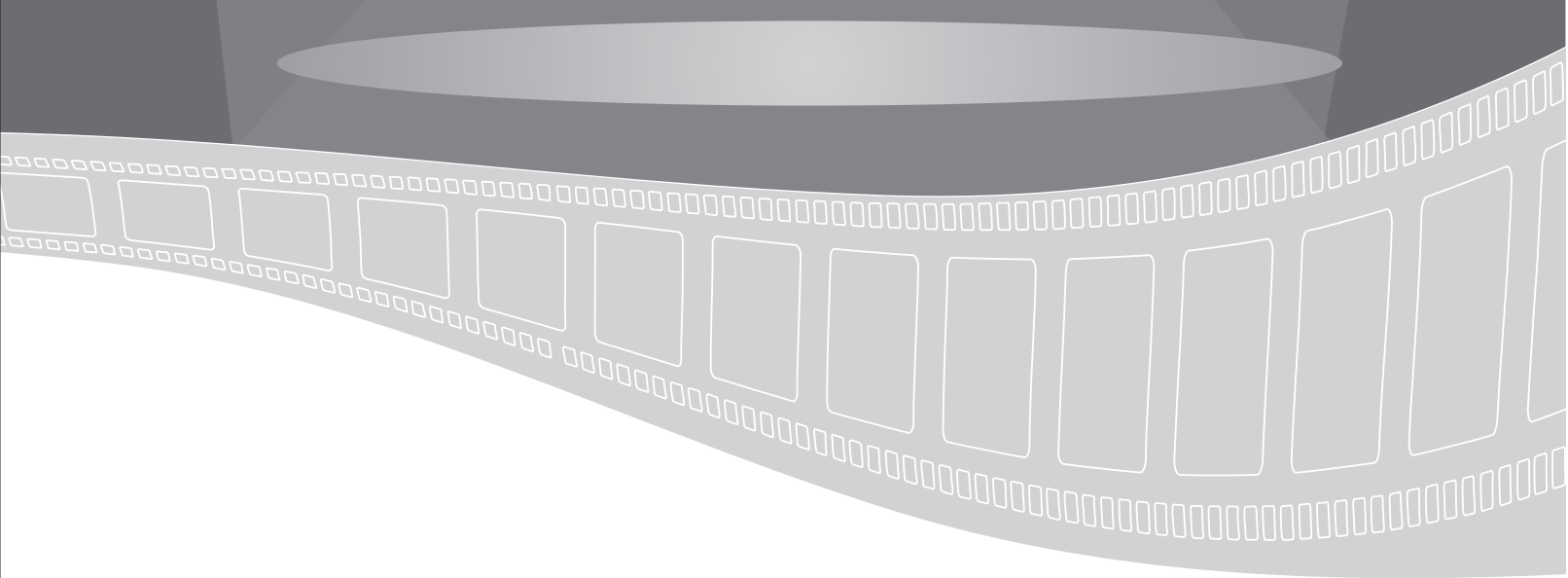
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Introduction

Incorporated in 1993, **Era E-Zone (India) Ltd.** represents the entertainment and hospitality arm of Era Group. **Era E-Zone** has been conceptualised with the single-minded objective of addressing the entertainment and recreation needs comprising **cinemas, food courts, hotels & resorts** and **facility management** with a differentiated approach that stands out for distinctive leisure.

Era E-Zone is among the few Indian companies to pioneer the delivery of **a complete entertainment solution** (multiplexes and food courts) in the fast maturing and evolving cities & towns.





Chairman's Letter

“ With
and
operational across
Meerut, Ajmer and
Jaipur, we have
redefined the
cinematic experience
in the smaller cities.”



Dear Shareholders,

The Media and Entertainment (M&E) industry is one of the fastest growing sectors in India. Poised to grow at a compounded rate of 14% to touch USD 28 billion by 2015, the sector registered a growth of 11% in 2010, garnering USD 14.54 billion in revenue.

Increasing investments by the private sector, foreign media and entertainment majors have enhanced India's entertainment infrastructure. Producing more than 1,000 films annually, India is the largest producer of films in the world. The Indian film industry is projected to touch ₹136.5 billion in 2015 from ₹87.5 billion in 2010, growing at a CAGR of 9.3% over the next five years.

Let me take you through some highlights in the business space that your Company operates in.

MULTIPLEX BOOM

Not too long ago, watching a movie in India mostly meant standing in long lines for tickets to spend three hours in a stuffy hall with bug-infested seats, a creaky sound system and a

screen sewn up to hide holes. Today, scores of multiplexes have mushroomed in cities across the country, bringing with them online or phone booking of tickets, perfumed auditoria, plush bucket seats and state-of-the-art audio and projection systems. As in metros, in smaller towns too it is the retail boom that's mostly driving the multiplex story. Mall developers all over the country are wooing multiplexes to occupy their top floors as anchor tenants who would ensure footfalls. The arrival of the mall syndrome has accelerated the growth of cineplexes as multiplexes are the anchor tenants in most of these malls.

India's multiplex bandwagon has gone beyond the metros to redefine entertainment in B and C class towns. We, at Era Cinemas follow the same strategy. With 3 cinemas and 7 screens operational across Meerut, Ajmer and Jaipur, we have redefined the cinematic experience in the smaller cities.

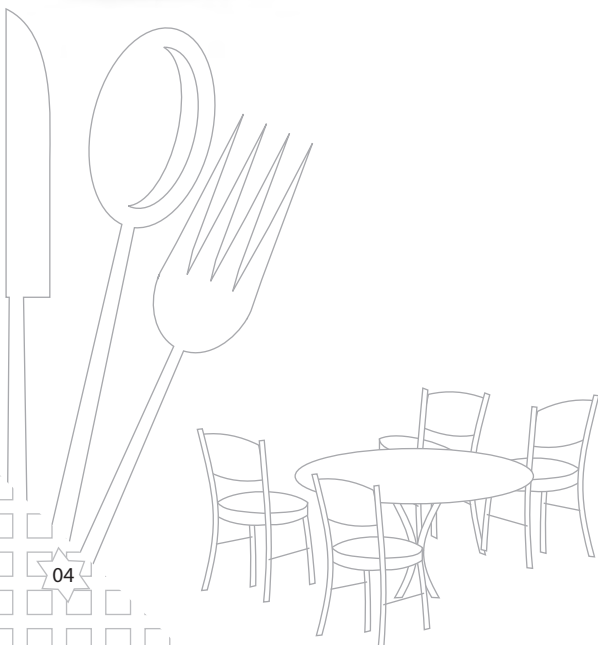
Going ahead, a report by KPMG and FICCI states that this industry which currently has approximately 1000 multiplex screens is likely to double its screen count over the next 5 years. This multiplex growth is expected to be the key driving force for the growth of Indian film industry.



FOOD COURTS

Food courts today are a tool to increase the time people spend at the mall and drive business to other stores in the mall. The fact that good food at malls results in better profits is a given fact. Introducing different cuisines apart from the traditional ones will mean an added cost but the return will be far better. Mall developers were earlier selling space to stores but now lease it out, run the food courts and promote them. All these drive visitors to stores and increase mall revenues. The secret to increased footfalls lies in the taste buds of the customers.

Following the trend your Company's food court - Era Food Zone is operational at the Era Mall, Meerut with a seating capacity of 200 people. Your Company undertakes several marketing initiatives to promote the same.





FUTURE PROSPECTS

Changing lifestyles, retail boom and increasing consumerism have been the key growth drivers for the entertainment industry. As per PWC's latest report titled India Entertainment & Media Outlook 2011, the Indian Entertainment and Media (E&M) industry is slated to continue its double-digit growth trajectory in 2011. Entertainment activities are expected to be major areas of growth in the coming future.

To capitalize on these booming opportunities your Company continues to focus on the development and operation of:

- Multiplexes and Cineplexes
- Food Court

Additionally, to propel growth your Company is also exploring other synergistic opportunities in Real Estate. And as a step in

this direction, we have already incorporated the necessary amendments in the objects of the Company.

With exciting growth potential waiting to be unlocked, we are confident that our combination of innovative strategy and fundamental approach will help us deliver exceptional value.

Lastly, on a parting note I would like to thank all my colleagues for their valued contributions during the past year, our Board of Directors for their continued guidance and our stakeholders for their continued patronage.


H.S. Bhargava
Chairman

Corporate Information

H S Bharana
Chairman

S D Sharma
Director

S D Kapoor
Director

A K Mehta
Director

Ajay Kumar Mishra
Director

Amit Bharana
Director

Kapil Kumar
Company Secretary

Auditors
P C Bindal & Co.
Chartered Accountants

Main Banker
Yes Bank
48, Navya Marg, Chanakya Puri, New Delhi

Registrar & Share Transfer Agent
Beetal Financial & Computer Services Pvt. Ltd.,
99, Madangir, Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi – 110062

Registered & Corporate Office
153, Ground Floor, Okhla Industrial Area,
Phase III, New Delhi – 110020

Investor Help
E-mail: investors@eragroup.in

NOTICE

NOTICE IS HEREBY GIVEN THAT THE NINETEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF ERA E-ZONE (INDIA) LIMITED WILL BE HELD ON MONDAY, THE 19TH DAY OF SEPTEMBER, 2011 AT 5.00 P.M. AT EXECUTIVE CLUB, 439, VILLAGE SHAHOORPUR, P.O. FATEHPUR BERI, NEW DELHI-110074 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 and the Profit and Loss Account and Cash Flow Statement for the year ended on that date together with reports of the Auditors' and Directors' thereon.
2. To appoint a Director in place of Mr. Amit Bharana, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. S.D. Kapoor, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 198, 269, 309 and 310 read with schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to Articles of Association of the company, consent of the Shareholders be and is hereby accorded for increase in the remuneration of Mr. Amit Bharana, Managing Director of the Company upto Rs. 3,00,000/-per month (including all benefits and perquisites) with effect from January 1, 2011 to 31st May, 2011."

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 198, 269, 387 read with schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to Articles of Association of the company, consent of the Shareholders be and is hereby accorded for the appointment of Mr. Gaurav Chopra as the Manager of the Company on a monthly remuneration of upto Rs. 85,000/- per month w.e.f. 01st Day of June, 2011 for the period of three years i.e. till 31st May, 2014."

By Order of the Board of Directors
for Era E-Zone (India) Limited.

Place : New Delhi
Date : 13th August, 2011

(Kapil Kumar)
Company Secretary

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ATTACHED HEREWITH.**
2. Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 setting out all material facts in respect of special business of the notice is attached.
3. Members requiring information about the accounts to be explained at the meeting are requested to send their queries at least ten days prior to the meeting at the Registered Office of the Company.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 14th September, 2011 to 19th September, 2011 (both days inclusive).
5. Members/proxy-holders are requested to produce at the entrance the attached admission slip duly completed and signed for admission to the meeting hall.
6. Members attending the meeting are requested to bring their copy of Annual Report.
7. Corporate members are requested to send a duly certified copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
8. The members are requested to notify the change in their address, if any, at the earliest.
9. Members are requested to register their email address through their Depository participants where they are holding their Demat Accounts for sending the future communication by email. Members holding the shares in physical form may register their email at company's Registered Office or company's id - investors@eragroup.in
10. The members holding shares in the physical form are requested to intimate to the Registrar and Transfer Agents, M/s. BEETAL Financial & Computer Services Pvt. Limited, Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062 about the change of address, if any, at the earliest, quoting their registered folio number.
11. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
12. All documents as are mentioned in Notice containing draft resolution or in explanatory statement attached to the notice are open for inspection during the business hours up to the date of this Annual General Meeting.
13. Information regarding Directors to be appointed/re-appointed at this Annual General Meeting pursuant to clause 49 of the Listing Agreement are as under: