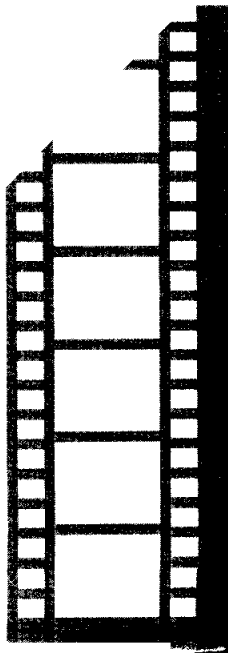




**ANNUAL REPORT**  
**2001-2002**

## Annual Report 2001-2002

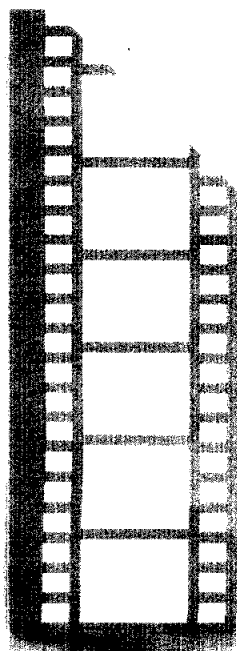
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**Cinevistaas Limited**

(Formerly known as Cinevista Communications Limited)

<b>Board of Directors</b>	:	Prem Krishen Malhotra Sunil Mehta Anil Harish Talat Aziz Niranjan Shivdasani Sulochana Talreja
<b>Management Executives</b>	:	Prem Krishen Malhotra, Chairman Sunil Mehta, Vice-Chairman & Managing Director Chandru Shivdasani, Director – Marketing and Media Services Sunil Sangra, Director – Business Development and Finance C. Gurunath, Director – Administration and Production K.B.Nair, Chief Accounts Officer
<b>Company Secretary and Compliance Officer</b>	:	Sudhir R. Singh
<b>Auditors</b>	:	Vimal C. Punmiya Chartered Accountants 501, Niranjan 99, Marine Drive Mumbai – 400 002.
<b>Bankers</b>	:	Central Bank of India
<b>Registered Office</b>	:	8, Vinod Villa, B.G. Kher Road, Worli Mumbai – 400 018. Tel No.: 022-4931255 Fax No.: 022-4938597 Website: www.cinevistaas.com
<b>Registrar &amp; Share Transfer Agent</b>	:	Karvy Consultants Ltd. Karvy House 46 Avenue 4, Street No. 1 Banjara Hills Hyderabad – 500 034



**Annual Report 2001-2002****NOTICE**

Notice is hereby given that the Fifth Annual General Meeting of the Members of Cinevistaas Limited will be held on Wednesday, the 25<sup>th</sup> day of September, 2002, at 11.00 a.m. at Shri Bhaidas Maganlal Sabhagriha, U-1, Juhu Development Scheme, Vile Parle (W), Mumbai – 400 056 to transact the following business:

**AS ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Annual Accounts for the year ended 31<sup>st</sup> March, 2002, together with the Directors' Report and the Auditors' Report thereon.
- 2) To appoint a Director in place of Shri Anil Harish, who retires by rotation and being eligible offers himself for reappointment.
- 3) To appoint Statutory Auditors and to fix their remuneration. The retiring auditors M/s Vimal Punmiya and Co., Chartered Accountants are eligible for reappointment.

**Registered Office:**

8, Vinod Villa,  
B.G. Kher Road,  
Worli,  
Mumbai – 400 018  
Place: Mumbai.  
Date : 31<sup>st</sup> July, 2002.

By order of the Board  
**For Cinevistaas Limited**

Sudhir R. Singh  
Company Secretary

**Notes:**

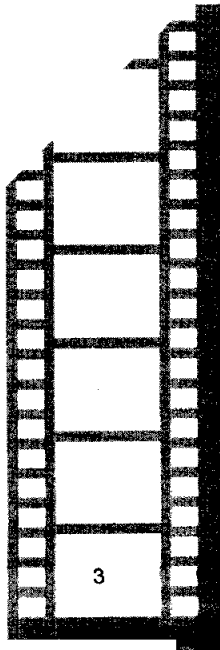
1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 19<sup>th</sup> day of September, 2002, to 25<sup>th</sup> day of September, 2002 (both days inclusive).
4. Members are requested to address all their shares / refunds related queries to the Company's Registrar and Transfer Agents viz. M/s Karvy Consultants Ltd., Karvy House, 46 Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500 034.

**Registered Office:**

8, Vinod Villa,  
B.G. Kher Road,  
Worli,  
Mumbai – 400 018  
Place: Mumbai.  
Date : 31<sup>st</sup> July, 2002.

By order of the Board  
**For Cinevistaas Limited**

Sudhir R. Singh  
Company Secretary



**Cinevistaas Limited**

(Formerly known as Cinevista Communications Limited)

**DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in submitting the Fifth Annual Report of Your Company together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2002.

**Financial Results**

	<b>March 31, 2002</b>	(Rs. in lacs) <b>March, 31, 2001</b>
Realisation from serials	<b>1688.98</b>	3967.02
Other income	<b>484.20</b>	392.63
Total income	<b>2173.18</b>	4359.65
Total expenditure	<b>2369.03</b>	5437.65
Gross profit before interest, depreciation and taxation	<b>(195.85)</b>	(1078.00)
Interest	<b>26.62</b>	37.49
Profit before depreciation and taxation	<b>(222.47)</b>	(1115.49)
Depreciation	<b>102.62</b>	83.21
Provision for Taxation		
Deferred Tax Liability	<b>100.45</b>	NIL
Deferred Tax Asset	<b>(210.70)</b>	NIL
Wealth Tax	<b>0.65</b>	0.65
Provisions of Income Tax of earlier years w/off	<b>NIL</b>	2.12
Net Profit/(Loss)	<b>(215.49)</b>	(1201.47)
Profit b/f from previous year	<b>(243.62)</b>	957.85
Profit/(Loss) c/f to the Balance Sheet	<b>(459.11)</b>	(243.62)

**Dividend**

In the absence of any profits, Your Directors do not propose any dividend for the year ended 31<sup>st</sup> March, 2002.

**Operations**

During the period under review, the total revenue of Your Company was Rs. 2173.18 lacs (Rs. 4359.65 lacs) thus, declining by 50% when compared with the previous year. Against the decreased revenue for the year, Your Company, however, has been able to cut down its losses to Rs. 215.49 lacs (Rs. 1201.47 lacs) on the back of curtailed administrative costs and tightened overheads. The loss incurred during the year is entirely attributed to the termination of Mega Series on Doordarshan (DD) by the Company during the first half of the year under review. Due to the cost cutting initiatives implemented during the second half of the year, Your Company posted a net profit of Rs. 129.91 lacs for the second half year ended 31<sup>st</sup> March, 2002, as against a net loss of Rs. 345.40 lacs for the first half of the financial year ended 31<sup>st</sup> March, 2002. Due to this, Your Company managed to bring down the loss for the year to Rs. 215.49 lacs.

**Change of Name**

Pursuant to the special resolution passed in the last Annual General Meeting of the Company, the Company has obtained a fresh Certificate of Incorporation dated 20<sup>th</sup> December, 2001, from the Registrar

of Companies, Maharashtra, changing the name of the Company from 'Cinevista Communications Limited' to 'Cinevistaas Limited'.

### Directors

During the year under review, Smt. Sunita Malhotra and Smt. Pamma Mehta resigned as Wholetime Directors from the Board of Your Company with effect from 2nd July, 2001. The Board wishes to place on record its sincere appreciation for their valuable contribution as Director on the Board of Your Company.

As per Article 120 of the Articles of Association, Shri Anil Harish retires by rotation in the forthcoming Annual General Meeting and being eligible offers himself for reappointment.

### Corporate Governance Report

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report and Management Discussion and Analysis are attached to this report.

### Compliance Certificate

A certificate from the Auditors of the Company regarding the compliance with Corporate Governance as provided in Clause 49 of the Listing Agreement is attached as Annexure I to this report.

### Directors' Responsibility Statement

The Directors' confirm the following:

- (i) that in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2002, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgements 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 ended 31<sup>st</sup> March, 2002, and of the profit and loss of the Company for the year under review;
- (iii) that 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;
- (iv) that the Directors have prepared the annual accounts for the year ended 31<sup>st</sup> March, 2002, on a going concern basis.

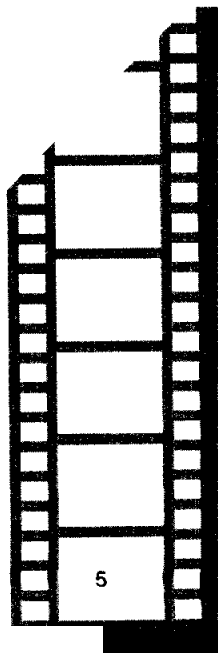
### Subsidiaries and Joint Ventures

In addition to "Consolidation of Financial Statements" as required under clause 32 of the Listing Agreement with the Stock Exchanges, the details on the performance of the Company's subsidiaries are attached as Annexure III to the balance sheet of Your Company pursuant to Section 212(1) of the Companies Act, 1956.

During the year, Your Company acquired 100% stake in Video Vista Inc., USA to build a strong base in overseas market. Video Vista Inc. is currently engaged in the business of trading and licensing of Indian television programmes. Also during the same year, Heritage Entertainment Pvt. Ltd. (formerly Cinevista News International Pvt. Ltd.) ceased to be the subsidiary of Your Company due to the changes in the directorships of the erstwhile subsidiary Company.

### Fixed Deposits

During the year ended 31<sup>st</sup> March, 2002, Your Company has not accepted any deposits within the



**Cinevistaas Limited**

(Formerly known as Cinevista Communications Limited)

meaning of Section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975.

**Auditors**

Messrs. Vimal Punmiya & Co., Chartered Accountants, Statutory Auditors retire at the forthcoming Annual General Meeting and are eligible for reappointment. You are requested to reappoint them as auditors and fix their remuneration.

**Statutory Information**

Considering the nature of the business of the Company, the particulars required to be furnished pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to the Conservation of Energy and Technology Absorbion are not applicable.

Foreign Exchange Earnings and Outgo are Rs. 41.10 lacs (Rs. 152.31 lacs) and Rs. 3.17 lacs (Rs. 5.34 lacs) respectively.

As per the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the names and other particulars of employees are set out in the Annexure II included in this report.

**Appreciation**

Your Directors wish to place on record their appreciation to all the employees for their diligence and contribution. Your Directors also express their gratitude for all the assistance extended by the Bankers of the Company.

**For and on behalf of the Board**

Place : Mumbai  
Date : 28<sup>th</sup> June, 2002

Prem Krishen Malhotra  
Chairman

**Annexure I to the Directors' Report****AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

We have examined the relevant records of Cinevistaas Limited for the year ended March 31, 2002, relating to compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges and state that in our opinion, and to the best of our knowledge and according to the information and explanations given to us, the Company has complied with the mandatory requirements contained in the aforesaid Clause 49.

**For Vimal Punmiya & Co.**  
Chartered Accountants

Place: Mumbai  
Date : 28th June, 2002

**Vimal C. Punmiya**  
Proprietor

**Annexure II to the Directors' Report**

Statement annexed to the Directors' Report showing the names and other particulars of every employee of the Company pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

Sr. No.	Employee's Name	Designation	Remuneration (Rs)	Qualifications	Age (Years)	Total Experience (Years)	Date of Commencement of Employment	Particulars of Previous Employment Organisation	Designation	Period (Years)
1	2	3	4	5	6	7	8	9(a)	9(b)	9(c)
1	Malhotra P K	Chairman	Rs. 1,500,000/-	SSC	48	28	01/04/1997	—	—	—
2	Malhotra S *	Head-Costume Design & Development	Rs.750,000/-	B.A, LL.B	44	22	01/10/2001	—	—	—
3	Mehta P *	Head-Creative Section	Rs.750,000/-	B.A	47	22	01/10/2001	—	—	—
4	Mehta S	Vice-Chairman & Managing Director	Rs. 1,500,000/-	B. Com	47	28	01/04/1997	—	—	—

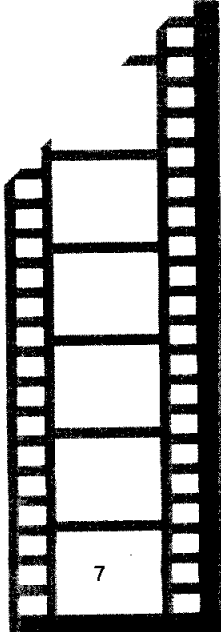
**Notes :**

- 1 Nature of employment is Contractual in case of all employees
- 2 Names with an asterisk mark denotes persons employed for part of the year.

**For and on behalf of the Board**

Place : Mumbai.  
Date : 28th June, 2002.

Prem Krishen Malhotra  
Chairman





**Cinevistaas Limited**

(Formerly known as Cinevista Communications Limited)

**CORPORATE GOVERNANCE REPORT**

In continuation of the desire to follow the sound management practice and with utmost credibility and transparency, Your Company has been able to obtain the best professional and advisory services from out of its directors and management executives. The various committees constituted meets as and when required and ensures the appropriate discharge of the functional responsibilities assigned to the incumbents. This will, the management of Your Company feels, provide a platform to the stakeholders/prospective stakeholders in the company to form a reasoned opinion.

**BOARD OF DIRECTORS**

Composition, category, other directorships in the Board/Committee:

Name of the Directors	Category	Other directorships	
		Board of Directors*	Board Committee
Shri Prem Krishen Malhotra	Promoter & Executive Director	NIL	NIL
Shri Sunil Mehta	Promoter & Executive Director	NIL	NIL
Shri Anil Harish	Non-executive Director	14	06
Shri Talat Aziz	Non-executive Director	NIL	NIL
Shri Niranjana Shivdasani	Independent & Non-executive Director	NIL	NIL
Smt. Sulochana Talreja	Independent & Non-executive Director	NIL	NIL

\* Excluding directorships held in private limited companies.

Number of Board Meetings held during the year ended 31<sup>st</sup> March, 2002:

Sr. No.	Dates of the Board Meetings
1.	1 <sup>st</sup> April, 2001
2.	28 <sup>th</sup> June, 2001
3.	30 <sup>th</sup> July, 2001
4.	29 <sup>th</sup> November, 2001
5.	31 <sup>st</sup> January, 2002

Attendance of the Directors at the Board Meetings held during the year ended 31<sup>st</sup> March, 2002, and at the last AGM:

Name of the Directors	Attendance at the Board Meetings	Attendance at the last AGM held on 25-09-2001
Shri Prem Krishen Malhotra	4	Absent
Shri Sunil Mehta	5	Present
Smt. Pamma Mehta	1	N.A. *
Shri Gurcharan Das	1	N.A. *
Shri Anil Harish	1	Absent
Shri Talat Aziz	3	Present
Shri Niranjana Shivdasani	3	Present
Smt. Sulochana Talreja	3	Present

**Annual Report 2001-2002**

\* Smt. Pamma Mehta and Shri Gurcharan Das ceased to be Director w.e.f 2<sup>nd</sup> July, 2001, and 27<sup>th</sup> June, 2001, respectively.

**AUDIT COMMITTEE:**

The role of Audit Committee shall be as prescribed under clause 49 of the listing agreement.

Composition of the Audit Committee:

Name of the Directors	Category
Shri Niranjana Shivdasani	Chairman, Independent and Non-executive Director
Smt. Sulochana Talreja	Member, Independent and Non-executive Director
Shri Talat Aziz	Member, Non-executive Director
Shri Sudhir R Singh	Secretary

Since the constitution of Audit Committee in the Board Meeting held on 28<sup>th</sup> June, 2001, three meetings of the committee were held on 14<sup>th</sup> September, 2001, 4<sup>th</sup> March, 2002, and 12<sup>th</sup> June, 2002. The following table gives the attendance of each directors at the Audit Committee meetings held:

Name of the Audit Committee Members	Number of Meetings	
	Held	Attended
Shri Niranjana Shivdasani	3	3
Smt. Sulochana Talreja	3	3
Shri Talat Aziz	3	3
Shri Sudhir R. Singh	3	3

**REMUNERATION COMMITTEE:**

The role of Remuneration Committee shall be as prescribed under clause 49 of the listing agreement.

Composition of the Remuneration Committee:

Name of the Directors	Category
Smt. Sulochana Talreja	Chairman, Independent and Non-executive Director
Shri Talat Aziz	Member, Non-executive Director
Shri Sunil Mehta	Member, Promoter and Executive Director
Shri Sudhir R Singh	Secretary

Since the constitution of Remuneration Committee in the Board Meeting held on 28<sup>th</sup> June, 2001, three meetings of the committee were held on 14<sup>th</sup> September, 2001, 4<sup>th</sup> March, 2002, and 12<sup>th</sup> June, 2002. The following table gives the attendance of each directors at the Remuneration Committee meetings held:

Name of the Remuneration Committee Members	Number of Meetings	
	Held	Attended
Smt. Sulochana Talreja	3	3
Shri Talat Aziz	3	3
Shri Sunil Mehta	3	3
Shri Sudhir R Singh	3	3