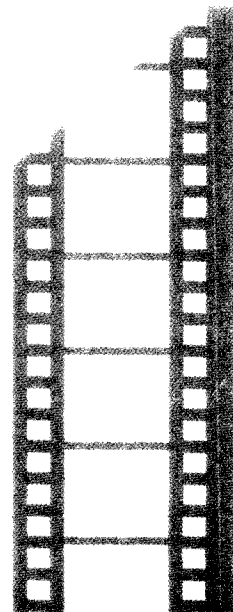




ANNUAL REPORT
2002-2003

Annual Report 2002-2003

Contents	Pages
Notice	03-04
Directors' Report	05-07
Corporate Governance Report & Mananagement Discussion & Analysis	08-11
Shareholder Information	12-14
Auditors' Report	15-17
Balance Sheet.....	18
Profit and Loss Account	19
Schedules '1' to '13'	20-23
Schedule '14' Accounting Policies and Notes to Accounts	24-27
Cash Flow Statement.....	28-29
Balance Sheet Abstract and Company's General Business Profile	30
Consolidated Accounts	31-43
Subsidiary Companies	
Cinevista Studios Private Limited	46-50
Cinevista Eagle Plus Media Private Limited	51-56
Video Vista Inc.	57-58



Cinevistaas Limited

(Formerly known as Cinevista Communications Limited)

Board of Directors

: Prem Krishen Malhotra
Sunil Mehta
Anil Harish
Talat Aziz
Niranjan Shivdasani
Sulochana Talreja

Management Executives

: Prem Krishen Malhotra, Chairman
Sunil Mehta, Vice-Chairman & Managing Director
Chandru Shivdasani, Director – Marketing and Sales
Sunil Sangra, Director – Business Development and Finance
C. Gurunath, Director – Administration and Production
K.B.Nair, Chief Accounts Officer

Company Secretary and Compliance Officer

: Sudhir R. Singh

Auditors

: Vimal C. Punmiya
Chartered Accountants
501, Niranjan
99, Marine Drive
Mumbai – 400 002.

Bankers

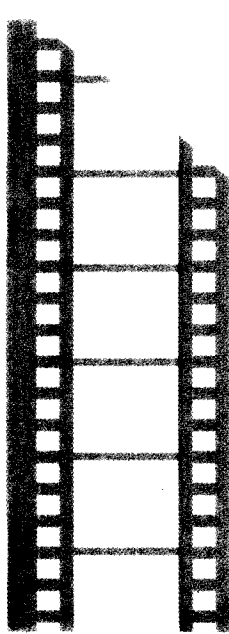
: Central Bank of India

Registered Office

: 8, Vinod Villa,
B.G. Kher Road,
Worli
Mumbai – 400 018.
Tel No.: 022-24931255
Fax No.: 022-24938597

Registrar & Share Transfer Agent

: Karvy Consultants Ltd.
Karvy House
46 Avenue 4, Street No. 1
Banjara Hills
Hyderabad – 500 034.



NOTICE

Notice is hereby given that the Sixth Annual General Meeting of the Members of Cinevistaas Limited will be held on Friday, the 26th day of September, 2003, 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 31st March, 2003, together with the Directors' Report and the Auditors' Report thereon.
- 2) To appoint a Director in place of Shri Niranjan Shivdasani, 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.

AS SPECIAL BUSINESS:

- 4) To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT subject to the provisions of the Companies Act, 1956, (including any statutory modification(s) or re-enactments thereof for the time being in force), Securities Contracts (Regulation) Act, 1956, and the Rules framed thereunder, Listing Agreements, and all other applicable laws, rules, regulations and guidelines and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'the Board'), the consent of the Company be and is hereby accorded to the Board to seek voluntary delisting of the equity shares of the Company from the Bangalore Stock Exchange after taking into account various factors such as but not limited to the incidents impact or burden of the cost of listing fees payable and the volume of trading on the Bangalore Stock Exchange.

RESOLVED FURTHER THAT the Board of the Company be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may in its absolute discretion deems necessary, desirable or appropriate and execute all such applications, deeds, agreements and documents as it may consider necessary for the purpose of giving effect to this resolution."

Registered Office:

8 Vinod Villa,
B.G. Kher Road,
Worli,
Mumbai – 400 018
Place: Mumbai.
Date : 31st July, 2003.

By order of the Board
For Cinevistaas Limited

Sudhir R. Singh
Company Secretary

Cinevistaas Limited

(Formerly known as Cinevista Communications Limited)

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 19th day of September, 2003, to 25th day of September, 2003 (both days inclusive).
4. The Explanatory Statement setting out the material facts concerning Special Business in respect of Item No. 4 of the accompanying notice as required by Section 173 of the Companies Act, 1956, is annexed hereto.
5. 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.

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 173 of the Companies Act, 1956 ("the Act")

Item no. 4

Presently, the equity shares of the Company are listed on The Stock Exchange, Mumbai (the Regional Stock Exchange), The National Stock Exchange of India Limited, and The Bangalore Stock Exchange Limited.

The shares listed on the Bangalore Stock Exchange Limited are not being traded ever since its listing and hence, does not offer commensurate benefits to the company and its investors. The delisting will contribute to reduced administrative costs to the company by way of the annual listing fees which is payable every year.

The Securities and Exchange Board of India (SEBI) has issued SEBI (Delisting of Securities) Guidelines, 2003, by virtue of which the equity shares of the Company can be delisted from stock exchange where its securities are listed provided that the securities of the Company have been listed for a minimum period of 3 years on any stock exchange and an exit opportunity has been given to the investors at an exit price to be determined in accordance with "book building process". However, exit opportunity need not be given in cases where the securities of the Company continue to be listed in a stock exchange having nation wide trading terminals. Since the shares of the Company are listed on BSE and NSE, which are having the nation wide trading terminals, the exit opportunity, therefore, need not be given.

The Directors commend the Special Resolution for your approval to delist the Company's equity shares from the Bangalore Stock Exchange.

None of the other directors of the company is, in any way, concerned or interested in the said resolution except as members of the Company.

Registered Office:

8 Vinod Villa,
B.G. Kher Road,
Worli,
Mumbai – 400 018
Place: Mumbai.
Date : 31st July, 2003.

By order of the Board
For Cinevistaas Limited

Sudhir R. Singh
Company Secretary

Annual Report 2002-2003**DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in submitting the Sixth Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2003.

Financial Results

	<u>March 31, 2003</u>	(Rs. in lacs) <u>March 31, 2002</u>
Realisation from serials	1878.91	1688.98
Other income	226.19	484.20
Total income	2105.10	2173.18
Total expenditure	1686.26	2369.03
Gross profit before interest, depreciation and taxation	418.84	(195.85)
Interest	100.19	26.62
Profit before depreciation and taxation	318.65	(222.47)
Depreciation	158.04	102.62
Provision for Taxation		
Deferred Tax Liability	(42.91)	(100.45)
Deferred Tax Asset	NIL	210.70
Deferred Tax Asset w/off	(19.77)	NIL
Wealth Tax	(0.57)	(0.65)
Net Profit/(Loss)	97.36	(215.49)
Profit b/f from previous year	(459.11)	(243.62)
Profit/(Loss) c/f to the Balance Sheet	(361.75)	(459.11)

Dividend

In view of the lower profits for the year, Your Directors do not propose any dividend for the year ended 31st March, 2003.

Operations

During the period under review, the revenue realization of Your Company grew by 11% to Rs. 1878.91 lacs (Rs. 1688.98 lacs). The cost of production and other expenditure both declined substantially by 30% to Rs. 1147.06 lacs (Rs. 1606.00 lacs) and Rs. 439.20 lacs (Rs. 763.03 lacs) respectively which led to an EBIDTA of Rs. 418.84 lacs (Rs. 195.85 lacs) and consequently after making provision for interest, depreciation and taxation, the company posted a net profit of Rs. 97.36 lacs as against a loss of Rs. 215.49 lacs in the previous year. The improved performance during the year is a result of the company's strong programming on the private satellite channels like Star Plus with 'Sanjivani', 'Ssshhh... Koi Hai' and 'Jai Mata Ki' continuing to perform strongly. The company recently launched its new programme i.e. 'Crime Patrol' on Sony Entertainment Television and has received tremendous acclaim. Further the production of two features films started during the year under review are progressing satisfactorily.

Directors

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

Cinevistaas Limited

(Formerly known as Cinevista Communications Limited)

Delisting

The equity shares of the Company are presently listed on The Stock Exchange, Mumbai, National Stock Exchange of India Limited and Bangalore Stock Exchange Limited. The shares listed on Bangalore Stock Exchange Limited are not being traded ever since its listing and hence, does not offer commensurate benefits to the company and its investors. The delisting will contribute to reduced administrative costs to the company by way of the annual listing fees which is payable every year.

The Securities and Exchange Board of India has in this regard framed SEBI (Delisting of Securities) Guidelines, 2003, by virtue of which the equity shares of the Company can be delisted by making an application duly authorized by the shareholders of the Company. The Board of Directors have, therefore, considered the proposal to delist the equity shares from the Bangalore Stock Exchange subject to the necessary approvals from the shareholders of the company.

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 to this report as annexure I.

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.

Directors' Responsibility Statement

The Directors' confirm the following:

- (i) that in the preparation of the annual accounts for the year ended 31st March, 2003, 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 31st March, 2003, 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 31st March, 2003, 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 II to the balance sheet of Your Company pursuant to Section 212(1) of the Companies Act, 1956.

Recently a new company was formed viz. 'Dynamic Fusion Pvt. Ltd.' to carry on amongst other businesses, the business of events management of all musical shows both in India and abroad with the majority stake being held by your company.

Fixed Deposits

During the year ended 31st March, 2003, your company has not accepted any deposits within the 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 Absorption are not applicable.

Foreign Exchange Earnings and Outgo are Rs. 0.05 lacs (Rs. 41.10 lacs) and Rs. 2.80 lacs (Rs. 3.17 lacs) respectively.

The provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, is not applicable since there is no employee drawing remuneration exceeding the ceiling prescribed therein.

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 : 30th June, 2003

Prem Krishen Malhotra
Chairman

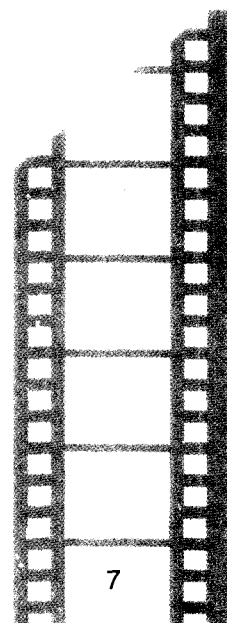
**Annexure I to the Directors' Report****AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

We have examined the relevant records of Cinevistaas Limited for the year ended 31st March, 2003, 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 : 30th June, 2003

Vimal C. Punmiya
Proprietor



Cinevistaas Limited

(Formerly known as Cinevista Communications Limited)

CORPORATE GOVERNANCE REPORT

The role of 'Corporate Governance' is day-by-day becoming of increasing importance with the ever evolving new code of governance in the corporate sector. The thrust is placed on the disclosure of pertinent information before the stakeholders of the company. The Board of Directors and the committees constituted by it strives to follow fair and transparent business practices. The Board with an optimum combination of executive, non-executive and independent directors is benefited with an adequate representation of the controlling and non-controlling interests in the company apart from timely and invaluable advice from its directors and management executives at its disposal. With this in view, a report on the implementation of code of corporate governance in the company is produced herein below:

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	Independent & Non-executive Director	13	10
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

Board Meetings:

During the year ended 31st March, 2003, the Board of Directors met four times on 28th June, 2002, 31st July, 2002, 29th November, 2002 and 30th January, 2003.

Attendance of the Directors at the Board Meetings held during the year ended 31st March, 2003, and at the last AGM.

Name of the Directors	Attendance at the Board Meetings	Attendance at the last AGM held on 25-09-2002
Shri Prem Krishen Malhotra	2	Absent
Shri Sunil Mehta	4	Present
Shri Anil Harish	NIL	Absent
Shri Talat Aziz	3	Present
Shri Niranjana Shivdasani	3	Present
Smt. Sulochana Talreja	4	Absent

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

During the year, three (3) audit committee meetings were held. The following table gives the attendance of each director at the audit committee meetings held:

Name of the Audit Committee Members	Number of Meetings	
	Held	Attended
Shri Niranjan 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

During the year, three (3) remuneration committee meetings were held. The following table gives the attendance of each directors at the audit 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

Details of remuneration paid to all Directors:

Name of the Director	Category	Salary
Shri Prem Krishen Malhotra	Promoter & Executive Director	Rs. 1,500,000/-
Shri Sunil Mehta	Promoter & Executive Director	Rs. 1,500,000/-
Shri Talat Aziz	Non-executive Director	Rs. 5,500/-
Shri Niranjan Shivdasani	Independent & Non-executive Director	Rs. 3,000/-
Smt. Sulochana Talreja	Independent & Non-executive Director	Rs. 14,500/-

SHAREHOLDERS'/INVESTORS GRIEVANCE COMMITTEE:

The Committee shall ensure the redressal of the complaints received from shareholders/investors with regard to the share transfer, transmission, issue of duplicate share certificate, etc. Considering the nature of the complaints, including pending if any, the Committee shall meet as and when necessary.

Composition of the Shareholders' Committee:

Name of the Directors	Category
Smt. Sulochana Talreja	Chairman, Independent and Non-executive Director
Shri Talat Aziz	Member, Non-executive Director
Shri Prem Krishen Malhotra	Member, Promoter and Executive Director
Shri Sudhir R Singh	Secretary and Compliance Officer