

NOTICE

Notice is hereby given that the Eleventh Annual General Meeting of the Members of Cinevistaas Limited will be held on Friday, the 26th day of September, 2008, at 11.00 a.m. at Shri Bhaidas Maganlal Sabhagriha, Shri Vile Parle Kelavani Mandal, Vile Parle (W), Mumbai – 400 056 to transact the following business:

AS ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Balance Sheet as at 31st March, 2008, and Profit and Loss Account for the year ended on that date, together with the Directors' Report and the Auditors' Report thereon.
- 2) To appoint a Director in place of Shri Talat Aziz, 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.
- 4) Any other business with the permission of the Chair.

Registered Office:

Plot No. 1, L.B.S. Marg
Gandhi Nagar
Kanjurmarg (W)
Mumbai – 400 078.
Place: Mumbai
Date : 30th June, 2008.

By order of the Board
For Cinevistaas Limited

Sandhya R. Malhotra
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. The instrument appointing a Proxy, 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 20th day of September 2008, to 26th day of September 2008 (both days inclusive).
4. As per clause 49(IV)(G)(i) of the Listing Agreement entered into with the Stock Exchanges, the brief profiles of the directors appointed and re-appointed, subsequent to retiring by rotation or otherwise, are disclosed in the 'Corporate Governance Report' attached to and forming part of the Directors' Report.
5. Members are requested to address all their shares / membership related queries to the Company's Registrar and Transfer Agents viz. M/s Karvy Computershare Pvt. Ltd., Plot No.17-24, Vittalrao Nagar, Madhapur, Hyderabad – 500 081.

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Company Secretary

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in submitting the Eleventh Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2008.

1. Financial Results

	March 31, 2008	(Rs. in lacs) March 31, 2007
Realisation from serials	2234.34	1845.37
Other income	194.21	267.07
Total income	2428.55	2112.44
Total expenditure	1723.04	1260.48
Gross profit before interest, depreciation and taxation	705.51	851.96
Interest	158.76	160.47
Profit before depreciation and taxation	546.75	691.49
Depreciation	136.61	172.54
Provision for Taxation –		
Under provision of previous year's tax	-	(51.58)
Current tax	8.47	-
Deferred Tax Liability	38.34	58.29
Deferred Tax Asset w/off	182.20	360.85
Wealth Tax	(0.57)	(0.38)
Income Tax provision w/off	51.58	-
Fringe Benefit Tax	1.83	-
Net Profit/(Loss)	306.99	886.13

2. Operations

Financial and Operational Review:

The Company has earned a gross income of Rs.2428.55 lacs for the financial year 2007-08, as compared to Rs.2112.44 lacs in the previous year, an increase of 316.11 lacs.

The Company has earned a net profit of Rs.306.99 lacs for the year as compared to Rs.886.18 lacs in the previous year.

Interest expenditure for the year under review has decreased by Rs.1.71 lacs from Rs.160.47 lacs in the previous year.

Depreciation during the year was lower by Rs.35.93 lacs as compared to Rs.172.54 lacs in the previous year.

Earning per share is Rs.0.60 as compared to Rs.8.48 in the previous year.

Resources & Liquidity:

The Company's net worth as on 31st March 2008 was Rs.156.60 crore, with paid up capital of Rs.10.13 crore and accumulated Reserves & Surplus of Rs.152.83 crore.

Industry Structure & Developments**The Media & Entertainment sector**

According to a report by Crisil, the Media & Entertainment Industry is poised to double its revenues by the calendar year 2010, with an Annual growth rate of 15.6%. The study forecasts that the revenues will reach the level of INR 74,400 crore by 2010. The sector is rising high on the back of several factors such as presence of multiple players, greater choices to consumers and growing investor interest. According to another report by FICCI and PricewaterhouseCoopers, the Media and Entertainment sector is expected to cross a turnover of INR 100,000 crore by 2011 from the present 43,700 crore, thereby registering a 18 percent compounded annual growth.

Infrastructure & Development: Growing Opportunities

The Infrastructure sector is the engine of spiraling growth, for sustained economic development. India has made considerable progress in the last ten years, in attracting considerable private investments into the infrastructure sector viz, roads, telecommunications and several other projects.

- The sector is estimated to grow at 15 per cent over the coming years.
- Construction industry is the second largest economic activity in India, next only to agriculture. Investments in the construction business accounts for nearly 11 per cent of India's GDP and nearly 50 per cent of its Gross Fixed Capital Formation (GFCF). Construction accounts for nearly 65 per cent of the total investment in infrastructure and is expected to be the biggest beneficiary for the surge in infrastructure investments to be made over the next five years.
- The Indian construction industry, an integral part of the economy and a conduit for a substantial part of its development investment, is poised for growth on account of industrialization, urbanization, economic development and people's rising expectations for an improved quality of living.
- The Construction activity constitutes almost 40% to 50% of India's total capital expenditure on projects in various sectors. Keeping this perspective in mind, your company plans its first foray into this ever expanding construction and development sector with the proposed IT Park project on your parcel of land at Kanjurmarg. This hopefully will be the beginning of many new ventures to be undertaken in the near future.

Opportunities

The Indian Economy continues to perform well and remains one of the fastest growing economies in the world. A growing economy coupled with a growing industry throws up immense opportunities for business to flourish. In the area of our core competence there is no stone left unturned to grab growth opportunities. We are in constant talks with all the varied channels at all times, with a view that your Company's product graces every channel of prominence, with a view that when our shareholders see their Company's logo displayed on every conceivable channel, it not only brings pride to our valued shareholders, but ensures an ever growing and prosperous bottom-line.

Similarly in the infrastructure sector as well, the opportunities seem to be only multiplying. Your company is completely poised to commence the project in hand as well as tap any other opportunity worth utilizing in the immediate future.

Outlook:

The Company's main focus in the year to follow shall be on capturing opportunities in our core business of media & entertainment, coupled with the commencement of the IT park project, in hand.

Challenges, Risks and concerns:

The company faces normal business challenges of market competition in its television & media business and needs to continuously nurture attractive growth opportunities. Your Company adopts suitable business strategies to counter such challenges and surge ahead, inspite of them.

3. Transfer to Reserves

The amounts transferred to reserves during the year are Rs.1,76,89,781.66

4. Dividend

Your Directors do not propose any dividend for the year ended 31st March, 2008.

5. Directors

Pursuant to section 260 of the Companies Act, 1956 and Article 120 of the Articles of Association of the Company, Shri Talat Aziz retires by rotation in the forthcoming Annual General Meeting and being eligible offers himself for reappointment.

Appropriate Resolution for the reappointment of the aforesaid Director is being moved at the ensuing Annual General Meeting, which the Board commends for your approval.

Brief resume of the Directors, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, their shareholding and relationships between them inter se, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the report on Corporate Governance forming part of the Annual Report.

6. Corporate Governance

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report and Management Discussion and Analysis and Auditors' Certificate are appended as part of the Annual Report. As per the amended Clause 49(V) of the Listing Agreement, the required certification by Chief Executive Officer and Chief Financial Officer is also appended to the Annual Report.

The requisite certificate from the Auditors of the Company, M/s Vimal Punmiya & Co., confirming Compliance with the conditions of Corporate Governance as stipulated under the aforesaid clause 49, is annexed to this Report.

7. Directors' Responsibility Statement

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, the Directors' confirm the following:

- (i) that in the preparation of the Annual Accounts for the financial year ended 31st March, 2008, the applicable accounting standards have been followed and that there are no material departures from the same;
- (ii) 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 as at 31st March, 2008, and of the profit and loss of the Company for the year ended on that date;
- (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 Financial year ended 31st March, 2008, on a going concern basis.

8. 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 I.

9. Fixed Deposits

During the year under review, the Company did not accept any fixed deposits from the public.

10. Auditors

M/s Vimal Punmiya & Co., Chartered Accountants, Statutory Auditors retire at the forthcoming Annual General Meeting and are eligible for reappointment. You are requested to appoint the Auditors.

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

**11. Statutory Information
Conservation of Energy & Technology Absorption**

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

Foreign Exchange Earnings and Outgo are Rs. 39.47 lacs and Rs.0.62 lacs respectively.

Particulars of Employees

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

12. 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, 2008

Prem Krishen Malhotra
Chairman

MANAGEMENT DISCUSSION & ANALYSIS

The Indian Entertainment and Media (E&M) industry is undergoing a remarkable change and is gradually emerging as one of the fastest growing and contributing economic sectors in the nations fast moving GDP Growth. The entertainment industry is a perfect blend of creativity and commerce providing vast investment and growth opportunities to multitudes. According to a report by FICCI and Pricewaterhouse Coopers, the Indian entertainment and media industry is poised to become INR one trillion (INR 100,000 crore) industry by 2011. The industry is estimated to be worth INR 43,700 crores currently.

The television industry recorded a growth higher than the overall growth of the industry in 2007, surging ahead with a growth of 18 per cent over the previous year and touched close to Rs. 226 billion in 2007, up from a substantially large base of Rs. 191 billion in 2006. In the last four years between 2004 to 07, the growth has been close to 21% on an overall basis taking after online advertising and radio.

The financial year 2007-08, in general, has been a year of ups and downs for the Nation. In the first three quarters the economy surged ahead dramatically only to see the sensex collapsing in the last quarter and inflation growing to double digits. Today India is a \$ 1 trillion economy growing at an average of 8% per year.

Though all the upheaval in the financial markets, both domestic and international having played havoc with the share prices, your company's performance during the year was strong with a bettered top line performance and a decent bottomline which we hope our esteemed shareholders find satisfactory.

Cinevistaas core business witnessed a phenomenal growth with the production and telecast of 3 television series simultaneously besides having four/five in the pipeline, the preparation of which had already commenced prior to the close of the financial year 2008.

All the three series on air at present are daily soaps. Amongst them Dill Mill Gayye has been recording mind boggling TRP's (Television Rating Points) establishing its popularity and appeal amongst the youth of today. It is the highest rated programme on Star One today and accounts for 1/3rd of its total G.R.P's.

Jersey No.10 has been extremely well received and is actually a trendsetter of sorts. Based against the backdrop of cricket, the story revolves around the life and times of the main players. However, the story content has been so well knitted that it has managed to gravitate the television viewing audience with its differentiation.

Yahan Ke Hum Sikander is the third series being showcased on Zee Next. Amongst the series being telecast on the channel, YKHS has rated consistently between the No.2 and No.3 position.

There are many factors that contribute to the popularity of a series, arresting audience attention from the very beginning, being the first and foremost, - the time slot on which the series is finally telecast, frequency of telecast being another important factor besides the star cast, channel on which it is being aired, besides the screenplay and the storyline, amongst other factors.

It is very important for our shareholders to know, that huge investments need to be channeled for the production of any series, which vary depending upon the subject, demands of the channel, starcast, locations, setting, concept etc. before the money really starts rolling back.

The series under production are 'Lo Ho Gayi Pooja Iss Ghar Ki', 'Vivaah', 'Jaane Kya Baat Hui', 'Shubh Kadam' and 'Khilte Hain Gul Yahan'.

Some of the sure fire expectations from the Media and Entertainment Industry, are as follows:

- Maximum growth is expected in the television and film segments
- More than 300 national and regional TV channels, cumulatively
- Close to a 1000 films made every year
- Liberal FDI policies across all the segments of the industry
- Government focusing on regulations to give further impetus to the industry

From the above one can comfortably conclude that considering our area of core competence we will surely bring in the desired returns in the times to come besides ensuring that the company gradually rates amongst the number one production house in the country. This is your company's vision for the future.

A BRIEF UPDATE ON THE IT PARK PROJECT

As our shareholders are aware, at the time of our last Annual General Meeting, there were a couple of approvals and certifications which were still pending; the same have been obtained, in full by now. As our shareholders are aware, we were busy arranging for funds for the construction of the project which has been estimated at Rs.87.5 crores, by our esteemed Architect Reza Kabul. This huge outlay of funds to be arranged has resulted in a delay in the commencement of the project, by a couple of months. We're however confident of commencing the construction on the said parcel of land, by September 2008. We are desirous of completing the said project by December 2009/March 2010, for handing over possession to our esteemed clients, on a long term lease and rental basis only. This is how your company's plans stand as of today.

Cautionary Statement

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward – looking statements' within the meaning of the applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.



AUDITORS CERTIFICATE ON CLAUSE 49 COMPLIANCE

We have reviewed and examined the records concerning the Company's Compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges of India, for the Financial Year ended 31st March, 2008.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanation given to us by the Company.

Based on such a review and to the best of our information and according to the explanations given to us, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement.

For Vimal Punmiya & Co.
Chartered Accountants

Place: MUMBAI
Date: 30.06.2008

Vimal C. Punmiya
Proprietor
Membership No. 16574

CORPORATE GOVERNANCE REPORT

Transparency is the foundation on which lays the entire structure of Corporate Governance. Cinevistaas is not only complying with the norms but has aligned the organization and its functioning so well with the norms that it has become an integral part of the business and its way of working. Your company is committed to work under the four walls of integrity, fairness, transparency, and adoption of the highest standards of business ethics which aims to benefit all the stakeholders.

The detailed report on implementation by the Company, of the Corporate Governance Code as incorporated in clause 49 of the Listing Agreement with the Stock Exchanges is set out below:

A. MANDATORY REQUIREMENTS**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Transparency in dealings, fair, timely and adequate disclosures and consistent efforts towards enhancing the value of its shareholders are the corner stones of good corporate governance and your company follows the best practices to ensure their implementation in the best possible manner. Your company aims at maximizing value for shareholders, while ensuring fairness to all segment of stakeholders - customers, employees, investors, vendors, dealers, financiers, State and Central Governments and society at large. Ensuring total transparency in operations and inspiring the confidence and trust of the stakeholders are of paramount importance to the company and corporate governance is basic to the corporate conduct of business.

Your Company is fully committed to and continues to follow procedures and practices in conformity with the Code of Corporate Governance contained in the Listing Agreement.

2. BOARD OF DIRECTORS:

The Board currently has six members of whom, two are Executive Directors. The Board has an Executive Chairman. As per Clause 49 (I)(A)(ii), at present one-half of the strength of the Board of Directors comprises of Independent Directors.

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

Name of the Directors	Category	Directorship in Other Companies (*)	No. of Board Committees (other than Cinevistaas Limited) in which Chairman/Member
Shri Prem Krishen Malhotra Chairman	Promoter & Executive Director	Nil	Nil
Shri Sunil Mehta Vice Chairman & Managing Director	Promoter & Executive Director	Nil	Nil
Shri Talat Aziz	Non-executive Director	Nil	Nil
Smt. Sulochana Talreja	Independent & Non-executive Director	Nil	Nil
Smt. Renu Anand	Independent & Non-executive Director	Nil	Nil
Smt. Bharti Sareen	Independent & Non-executive Director	Nil	Nil

(*) - excludes Alternate Directorships, Directorships in Indian Private Limited Companies and Foreign Companies and Membership of Managing Committees of Various Bodies.

Only membership of Audit Committee and Shareholders'/Investors' Grievances Committee are considered.

Board Meetings:

The Board meets at least once in a quarter to review the quarterly performance and the financial results. The notice, agenda and the relevant notes are sent in advance to each Director.

The information as specified in Annexure IA to Clause 49 of the Listing Agreement is regularly made available to the Board.

The Board's role, functions responsibility and accountability are clearly defined. In addition to matters statutorily requiring Board's approval, all major decisions involving policy formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, sale of business unit/division, compliance with statutory/regulatory requirements, major accounting provisions and write-offs are considered by the Board.

The minutes of the Board meetings are circulated in advance and confirmed at subsequent meetings. The Minutes of the Audit Committee and other Committees of the Board are regularly placed before the Board.

During the year ended 31st March 2008, 12 Board Meetings were held on 25th April 2007, 4th June 2007, 29th June 2007, 31st July 2007, 20th August 2007, 27th August 2007, 12th October 2007, 31st October 2007, 10th November 2007, 14th December 2007, 31st January 2008 and 5th March 2008.

Attendance of the Directors at the Board Meetings held during the year ended 31st March, 2008, and at the last AGM:

Name of the Directors	Attendance at the Board Meetings	Attendance at the last AGM held on 25-09-2007
Shri Prem Krishen Malhotra	12	Present
Shri Sunil Mehta	11	Present
Shri Talat Aziz	8	Absent
Smt. Sulochana Talreja	10	Present
Smt. Renu Anand	10	Present
Smt. Bharti Sareen	10	Present

Code of Conduct:

All Board members and Senior Management personnel of the Company have affirmed compliance with the 'Code of Conduct' of the Company for the year ended 31st March, 2008, and the said 'Code of Conduct' has been posted on the website of the Company i.e. www.cinevistaas.com

3. AUDIT COMMITTEE:**Broad Terms of Reference**

The Audit Committee of the Board of Directors of the Company, inter-alia, provides assurance to the board on the adequacy of the internal control systems and financial disclosures.

The terms of reference of the audit Committee are wide enough to cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in section 292A of the Companies Act, 1956 and inter - alia includes:

- a. oversight of the Companies Financial Reporting process to ensure proper disclosure of its financial statement;
- b. recommending to the Board, the appointment, reappointment and if required, the replacement or removal of the Statutory auditors and the fixation of audit fees;
- c. reviewing annual financial statements before submission to the Board for approval, with particular reference to:
 - i) matters required to be included in the Director's responsibility Statement which forms part of the Directors' Report pursuant to Clause 2AA of Section 217 of the Companies Act, 1956;
 - ii) changes if any in the accounting policies and practices and reasons for the same;
 - iii) major accounting entries involving estimates based on the exercise of judgment by management;
 - iv) significant adjustments made in the financial statements arising out of audit findings
 - v) Compliance with listing and other legal requirements relating to financial statements;
 - vi) Disclosure of any related party transactions;
 - vii) Qualifications in the draft audit report.
- d. Reviewing performance of the statutory and internal auditors, adequacy of the internal control systems;

In fulfilling the above role, the audit committee has powers to investigate any activity within its terms of reference.

The Audit Committee while reviewing the Annual Financial Statements also reviewed the applicability of various accounting standards issued by the Institute of Chartered Accountants of India.

Composition

The Audit Committee comprises of three Directors, two of whom are non-executive independent Directors and one Non-executive. The Audit Committee is constituted in accordance with the provisions of Clause 49 (II) (A) of the Listing Agreement and section 292A of the Companies Act, 1956. The quorum for the audit Committee meetings is 2 members, the Company Secretary acts as Secretary to the Committee.

The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meetings.

Composition of the Audit Committee and the attendance of each Director:

During the financial year ended 31st March 2008, five Audit Committee meetings were held on 25th April 2007, 29th June 2007, 31st July 2007, 31st October 2007 and 31st January 2008. The gap between two meetings did not exceed four months.

Composition of Audit Committee and the attendance of each director are shown below:

Name of the Directors	Category	Number of Meetings Attended
Smt. Bharti Sareen, Chairman	Independent & Non-executive	5
Smt. Sulochana Talreja, Member	Independent & Non-executive	4
Shri Talat Aziz, Member	Non-executive	4