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Board of Directors

Prem Krishen Malhotra
Sunil Mehta
Talat Aziz
Sulochana Talreja
Renu Anand
Niranjan Shivdasani

Management Executives

Prem Krishen Malhotra, Chairman
Sunil Mehta, Vice-Chairman & Managing Director
K.B.Nair, Chief Financial Officer
Abraham Mathew, Chief Accounts Officer

**Company Secretary and
Compliance Officer**

Sandhya R. Malhotra

Auditors

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

Bankers

Central Bank of India

Registered Office

Plot No. 1, L.B.S. Marg,
Gandhi Nagar
Kanjurmarg (W)
Mumbai - 400 078.
Tel No.: 022-25787622
Fax No.: 022-25770446.

Registrar & Share Transfer Agent

Karvy Computershare Pvt. Ltd.
Plot No. 17-24
Vittal Rao Nagar
Madhapur
Hyderabad - 500 081.
Tel. No. : 040-23420818-24.
Fax No. : 040-23303221

NOTICE

Notice is hereby given that the Thirteenth Annual General Meeting of the Members of Cinevistaas Limited will be held on Friday, the 24th day of September, 2010, 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, 2010, 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 Smt. Sulochana Talreja, who retires by rotation and being eligible, offers herself for reappointment.
- 3) To appoint M/s Sarath & Associates, Chartered Accountants, in place of the retiring auditors M/s Vimal Punmiya and Co., Chartered Accountants, as Statutory Auditors and to fix their remuneration.
- 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 : 14th August, 2010

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 18th day of September 2010 to 24th day of September 2010 (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. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) has admitted the Company's Equity shares in its Depository System and the ISIN No. is INE039B01026. You may take advantage of demat facility.

6. A member desirous of getting any information in respect of the contents of the Annual report is requested to forward the queries to the Company atleast seven days prior to the meeting so that the required information can be made available at the meeting.
7. 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.

Registered Office:

Plot No. 1, L.B.S. Marg
Gandhi Nagar
Kanjurmarg (W)
Mumbai - 400 078.
Place: Mumbai.
Date : 14th August, 2010

By order of the Board
For Cinevistaas Limited

Sandhya R. Malhotra
Company Secretary

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in submitting the Thirteenth Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2010.

1. Financial Results

		(Rs. in lacs)
	<u>March 31, 2010</u>	<u>March 31, 2009</u>
Realisation from serials	4737.22	5647.12
Other income	57.35	120.84
Total income	4794.57	5767.96
Total expenditure	4272.48	5615.45
Gross profit before interest, depreciation and taxation	522.09	572.67
Interest	257.89	252.50
Profit before depreciation and taxation	264.20	320.17
Depreciation	166.92	167.67
Provision for Taxation -		
Under provision of previous year's tax	-	3.98
Current tax	(14.80)	-
Deferred Tax Liability	22.20	(57.98)
Deferred Tax Asset	(68.45)	-
Wealth Tax	(1.49)	(1.67)
Income Tax provision w/off	-	-
Fringe Benefit Tax	(1.23)	-
Net Profit/(Loss)	33.51	88.87

2. Operations

Financial and Operational Review:

The Company has earned a gross income of Rs.4794.57 lacs for the financial year 2009-10, as compared to Rs.5767.96 lacs in the previous year, recording a decrease of Rs.973.39 lacs.

The Company has earned a net profit of Rs.33.51 lacs for the year as compared to Rs.88.87 lacs in the previous year.

Interest expenditure for the year under review has marginally increased by Rs. 5.39 lacs as compared to the previous year.

Depreciation during the year has recorded a marginal decrease by Rs.0.75 lacs as compared to Rs.167.67 lacs in the previous year.

Earnings per share have been worked out as Rs.0.06 as compared to Rs.0.15 in the previous year.

Resources & Liquidity:

The Company's paid up capital is Rs.11,48,72,950 with accumulated Reserves & Surplus of Rs.155.19 crores.

Management Discussion and Analysis Report (MDA)

The detailed Analysis of the Operating performance of the Company for the year, the state of affairs and the key changes in the operating environment has been included in the Management Discussion

and Analysis section which forms part of the Annual Report.

3. Changes in Capital Structure

There has been no changes in the capital structure during the year under review.

4. Transfer to Reserves

The amounts transferred to reserves during the year are Rs.3351233.26

5. Dividend

Your Directors do not propose any dividend for the year ended 31st March, 2010.

6. Board of Directors

Mrs. Sulochana Talreja, retire by rotation as Director at the upcoming Annual General Meeting and being eligible offers herself for reappointment.

The Board recommends her appointment.

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.

7. 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. 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., Chartered Accountants, confirming Compliance with the conditions of Corporate Governance as stipulated under the aforesaid clause 49, is annexed to this Report.

8. 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, 2010, 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, 2010, 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, 2010, on a going concern basis.

9. 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.

10. Fixed Deposits

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

11. Auditors

M/s Sarath & Associates, Chartered Accountants, who were appointed as Statutory Auditors by the Board, subject to shareholders approval, to fill the casual vacancy arising out of resignation of M/s Vimal Punimya & Co., Chartered Accountants, requires to be appointed at the ensuing Annual General Meeting and being eligible offers themselves for appointment. You are requested to appoint the Auditors.

The Company has received the letter from them to the effect that their appointment 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 appointment within the meaning of section 226 of the said Act.

12. Secretarial Audit

As directed by Securities & Exchange Board of India, (SEBI) secretarial audit is being carried out at the specified period by the Practicing Company Secretary. The findings of the secretarial audit were entirely satisfactory.

13. 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 have been Rs. 88.83 lacs, while the expenses reported have been Nil.

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.

14. Appreciation

Your Directors thank the viewers, suppliers, bankers, Financial Institutions, Central and State Governments and Shareholders, for their consistent support to the Company. The Directors also sincerely acknowledge the significant contributions made by all the employees for their dedicated services to the company.

For and on behalf of the Board

Place : Mumbai
Date : 14th August, 2010

Prem Krishen Malhotra
Chairman

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To
The Board of Directors
Cinevistaas Limited

We, Sunil Mehta, Chief Executive Officer and K.B. Nair, Chief Financial Officer, of Cinevistaas Limited hereby certify to the best of our knowledge and belief that:

- a. We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, as to the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and have taken requisite steps to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
 - i. there have been no significant changes in internal control over financial reporting during the year;
 - ii. there have been no significant changes in accounting policies during the year and
 - iii. there have been no instances of significant fraud of which we have become aware and any involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- e. All Board members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct and Ethics during the year ended 31st March, 2010.

Place : Mumbai
Date : 14th August, 2010

Sunil Mehta
Chief Executive Officer

K.B. Nair
Chief Financial Officer

MANAGEMENT DISCUSSION & ANALYSIS

Media, when entwined with the entertainment component represents an effective facet of consumer psychology in India. Technology has played a key role in influencing the entertainment industry, by redefining its products, cost structure and distribution.

The Indian Media and Entertainment (M&E) industry stood at US\$ 12.9 billion in 2009 registering a 1.4 per cent growth over last year, and over the next five years, the industry is projected to grow at a compound annual growth rate (CAGR) of 13 per cent to reach the size of US\$ 24.04 billion by 2014, according to a joint report by KPMG and an industry chamber.

According to the figures released by an industry chamber in March 2010, the Broadcast and Television (TV) sector comprised over 43 per cent of the overall M&E sector wherein the total size of the television sector accounted for US\$ 5.7 billion. The broadcast sector is on a strong growth path and the prospects for advertisement expenditure is on a rise especially in the television sector.

A report by research firm Media Partners Asia (MPA) stated that India is poised to become the world's largest direct-to-home (DTH) satellite pay TV market with 36.1 million subscribers by 2012, overtaking the US. Furthermore, in its report titled 'Asia Pacific Pay-TV and Broadband Markets 2010', MPA said India's DTH subscriber base will increase from 17 million in 2009 to 45 million by 2014 and 58 million by 2020.

Government Initiatives

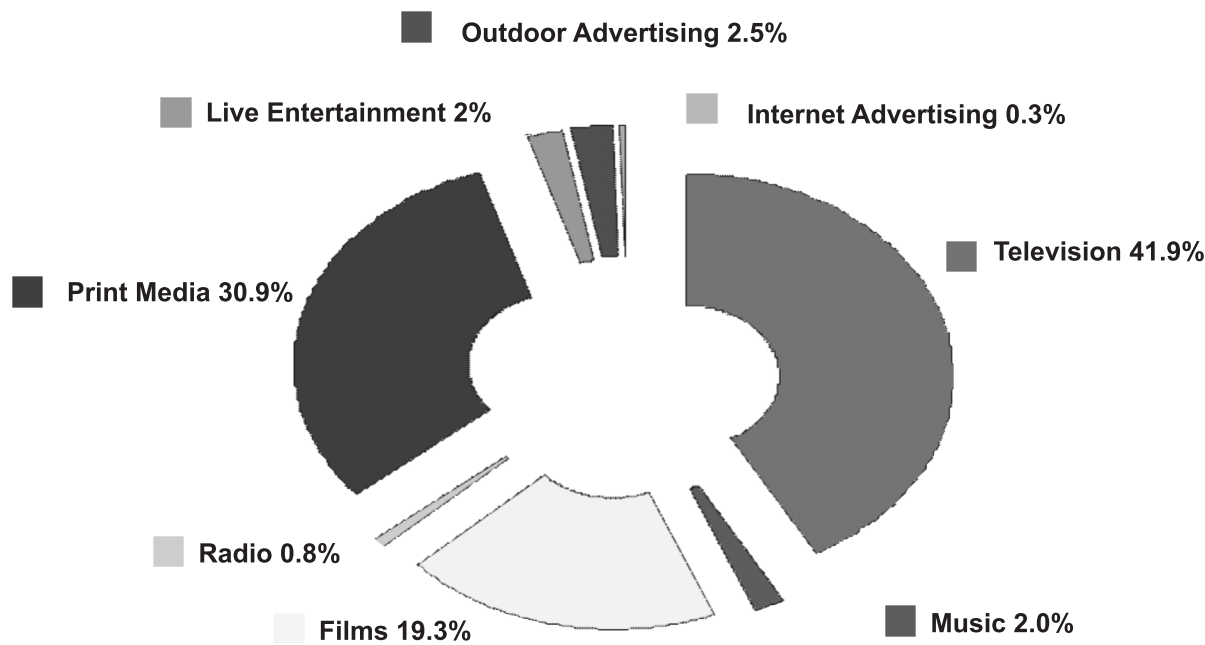
The Government has initiated the following measures:

- " The government has allotted US\$ 50.13 million in the current Five-Year Plan (2007-2012) for various development projects for the film industry. The funds will be utilised to set up a centre for excellence in animation, gaming and visual effects
- " To offer better audio quality and sharper picture to millions of its viewers, public broadcaster Doordarshan plans to go completely digital by 2017

According to the Consolidated Foreign Direct Investment (FDI) Policy document released by the Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry, Government of India-

- " Foreign investment, including FDI, NRI and PIO investments and portfolio investments are permitted up to 49 per cent for Direct to Home under Government route. Within the limit of 49 per cent, FDI will not exceed 20 per cent. This will be subject to such guidelines/terms and conditions, as specified from time to time, by the Ministry of Information and Broadcasting (I&B)

Break-up of Indian Media & Entertainment industry



Key Drivers of Indian Media & Entertainment industry

