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# CHANNEL NINE ENTERTAINMENT LIMITED

## 12th Annual Report 2013-2014

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

- Mr. Gaj Raj Singh
- Ms. Neena Sood
- Mr. Rajesh Kumar Ramjas Jaiswar
- Ms. Asha Rani

COMPANY SECRETARY AND COMPALIANCE OFFICER

Mr. Bhagat Singh, Company Secretary and Compliance Officer

STATUTORY AUDITORS

M/s Ranjan Gupta & Co. Chartered Accountants

BANKER TO THE COMPANY

HDFC BANK LIMITED
Surya Kiran Building
K G Marg
New Delhi - 110001

REGISTERED OFFICE
3/12, Ground Floor, Asaf Ali Road, New Delhi-110002;
Phone: 011-32315575
Email Id: channelnineentertainment@yahoo.com
Website: www.channelnineentertainment.com

REGISTRAR & SHARE TRANSFER AGENT

Beetal Financial and Computers Services Private Limited
Beetal House, 3rd Floor,99,Madangir,
Behind Local Shopping centre,
Near Dada Harsukh Das Mandir,
New Delhi-110062
Tel.: 011-29961281/83; Fax No. – 011-29961284
Email Id: beetal@rediffmail.com
Website: www.beetalfinancial.com

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# NOTICE

NOTICE is hereby given that the 12th Annual General Meeting of the members of the Company will be held at 3/12, Ground Floor, Asaf Ali Road, New Delhi-110002 on Monday the22nd day of September, 2014 at 09:30 A.M. to transact the following business:

## ORDINARY BUSINESS

1. To receive, consider and adopt Balance Sheet as on 31st March, 2014 and the Profit & Loss Account for the year ended on that date along with Directors' and Auditors' Report thereon.

2. To appoint the Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration for the financial Year 2013 - 2014. M/s Ranjan Gupta & Co., Chartered Accountants, the retiring auditors, being eligible, offer themselves for re-appointment and for the aforesaid purpose to pass the following resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, and pursuant to the recommendations of the audit committee of the Board of Directors, M/s Ranjan Gupta & Co., Chartered Accountants(Firm Registration No-17319N ), be and hereby re-appointed as the auditors of the Company, to hold office from the conclusion of this AGM to the conclusion of the next AGM and that the Board of Directors be and hereby authorized to fix such remuneration as may be determined by the audit committee in consultation with the auditors, and that such remuneration may be paid on progressive billing basis to be agreed upon between the auditors and the Board of Directors."

## SPECIAL BUSINESS

3. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 160, 149, 152 and all other applicable provisions and Schedule IV to the Companies Act, 2013, the Companies Appointment the Companies (Appointment and Qualifications of Directors) Rules, 2014, as may be amended, from time to time and Clause 52 of the SME Listing Agreement, Ms. Asha Rani, who was appointed as an Additional Director liable to retire by rotation and whose term expires at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five consecutive years commencing from the date of Annual General Meeting of the Company."

4. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.

"RESOLVED THAT Mr. Rajesh Kumar Ramjas Jaiswar who was co-opted as an Additional Director on the board of the company with effect from 31st May, 2014 and who ceases to hold the office at this Annual General Meeting and in respect of whom a notice under section 160 of the Companies Act, 2013 has been received from a member along with requisite deposit proposing his candidature for the office of a Director on the Board of the Company, be and is hereby appointed as a director on the Board, liable to retire by rotation."

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5. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and all other applicable provisions and Schedule IV to the Companies Act, 2013, the Companies (Appointment the Companies(Appointment and Qualifications of Directors) Rules, 2014, as may be amended, from time to time and Clause 52 of the SME Listing Agreement, Ms. Neena Sood, who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five consecutive years commencing from the date of Annual General Meeting of the Company."

By Order of the Board
For CHANNEL NINE ENTERTAINMENT LIMITED
Sd/-
Gaj Raj Singh
Director
DIN: 02925387

Date: 23.08.2014
Place: New Delhi

NOTES:

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses set out in the notice is annexed.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE (ONLY ON POLL) INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE DULY COMPLETED AND SIGNED PROXY FORM SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING.

3. The Register of Directors and Key managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

4. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

5. Members holding shares in physical form are requested to notify change in address, bank mandate and bank particulars for printing on the dividend warrants, if any, under their signatures to Beetal Financial & Computer Services Pvt. Ltd. Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada HarsukdasMandir, New Delhi-110062. Members holding shares in electronic form may update such details with their respective Depository Participants.

6. The share transfer books and Members Register of the Company will remain closed from 11th September, 2014 to 15th September, 2014 (both days inclusive).

7. Members seeking any information regarding accounts should write to the Company at

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least seven days before the date of the meeting so as to enable the management to keep the information ready.

8. All documents meant for inspection and referred in the accompanying Annual Report are open for inspection at the Registered Office of the Company during office hours between 11.00 am to 1.00 pm on all working days till the date of Annual General Meeting.

9. Members are required to bring their admission slip along-with copy of the Annual Report at the Annual General Meeting.

By Order of the Board
For CHANNEL NINE ENTERTAINMENT LIMITED
Sd/-
Gaj Raj Singh
Director
DIN: 02925387

Date : 23.08.2014
Place: New Delhi

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 3

Ms. Asha Rani, who was appointed as an Additional Director and Independent Director of the Company with effect from 14th November, 2013, she holds office until the date of the Annual General Meeting of the Company. The Company has received notice under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Asha Rani for the office of the Director under the provisions of Section 160 of the Companies Act, 2013.

Pursuant to Section 149 of the Companies Act, 2013 (new act) read with the Rules made thereunder, the Independent Directors shall hold office for a period of upto 5 consecutive years and shall not be liable to retire by rotation. She may be appointed for a maximum of two consecutive terms of upto 5 years each. Ms. Asha Rani is the Independent Directors of the Company. As per her existing terms of appointment, she is liable to retire by rotation. However, under the new act and the Listing Agreement, she may be appointed afresh with a fixed period of upto 5 years.

Ms. Asha Rani is the independent director of the company and has been holding the office of Directorship. As per existing terms of appointment, the period of her office is liable to determination by retirement by rotation in terms of section 152 of the Act. The company has received notices in writing from a member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of her for appointment as Independent Director of the Company. She is not disqualified from being appointed as Directors in terms of Section 164 of the Act and has given her consent to act as Director. The Company has also received declarations from her that she meet with the criteria of independence as prescribed under Section 149(6) of the Act and the Listing agreement.

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The Board considered the independence of her in terms of Section 149 and Schedule IV to the Companies Act, 2013 and the Listing Agreement and was of the view that she fulfill the criteria of independence as mentioned in the above provisions and can be appointed in the above provisions and can be appointed as Independent Director. She possess requisite qualifications, appropriate skills, experience and knowledge in one or more fields of finance, law management, marketing, administration, technical operations and other disciplines related to Company business, positive attributes, already being on the Board of the Company and benefits that the Company will derive with their appointment, the Board has recommended her appointment as Independent Directors of the Company to hold office for a term of five consecutive years commencing from the date of Annual General Meeting of the Company.

No Directors, key Managerial Personnel and their relatives except Mrs. Asha Rani to whom the resolution relates is interested or concerned in the above said resolution.

ITEM NO. 4

Mr. Rajesh Kumar Ramjas Jaiswar, who was appointed as an Additional Director of the Company with effect from 31st May 2014, in terms of Section 161 of the Companies Act, 2013, he holds office until the date of the Annual General Meeting of the Company. The Company has received notice under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Rajesh Kumar Ramjas Jaiswar for the office of the Director under the provisions of Section 160 of the Companies Act, 2013.

Mr. Rajesh Kumar Ramjas Jaiswar is an eminent Professional and brings rich and varied experience to the Board. The Board of Directors recommends the resolution set out in Item no. 4 of the Notice for approval of the Members.

The Board recommends the resolution for your approval. Mr. Rajesh Kumar Ramjas Jaiswar is interested in the resolution to the extent of his appointment. None of the remaining Directors and their relatives is concerned or interested in the proposed resolutions.

ITEM NO.5

Pursuant to Section 149 of the Companies Act, 2013 (new act) read with the Rules made thereunder, the Independent Directors shall hold office for a period of upto 5 consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of upto 5 years each. Ms. Neena Sood is the Independent Directors of the Company. As per their existing terms of appointment, she is liable to retire by rotation. However, under the new act and the Listing Agreement, they may be appointed afresh with a fixed period of upto 5 years.

Ms. Neena Sood is the independent director of the company and has been holding the office of Directorship. As per existing terms of appointment, the period of their office is liable to determination by retirement by rotation in terms of section 152 of the Act. The company has received notices in writing from a member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of her for appointment as Independent Director of the Company. She is not disqualified from being appointed as Directors in terms of Section 164 of the Act and has given her consent to act as Director. The Company has also

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received declarations from her that she meet with the criteria of independence as prescribed under Section 149(6) of the Act and the Listing agreement.

The Board considered the independence of her in terms of Section 149 and Schedule IV to the Companies Act, 2013 and the Listing Agreement and was of the view that she fulfill the criteria of independence as mentioned in the above provisions and can be appointed in the above provisions and can be appointed as Independent Director. she possess requisite qualifications, appropriate skills, experience and knowledge in one or more fields of finance, law management, marketing, administration, technical operations and other disciplines related to Companys business, positive attributes, already being on the Board of the Company and benefits that the Company will derive with their appointment, the Board has recommended her appointment as Independent Directors of the Company to hold office for a term of five consecutive years commencing from the date of Annual General Meeting of the Company.

No Directors, key Managerial Personnel and their relatives except Ms. Neena Sood to whom the resolution relates is interested or concerned in the above said resolution

By Order of the Board
For CHANNEL NINE ENTERTAINMENT LIMITED
Sd/-
Gaj Raj Singh
Director
DIN: 02925387

Date: 23.08.2014
Place: New Delhi

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# DIRECTORS' REPORT

Dear Members,

Your Directors have great pleasure in presenting the report together with the Audited Balance Sheet as at 31st March, 2014 and Profit & Loss Account for the year ended on that date.

## FINANCIAL HIGHLIGHTS

The summarized performance of the Company for the years 2013-14 and 2012-13 is given below:

(In Lacs)

| Particulars | For Financial Year Ended | |
|---|---|---|
| | 31st March, 2014 | 31st March, 2013 |
| Total Income | 285.09 | 314.80 |
| Total Expenditure | 268.37 | 298.27 |
| Profit before Tax | 16.71 | 16.52 |
| Less: Tax Expense | 11.4 | 4.85 |
| Profit / (Loss) After Tax | 5.26 | 11.7 |

## OPERATIONS

During the year under review, your Company has recorded a total income of Rs. 285.09 lacs, against Rs. 314.80 lacs in the previous year. Net Profit before Taxation for the financial year ended March 31, 2014 increased to Rs. 16.71 Lacs from Rs. 16.52 Lacs. Consequently, the Profit after Tax decreased from Rs. 11.7 Lacs to 5.26 Rs. Lacs.

## DIVIDEND

To conserve the resources of the company, your directors do not recommend any dividend during the year under review.

## FIXED DEPOSITES

We have not accepted any fixed deposits and as such, no amount of principal or interest was outstanding as on the date of Balance Sheet.

## DIRECTORS

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Ms. Asha Rani and Mr. Rajesh Kumar RamjasJaiswar were appointed as Additional Directors of the Company and signifying his intention for appointed as Directors of Company. Your Directors recommend their appointments for your approval.

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During the year, Mr. Dinesh Jhindal and Mrs. Kirti resigned from the Directorship.

INDEPENDENT DIRECTOR

Pursuant to Section 149 of the Companies Act, 2013 (new act) read with the Rules made thereunder, the Independent Directors shall hold office for a period of upto 5 consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of upto 5 years each. In terms of Presently, Ms. Asha Rani and Ms. Neena Sood are the Independent Directors of the Company. As per their existing terms of appointment, all of them are liable to retire by rotation. However, under the new act and the Listing Agreement, they may be appointed afresh with a fixed period of upto 5 years.

The Board considered the independence of each of the above mentioned Directors in terms of Section 149 and Schedule IV to the Companies Act, 2013 and the Listing Agreement and was of the view that the proposed directors fulfill the criteria of independence as mentioned in the above provisions and can be appointed in the above provisions and can be appointed as Independent Directors. All the proposed Directors possess requisite qualifications, appropriate skills, experience and knowledge in one or more fields of finance, law management, marketing, administration, technical operations and other disciplines related to Companys business, positive attributes, already being on the Board of the Company and benefits that the Company will derive with their appointment, the Board has recommended their appointment as Independent Directors of the Company to hold office for a term of five consecutive years commencing from the date of Annual General Meeting of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

1. That in the preparation of the annual accounts for the year ended March 31 2014, the applicable Accounting Standards read with the requirements set out under Schedule VI of the Companies Act, 1956 have been followed and there are no material departures from the same, if any;

2. That they have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as at March 31, 2014 and of the Profit of the Company for the year ended on that date;

3. That they 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;

4. That they have prepared the Annual accounts of the Company on a 'going concern' basis.

STATUTORY AUDITORS

M/s Ranjan Gupta & Co., Chartered Accountants, Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting of the Company. They have offered