



ENTERTAINMENT LIMITED

13TH ANNUAL REPORT
2014-15



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Gajraj Singh	:	Whole-Time Director
Rajesh Kumar Ramjas Jaiswar	:	Non Independent Non Executive Director
Neena Sood	:	Independent Director
Suneel Kumar	:	Independent Director

COMPLIANCE OFFICER

GAJ RAJ SINGH

STATUTORY AUDITORS

M/s Ranjan Gupta & Co.

Chartered Accountants

518, Kirti Shikhar, Janakpuri Dist. Centre,
Janakpuri New Delhi-110058

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: beetalrta@gmail.com

Website: www.beetalfinancial.com

CIN : L92132DL2002PLC116330

ANNUAL GENERAL MEETING

Date & Time : 19th September, 2015 at 09:30 A.M.

Day : Saturday

Venue : Retreat Motel/Resort, Alipur, Main G.T. Road, Near Palla Mod, Delhi -110036

Channel Nine Entertainment Ltd

3/12, Ground Floor, Asaf Ali Road, New Delhi - 110002, Tel: +91-11-32315575, Fax: +91-11-31325575
E-mail : Channelnineentertainment@yahoo.com Website : Wwww.channelnineentertainment.com
CIN: L92132DL2002PLC116330

NOTICE of 13th AGM

Notice is hereby given that the 13th Annual General Meeting of Channel Nine Entertainment Limited will be held on Saturday, 19th September, 2015 at 09:30 A.M. at Retreat Motel/Resort, Alipur, Main G.T. Road, Near Palla Mod, Delhi -110036 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended March 31, 2015 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors' thereon.
2. To appoint a Director in place of Mr. Rajesh Kumar Ramjas Jaiswar, who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the appointment of **M/s Ranjan Gupta & Co., Chartered Accountants (Firm Registration No. 17319N)** as the statutory auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

"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

4. To appoint Mr. Suneel Kumar (DIN: 07135321) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), 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 the Listing Agreement, **Mr. Suneel Kumar (DIN: 07135321)**, who was appointed as an Additional Director with effect from 18th March, 2015 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 this Annual General Meeting of the Company."

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

Date: 20.08.2015
Place: New Delhi

NOTES:

1. An Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business 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.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

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. 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 Harsukdas Mandir, New Delhi-110062.** Members holding shares in electronic form may update such details with their respective Depository Participants.
5. Pursuant to Section 91 of the Companies Act, 2013, The Share Transfer Books and Members Register of the Company will remain closed from 16th September, 2015 to 18th September, 2015 (both days inclusive).
6. Members seeking any information regarding accounts should write to the Company at least seven days before the date of the meeting so as to enable the management to keep the information ready.
7. 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.
8. Members are required to bring their admission slip along-with copy of the Annual Report at the Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013
ITEM NO.4

Mr. Suneel Kumar was appointed as an Additional Director with effect from 18.03.2015, 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. He may be appointed for a maximum of two consecutive terms of upto 5 years each. He is the Independent Directors of the Company.

He is independent director of the company and has been holding the office of Directorship. 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 his appointment as Independent Directors of

the Company. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act and has given his consent to act as Director. The Company has also received declarations from her that he 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 them in terms of Section 149 and Schedule IV to the Companies Act, 2013 and the Listing Agreement and was of the view that he 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

The Board recommends the resolution for your approval. Mr. Suneel Kumar is interested in his respective resolution to the extent of his appointment.

None of the remaining Directors and their relatives is concerned or interested in the proposed resolutions.

Mr. Suneel Kumar is an eminent Professional and brings rich and varied experience to the Board. The Board of Directors recommend the resolution set out in the Notice for approval of the Members.

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

Date: 20.08.2015
Place: New Delhi

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING
(Pursuant to Clause 52 of the Listing Agreement)

Mr. RAJESH KUMAR RAMJAS JAISWAR, aged 28 years, is the Non-Executive Non Independent Director of our Company. He is graduate and has 4 Years of experience in marketing. He is associated with day to day affairs of this company. He has been on the Board of our Company since May, 2014.

OTHER DIRECTORSHIP: PURPLE BUILDTECH PRIVATE LIMITED.

SUNEEL KUMAR, aged 31 years is an Independent Director of our Company. He holds Graduation degree. He has been appointed as an Additional Director on the board w.e.f.18.03.2015.

OTHER DIRECTORSHIP: ALPS MOTOR FINANCE LIMITED.

DIRECTORS' REPORT

To

**The Members,
Channel Nine Entertainment Limited**

Your Directors have pleasure in presenting the 13th Directors' Report of your Company together with Audited Statement of Accounts and the Auditors' Report of your Company for the financial year ended, 31st March 2015.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The highlights of financial results of your Company are as follows:

Particulars	For the Financial year ended as on 31 st March, 2015	For the Financial year ended as on 31 st March, 2014
	Amount (in Rs.)	Amount (in Rs.)
Income	42,094,908	28,509,378
Less: Expenditure	40,170,903.62	26,837,853.61
Profit/(Loss) before taxation	1,924,004.38	1,671,524.39
Net profit/ (Loss) after taxation	1,344,496.38	526,458.29

FINANCIAL PERFORMANCE

During the year under review, the Company's income is **Rs. 42,094,908** as against income of **Rs. 28,509,378** in 2013-14.

RESERVES & SURPLUS

The Reserves and Surplus is Rs. 747.66 Lacs as on the end of the Current year and the Profit of the Current year Rs. 13.44 Lacs has been transferred to Reserve and Surplus.

DIVIDEND

To plough back the profits in to the business activities, no dividend is recommended for the Financial year 2014-15.

SHARE CAPITAL

Sub-Division

The Authorized Share Capital as on March 31, 2015 was Rs. 25 crores (25,00,00,000 shares of Rs.10/each). The Company has also split up its share capital from Rs.10 per share into the shares of Rs. 1/- each w.e.f. 03.03.2015. divided into 25,00,00,000 (Rupees Twenty Five Crore) Equity Shares of Rs.1/- (Rupees One Only) each.

Right Issue

Channel Nine Entertainment Ltd has informed BSE that the Board of Directors of the Company at its meeting held on June 09, 2014 has approved raising the funds by way of right issue of Equity Shares in the ratio of 1 equity shares for 2 equity shares held by the existing shareholders of the Company.

Consequent upon the In principle approval accorded by the BSE Limited, the Board of Directors in its meeting held on 26th December, 2014 allotted 77,63,200 Equity shares through right. Accordingly, BSE Limited granted its Listing and Trading Approval.

UTILIZATION OF INITIAL PUBLIC OFFER PROCEEDS:

The initial Public Offer (IPO) proceeds have been utilized as under:-

Particulars	Proposed Objects	Actual Utilizations as on 31st March, 2015
To finance the estimated expenditure of production of two (2) films	700.00	480.00
Strengthening Distribution operations	350.00	311.11
Brand Building	60.00	54.19
Issue Expenses	57.00	29.30
Unutilized portion	NA	296.90
Total	1167.00	1171.50

Use of the proceeds from Right Issue as given below;

Particulars	Proposed Object	Actual Utilization upto March,2015
To finance the estimated expenditure on Sports i.e Archery Documentary & Training Album	200.00	90.00
Event management - Voice of Delhi	300.00	60.00
To Purchase the low budget Hollywood movie to distribute in India	260.00	50.00
Issue Expenses	16.32	13.13
Unutilized portion	NA	563.19
Total	776.32	776.32

CHANGE IN THE NATURE OF BUSINESS

During the year, the Company has not changed its nature of business.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Clause 52 of the Listing Agreement to be entered into with BSE Limited., Management Discussion and Analysis Report is presented in the separate section and forms an integral part of the Directors Report.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and date of this report.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company has a strong monitoring and reporting process resulting in financial discipline and accountability.

RISK MANAGEMENT POLICY

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion as per Sec 134 of Companies Act, 2013.

Therefore, in accordance with Companies Act, 2013, the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

PARTICULARS OF EMPLOYEES AND OTHER DISCLOSURE

The prescribed particulars of Employees required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below.

The information required pursuant to Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Employees of the Company, will be provided on request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees particulars mentioned in rule 5(2) of the said rule which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company upto the date of ensuing Annual General Meeting. If any Member is interest in inspecting the same, such Member may write to the Compliance officer in advance.

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for FY 2014-15 (In Rs.)	% increase in Remuneration in FY 2014-15**	Ratio of Remuneration of Director to Median Remuneration of employees	Ratio of Remuneration of Director to Median Remuneration of Employees
1.	Mr. Gaj Raj Singh, Whole Time Director	2,20,000	N.A.	N.A.	N.A.
2.	Mr. Bhagat Singh	80000	N.A.	N.A.	N.A.

Mr. Bhagat Singh has been appointed as Company Secretary & Compliance Officer of the Company w.e.f. April 16, 2014 and resigned w.e.f. 28/02/2015.

The number of permanent employees as on 31st March 2015 was 2.

Average of remuneration of employees excluding KMPs - Nil

No employee's remuneration for the year 2014-15 exceeded the remuneration of any of the Directors.

Company's performance has been provided in the Directors' Report which forms part of the Board Report.

The key parameter for the variable component of key managerial personnel(s) is linked with Company performance and Individual performance.

The remuneration of Directors, KMPs and other employees is in accordance with the Remuneration Policy of the Company.

STATEMENT CONTAINING THE PARTICULARS OF EMPLOYEES IN ACCORDANCE WITH SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015 - NOT APPLICABLE

DEPOSITS

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014. No amount of principal or interest was outstanding as on the date of Balance Sheet.

NAME OF THE COMPANIES WHICH HAVE BEEN BECOME OR CEASED TO BE ITS SUBSIDIARIES AND ASSOCIATE COMPANIES DURING THE YEAR

Since the Company has no subsidiaries as on 31st March, 2015, provision of section 129 of the Companies Act, 2013 is not applicable.