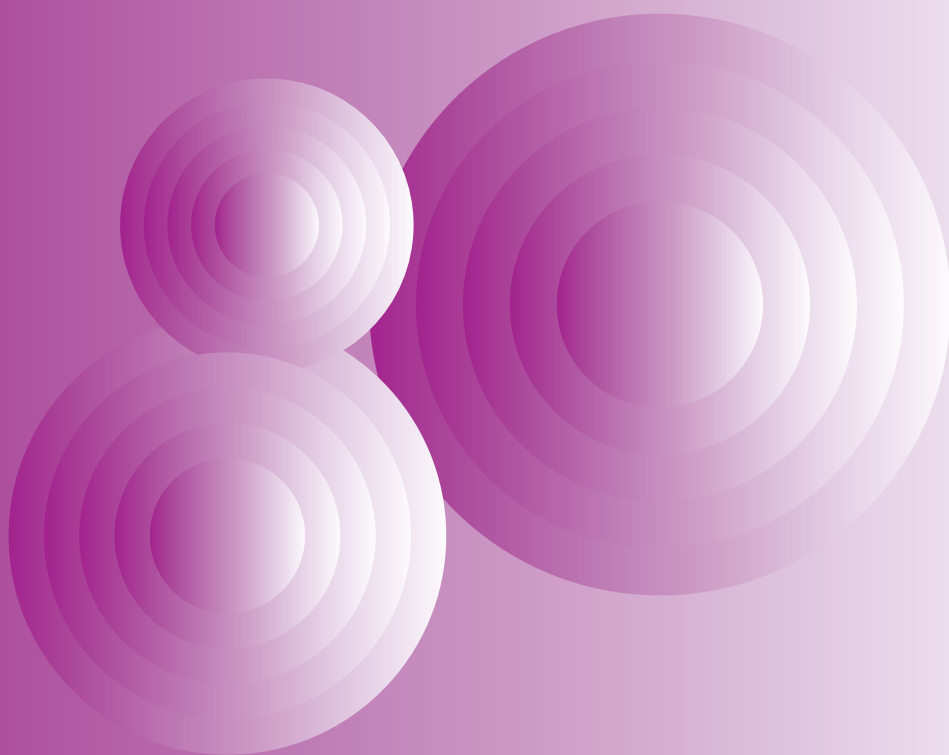


**27<sup>th</sup> Annual Report**  
**2010 - 2011**



**WARNER**  
**MULTIMEDIA LIMITED**

# Warner Multimedia Limited

## BOARD OF DIRECTORS

Jagdish Prasad Purohit	Chairman & Managing Director
Kailash Prasad Purohit	Executive Director
Dhruva Narayan Jha	Independent Director
Saroj Devi Kothari	Independent Director

## REGISTERED OFFICE

75C, Park Street  
Kolkata-700 016

## BANKERS

Federal Bank  
Kotak Mahindra Bank

## AUDITORS

**B. S. Kedia & Co.**  
Chartered Accountants  
8/1, Lal Bazar Street,  
1st Floor, Room No. 8,  
Kolkata - 700 001

## REGISTRAR & SHARE TRANSFER AGENT

**Purva Share Registry (India) Pvt. Ltd.**  
No. 9, Shiv Shakti Ind. Estate  
Gr. Floor, J. R. Boricha Marg  
Lower Parel, Mumbai-400 011

## ANNUAL GENERAL MEETING

Date : 27<sup>th</sup> September 2011  
Time : 11.30 A.M.  
Venue : P-27, Princep Street, 3rd Floor  
Kolkata-700 072

# 28<sup>th</sup> Annual Report 2010 - 2011

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Members are requested to bring their copy of Annual Report at the time of Meeting

## NOTICE

Notice is hereby given that the **Twenty Eighth** Annual General Meeting of the members of **WARNER MULTIMEDIA LIMITED** will be held on Tuesday, the **27th September 2011** at 11.30 A.M. at P-27, Princep Street, 3rd Floor, Kolkata-700 072 to transact the following businesses as:

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report and Audited Statement of Accounts for the year ended 31st March 2011.
2. To appoint Director in place of Mr. Kailash Prasad Purohit, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting and to fix their remuneration.

Kolkata, June 30, 2011

By order of the Board  
For **Warner Multimedia Limited**

Registered Office :  
75C, Park Street, Basement  
Kolkata-700 016.

**Jagdish Prasad Purohit**  
Chairman & Managing Director

### Notes :

1. 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 Annual General Meeting.
2. The Register of Member and the Share Transfer Books of the Company will remain closed from 22nd September 2011 to 27th September 2011 (both days inclusive).
3. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
4. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by the Depository Participant to the Annual General Meeting.
5. Members, desirous of getting any information about the accounts of the Company are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
6. Members are requested to intimate change in their address immediately to M/s Purva Sharegistry (India) Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011
7. Members holding shares in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their

address given above.

8. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
9. Members holding shares in physical form and wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed form (form 2B) to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above or to the Compliance Officer at the Registered Office of the Company.
10. Members are requested to bring copies of Annual Report to the Annual General Meeting.
11. Members are requested to send their queries in regard to the accounts atleast 10 days in advance to the Registered Office of the Company.
12. The Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
13. Members are requested to quote Folio Number/Client ID in their correspondence.
14. The Equity shares of the Company are listed on Kolkata, Mumbai, Delhi, Ahmedabad & Jaipur Stock Exchanges and Listing Fees for the financial year 2011-2012 have been paid to Kolkata & Bombay Stock Exchanges.

Kolkata, June 30, 2011

By order of the Board  
For **Warner Multimedia Limited**

Registered Office :  
75C, Park Street, Basement  
Kolkata-700 016.

**Jagdish Prasad Purohit**  
Chairman & Managing Director

## DIRECTORS' REPORT & MANAGEMENT DISCUSSIONS & ANALYSIS

To The Members,

Your Directors have pleasure in presenting the Twenty Eighth Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2011.

(Rs. in Lacs)

Financial Results	Year Ended 31.03.2011	Year Ended 31.03.2010
Income	4.01	3.59
Profit before Tax & Extraordinary Items	(854.69)	(15.18)
Less : Provision for Taxation	0.00	0.00
Profit after Tax	(854.69)	(15.18)
Add : Balance brought forward from Previous Year	32.30	47.62
Less : Prior Period Adjustments	0.00	(0.13)
Balance carried forward to Next Year	(822.39)	32.30

### DIVIDEND

Due to severe loss during the year under review and because of disposal of wind power machineries and other related assets and of un-quoted shares, your Directors do not recommend any Dividend during the year under review.

### INDUSTRY STRUCTURE AND DEVELOPMENT

Changing economic and business conditions and rapid technological innovation are creating an increasingly competitive market environment that is driving corporations to transform their operations. Consumers of product and services are increasingly demanding accelerated delivery times and lower prices. Companies are focusing their core competencies and using outsourced technology service providers to adequately address their needs. The role of technology has evolved from supporting corporations to transforming their business. There is an increasingly need for highly skilled technology professionals in the market in which we operate. At the same time, corporations are reluctant to expand their IT departments and increase costs. These factors have increased the reliance of corporations on their outsourced technology service providers and are expected to continue to drive future growth for technology services.

### OPPORTUNITIES & THREATS

The Fundamental drives of India's medium term growth prospects remain intact. However, global developments, in conjunction with Indian Policy responses to the concerns noted above, are likely to make 2011-12 a challenging year.

Global economic and financial conditions can be expected to remain adverse for some time, particularly in the aftermath of Japan's natural disaster. Once the current financial year and

commodity volatility subsides, deeper structural factors are likely to slow down economic growth, particularly in developed economics. Fiscal consolidation in Europe and an excess supply overhang in the US will probably moderate growth in the second half, together with increasing expectations of policy rate rise to quell rising inflation.

In India, inflationary pressure are likely to persist and hence result in a further, though moderate, monetary policy tightening the impact of which will be increasingly visible, through rising borrowing costs, in fiscal 2012. Increasing savings, high interest rates, an expected lower rise in currency driven by lower food prices, are likely to help deposits to grow stronger in fiscal 2012. However, in light of inflationary pressures and rising interest rates, there is a likelihood that the credit growth momentum might slow in 2011-12.

#### **OPERATIONS & CURRENT YEAR PROSPECTS**

The Current years' performance of the Company was one of the worst performances in term of loss incurred during the year under review. During the year the Company has disposed off its Plant and Machinery for wind-power projects which was already been seized by REC due to failure in repayment of loan. Moreover, the Company has cleaned up its investments in Un-Quoted Shares by way of selling the same on negotiated prices. All these have caused a loss of Rs. 854.69 Lac during the year under review.

Now the Company is trying to diversify its line of business and is now looking to some other activities and will be able to take a decision in next few months once the liquidation and sufficient finance will be available with the Company. The Company is hopeful of bringing back the confidence among investors of the Company who have invested their hard earnings in the shares of Company.

#### **BUSINESS SEGMENT**

Your Company is providing Advisory Services to clients and also investing its surplus fund in Capital Market, however there was no business activities during the year under review and the Company was trying to coming out with its debt burden by way of repayment of loan taken from REC and to create resource and liquidity in order to have diversified business.

#### **RISK & CONCERNS**

The objective of risk management is to balance the trade-off between risk and returns and ensure optimum risk adjusted return on capital. It entails the identification, measurement and management of risks across the various businesses of the Company. Risk is managed through a framework of policies and principles approved by the Board of Directors and supported by an Independent risk function that ensures that the Company operates within its risk appetite. The risk management function attempts to anticipate vulnerabilities at the transaction level or at the portfolio level, as appropriate, through quantitative or qualitative examination of the embedded risks. The Company continues to focus on refining and improving its risk management systems. In addition to ensuring compliance with regulatory requirements, the Company had developed internal systems for assessing capital requirements keeping in view the business objectives.

The Company has identified following main risks for its business, which needs to be addressed at this point of time :-

- Credit Risk
- Market Risk
- Liquidity Risk
- Operational Risk

The Company has framed the appropriate business policies to tackle the challenges of above risks and is continually reviewing and modifying these policies in order to face the challenges and come out with the help of Company's business policies.

#### **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

Warner has developed adequate Internal Control Systems in place to ensure a smooth functioning of its business. The Control System provides a reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of Company's assets.

The ICS and their adequacy are frequently reviewed and improved and are documented.

#### **INFORMATION TECHNOLOGY**

The Company aims to maintain a scalable computing infrastructure that delivers efficient and seamless services across multiple channels for customer convenience. In order to retain competitive edge, technology infrastructure has been implemented wherever necessary, in alignment with business requirements.

#### **HUMAN RESOURCES**

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2011-12, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

The Company believes that learning is an ongoing process. Towards this end, the Company has built a training infrastructure which seeks to upgrade skill levels across grades and functions through a combination of in-house and external programme.

#### **MATERIAL DEVELOPMENT IN HUMAN RESOURCES**

The Company was having staff strength of 5 people during the year under review however the Company is recruiting more experienced employees during financial year 2010-11. Once the process of new recruitment will be over, the Company will be able to comment on this.

**PUBLIC DEPOSITS**

During the year under review, your Company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act 1956 and the rules there under.

**CAUTIONARY STATEMENT**

Statements in the Management Discussions and Analysis describing the Company's objectives, projections, estimates, expectations may be forward looking statements. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's performance include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government Regulations, tax laws, statutes and other incidental factors.

**MANAGEMENT**

There is no change in Management of the Company during the year under review.

**DIRECTORS**

There is no change in composition of Board during the year under review.

In accordance with the requirements of the Companies Act, 1956 and as per the provisions of Articles of Association Mr. Kailash Prasad Purohit who retires by rotation is eligible, offers himself for reappointment.

Except Mr. Jagdish Prasad Purohit, brother of Mr. Kailash Prasad Purohit, none of the Directors are interested in re-appointment of Mr. Kailash Prasad Purohit.

None of the Directors of the Company are disqualified under section 274(1)(g) of the Companies Act 1956.

**AUDITORS**

Auditors M/s B. S. Kedia & Co., Chartered Accountants, Kolkata holds the office until the conclusion of ensuing Annual General Meeting. Members are requested to appoint new Auditors in place of M/s. B. S. Kedia & Co., and fix their remuneration.

**COMMENTS ON AUDITOR'S REPORT**

The notes referred to in the Auditor's Report are self explanatory and as such they do not call for any further explanation as required under section 217(3) of the Companies Act, 1956.

**COMPLIANCE**

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/

internal guidelines on a periodic basis.

New Instructions/guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in course of their activities and processes. New products and process launched during the year were subjected to scrutiny from the Compliance Standpoint and proposals of financial services were screened from risk control prospective.

### **CORPORATE GOVERNANCE**

Your Company follows the principles of the effective corporate governance practices. The Clause 49 of Listing Agreement deals with the Corporate Governance requirements which every publicly listed Company has taken steps to comply with the requirements of the revised Clause 49 of the Listing Agreement with the Stock Exchange.

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Company's Auditors on Corporate Governance as stipulated in Clause 49 of the Listing Agreement is included in the Annual Report.

### **STATUTORY INFORMATION**

The Company being basically in the financial sector, requirement, regarding and disclosures of Particulars of conservation of energy and technology absorption prescribed by the rule is not applicable to us.

### **PARTICULARS OF EMPLOYEES**

The relations remain cordial throughout the year between employees and the management

The information as required by provisions of section 217(2A) of the Companies Act, 1956 read with the companies (Particular of employees) amendments rules, 1988 is reported to be NIL.

### **Particulars under Section 217 (1) (e) of the Companies Act, 1956**

The Company is engaged in the business of advisory services and investment activities and hence the information regarding conservation of energy, Technology Absorption, Adoption and Innovation, the information required under 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, is reported to be NIL.

The Company has not earned or used foreign exchange earnings/outgoings during the year under review.

### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

1. In the preparation of the annuals accounts for the year ended 31st March 2011, all the applicable accounting standards prescribed by the Institute of chartered Accountants of India have been followed;
2. The Directors had adopted 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 at the end of the financial year and of the profit of the Company for that period.

3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the annual accounts on a going concern basis.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Corporate Social Responsibility (CSR) is commitment of the Company to improve the quality and living standard of the employees and their families and also to the community and society at large. The Company believes in undertaking business in such a way that it leads to overall development of all stake holders and Society.

#### **APPRECIATION**

The Board of Directors wishes to convey their appreciation to all the Company's employees for their performances and continued support. The Directors would also like to thank all the Shareholders, Consultants, Customers, Vendors, Bankers, Service Providers, and Governmental and Statutory Authorities for their continued support.

Kolkata, June 30, 2011

Registered Office :  
75C, Park Street, Basement  
Kolkata-700 016.

By order of the Board  
For **Warner Multimedia Limited**

**Jagdish Prasad Purohit**  
Chairman & Managing Director