

Hindustan Media Ventures Limited

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Annual Report 2008-09

HINDUSTAN MEDIA VENTURES LIMITED

(Formerly known as Searchlight Publishing House Limited)

BOARD OF DIRECTORS

SHRI S.M. AGARWAL (*Whole time Director*)

SHRI V. K. CHARORIA

SHRI R. K. AGRAWAL

AUDITORS

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M/S. B. GUPTA & CO.

CHARTERED ACCOUNTANTS

4TH FLOOR, SUKIRTI

S.P. VERMA ROAD

PATNA

REGISTERED OFFICE

BUDH MARG, PATNA

HINDUSTAN MEDIA VENTURES LIMITED

DIRECTORS' REPORT

To
The Shareholders,

Your Directors are pleased to present their Report, together with the Audited Statement of Accounts for the financial year ended on 31st March 2009.

FINANCIAL RESULTS

Your Company's performance during the financial year ended on 31st March 2009, is summarized below:

	2008-09 (Rs.)	2007-08 (Rs.)
Total Income	17,77,32,946	16,88,58,334
Profit before Depreciation/Amortization, Interest, Exceptional Items and Tax (EBITDA)	67,61,995	91,72,934
Less: Depreciation	39,31,501	43,22,376
Profit before Exceptional Items and Tax	28,30,494	48,50,558
Less: Exceptional Items		
• Separation Scheme Compensation	-	32,37,649
• Payment of ESI & Bonus pertaining to prior periods	12,99,635	-
Profit before Tax	15,30,859	16,12,909
Less: Provision for Taxation	6,50,945	8,85,000
Add: Deferred Tax Assets/ (Liabilities)	(97,421)	(1,78,928)
Profit after Tax	7,82,493	5,48,981
Add: Profit brought forward from previous year	58,04,986	52,56,005
Balance Carried to Balance-Sheet	65,87,479	58,04,986

CHANGE OF NAME

During the year under review, pursuant to the special resolution passed by the shareholders at their Annual General Meeting held on 26th September 2008, the name of the Company was changed from 'Searchlight Publishing House Limited' to 'Hindustan Media Ventures Limited'. The fresh certificate of incorporation bearing the new name of the Company was issued on 11th November 2008 by the Registrar of Companies, Bihar & Jharkhand.

DIVIDEND

Your Directors do not consider it appropriate to recommend any dividend on Equity Shares for the financial year ended on 31st March 2009.

DEPOSITS

The Company has not accepted any Public Deposits during the year.

INCREASE IN AUTHORISED SHARE CAPITAL AND ISSUE OF FRESH CAPITAL

During the year under review, the Authorized Share Capital of your Company of Rs. 7 Crore was increased to Rs. 17 Crore by creation of new 1,00,00,000 Equity Shares of Rs.10/- each.

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Further, in May 2008, 30,00,000 Equity Shares of Rs.10/- each were allotted for cash at par to HTML, on preferential basis. The proceeds of the issue were utilized for acquisition of land in Patna for expansion of printing facilities of your Company.

DIRECTORS

Shri V.K.Charoria, Director of the Company, retires from office by rotation and being eligible, has offered himself for re-appointment.

AUDITORS

The Statutory Auditors of your Company, M/s. B. Gupta and Co., Chartered Accountants, Patna shall retire at the conclusion of the ensuing Annual General Meeting; and being eligible, have offered themselves for re-appointment. The retiring Auditors have given a certificate under Section 224 (1B) of the Companies Act, 1956 regarding their eligibility for re-appointment.

STATUTORY INFORMATION

During the year under review, there was no foreign exchange earning or outgo. Further, there was no employee covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

The particulars under Section 217(1)(e) of the Companies Act, 1956, regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo form part of this report as Annexure – A.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 217(2AA) of the Companies Act 1956, your Directors report that:

- i. in the preparation of the annual accounts for the financial year ended on 31st March, 2009, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. such accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2009; and of the profit of the Company for the year ended on 31st March, 2009;
- iii. proper and sufficient care has been taken 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; and
- iv. the Annual Accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation for the assistance and co-operation provided by the Bankers, Customers, Suppliers, Employees and Shareholders of the Company.

For and on behalf of the Board

Place: New Delhi
Date: 9th May, 2009

S.M. Agarwal
R.K. Agrawal
Directors

HINDUSTAN MEDIA VENTURES LIMITED

Annexure – A to Directors' Report

Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo, as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

A. CONSERVATION OF ENERGY:-

(a) Energy conservation measure taken:

Efforts are made for conservation of energy on an on-going basis. The energy conservation initiatives have resulted in improvement of power factor.

(b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy:

None

(c) Impact of the measure at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

Improvement in the power factor has resulted in power saving.

(d) Total energy consumption and energy consumption per unit of production:

Not Applicable

B. TECHONOLGY ABSORPTION

(e) Efforts made in technology absorption:

Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(f) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans:

Not Applicable

(g) Total foreign exchange used and earned:

Foreign exchange used:	Nil
Foreign exchange earned:	Nil

HINDUSTAN MEDIA VENTURES LIMITED

AUDITORS' REPORT

To the Shareholders of

HINDUSTAN MEDIA VENTURES LIMITED

We have audited the attached Balance Sheet of Hindustan Media Ventures Limited as at 31st March, 2009 and the Profit and Loss Account of the company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit included examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also included assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as under:

1. As required by the Manufacturing Companies (Auditor's Report) Order, 2003 issued by the Government of India in terms of Section 227(4A) of the Companies Act, 1956 we enclose in the annexure a statement on the matters specified in paragraphs '4' and '5' of the said order.
2. Attention is invited to S.22 of the Micro, Small and Medium Enterprises Development Act, 2006 read with disclosure requirements of Schedule VI to the Companies Act, 1956 requiring disclosure in the financial statements of all amounts remaining unpaid together with interest thereon, if any, to micro, small or medium enterprises. The said disclosures have not been made in the financial statements dealt with by this report.
3. Further to our comments appearing in the annexure referred to in paragraph '1' above.
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account, as required by law have been kept by the company, so far as appears from our examination of these books;

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- c. The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e. As per written representations received from the Directors, taken on record by the Board of Directors in their meeting, none of the directors is disqualified U/S 274(1)(g);
- f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon in Schedule '18', give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Balance Sheet of the state of affairs of the company as at 31st March, 2009;
 - ii. in the case of the Profit and Loss Account of the profit for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement of the cash flow of the company for the year ended on that date.

For and on behalf of
B.Gupta & Co.
Chartered Accountants

PATNA,
Dated: 9th May, 2009

[D. SIRCAR]
Partner

HINDUSTAN MEDIA VENTURES LIMITED

ANNEXURE TO THE AUDITORS' REPORT

As referred to in paragraph '1' of our report of even date

1. In respect of its fixed assets,
 - a. the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b. the Company has carried out year-end verification, which in our opinion constitutes physical verification at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification; and
 - c. there has not been disposal of substantial portion of fixed assets during the year. Sale/ Disposals during the year do not affect the going concern.
2. In respect of its inventories,
 - a. the Company has physically verified certain items at monthly intervals in accordance with a programme of physical verification and also conducted a 100% physical verification at the year end, which in our opinion constitute physical verification at reasonable intervals.
 - b. The procedure of physical verification followed by the management appears to be reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company has maintained proper records for inventory and discrepancies, though not material, have been properly dealt with in the accounts.
3. In respect of loans, secured or unsecured, taken from or granted to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956,
 - a. the Company has not granted or taken any loans, ~~secured or unsecured~~, to/from companies, firms or other parties covered in the register maintained U/S 301 of the Act.
 - b. in absence of any loans granted or taken, the question of (i) their being prejudicial to the interest of the Company, (ii) regular repayment of principal along with interest thereon and (iii) steps for recovery of overdues in excess of Rs.1,00,000 (Rupees One Lakh) does not arise.
4. In our opinion there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for purchase of inventory and fixed assets. As the Company only provides services, the question of internal control on sale of goods does not arise.
5. In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956,
 - a. to the best of our knowledge and belief and according to the information and explanations given to us transactions that needed to be entered into the register have been so entered.
 - b. There were no transactions in excess of Rupees Five Lakhs during the year. Hence the question of their reasonableness with regard to prevailing market prices does not arise.
6. The Company has not accepted any deposit from the public.
7. In our opinion the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
8. The Central Government has not prescribed maintenance of cost records U/S 209 (1)(d) of the Companies Act for the Company's line of business.