

NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of the Members of the Company will be held on 30th October 2010 at 10.30 A.M. at the registered office of the Company at No.312, 9th Floor, Gee Gee Emerald, Valluvar Kottam High Road, Nungambakkam, Chennai 600 034 to transact the following business:-

As Ordinary Business:

1. To Consider and adopt the Audited Balance Sheet for the year ended 30th April 2010 and the Profit & Loss Account of the Company for the year ended on that date and the Reports of the Auditors' and Directors, thereon.
2. To appoint a Director in the place of Mr. R. Chandrasegaran, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors and to fix their remuneration. The retiring Auditors M/s. Venkatesh & Co. Chartered Accountants are eligible for re-appointment.

As Special Business:

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

"RESOLVED THAT Mr. K. Murugavel who was appointed as an Additional Director of the company with effect from April 01, 2010 and who holds office till the date of the AGM in terms of Sec. 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation."

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

"RESOLVED THAT Mr. K. Ramadasan who was appointed as an Additional Director of the company with effect from June 01, 2010 and who holds office till the date of the AGM in terms of Sec. 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation."

6. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED THAT Mr. C. Vasan who was appointed as an Additional Director of the company with effect from June 01, 2010 and who holds office till the date of the AGM in terms of Sec. 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation."

7. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

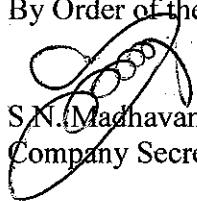
"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309 & 310 read with Schedule XIII of the Companies Act, 1956 and subject to the approval of the members and the approval of the Central Government and such other approvals, if any, as may be required, the Company hereby accords its approval for the appointment of Mr. K. Murgavel, as Whole Time Director/ Chief Operating Officer of the company for a period of three years with effect from 01.04.2010 on the remuneration and terms and conditions as given below:-

Basic Salary of Rs. 75,000 per month and other perquisites as eligible as per the provisions of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT in the case of loss or inadequacy of profits in any financial year, the above remuneration shall be paid to the Whole Time Director as the minimum remuneration.

Further Resolved that the Board of Directors (hereinafter referred to as "the Members" which term shall be deemed to include any Committee of the Board duly constituted to exercise its powers, including the powers conferred by this resolution) to alter vary the terms and conditions and/ or remuneration, subject to the same not exceeding the limits prescribed under Schedule XIII of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof."

By Order of the Board


S.N. Madhavan
Company Secretary

Place: Chennai
Date : 26.08.2010

NOTES:

1. A member is entitled to attend and vote at the above Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company.
2. Proxy forms in order to be effective should be lodged with the company at the registered office not less than 48 hours before the meeting. In default the instrument of proxy shall not be treated as valid.
3. An explanatory Statement pursuant to section 173(2) of the Companies Act, 1956, in respect of Item Nos. 4 to 7 of the notice is annexed hereto.
4. The registrar of Members and Share Transfer Books shall remain closed from 26.10.2010 to 30.10.2010(both days inclusive).
5. Members are requested to notify immediately any change in their address to the registered share transfer agent of the Company M/s. Cameo Corporate Services Limited, Subramanian Building, No. 1, Club House Road, Chennai 600 002.

6. Members having any specific query on the financial statements of the Company are requested to mail their queries directly to the Company.

Place: Chennai
Date : 26.08.2010

By Order of the Board


S.N. Madhavan
Company Secretary

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

Item No. 4

Mr. K. Murugavel was appointed as an Additional Director of the Company on April 01, 2010 at the meeting of the Board of Directors of the Company. As per the provisions of Sec. 260 of the Companies Act, 1956, Mr. K. Murugavel holds office upto the date of the forthcoming Annual General Meeting. The Company has received notice in writing under Sec. 257 of the Companies Act, 1956, along with a requisite deposit, proposing Mr. K. Murugavel for the office of Director liable to retire by rotation.

Save and except Mr. K. Murugavel, none of the directors of the Company is, in any way, concerned or interested in the resolution.

The Board of Directors of your Company is of the opinion that his appointment would be beneficial to the Company and hence recommend the Resolution for your approval.

Item No. 5

Mr. K. Ramadasan was appointed as an Additional Director of the Company on June 01, 2010 at the meeting of the Board of Directors of the Company. As per the provisions of Sec. 260 of the Companies Act, 1956, Mr. K. Ramadasan holds office upto the date of the forthcoming Annual General Meeting. The Company has received notice in writing under Sec. 257 of the Companies Act, 1956, along with a requisite deposit, proposing Mr. K. Ramadasan for the office of Director liable to retire by rotation.

Save and except Mr. K. Ramadasan, none of the directors of the Company is, in any way, concerned or interested in the resolution.

The Board of Directors of your Company is of the opinion that his appointment would be beneficial to the Company and hence recommend the Resolution for your approval.

Item No. 6

Mr. C. Vasan was appointed as an Additional Director of the Company on June 01, 2010 at the meeting of the Board of Directors of the Company. As per the provisions of Sec. 260 of the Companies Act, 1956, Mr. C. Vasan holds office upto the date of the forthcoming Annual General Meeting. The Company has received notice in writing under Sec. 257 of the Companies Act, 1956, along with a requisite deposit, proposing Mr. C. Vasan for the office of Director liable to retire by rotation.

Save and except Mr. C. Vasan, none of the directors of the Company is, in any way, concerned or interested in the resolution.

The Board of Directors of your Company is of the opinion that his appointment would be beneficial to the Company and hence recommend the Resolution for your approval.

Item No. 7

The Board of Directors at its meeting held on April 01, 2010 had appointed Mr. K. Murugavel as Director cum Chief Operating Officer for a period of 3 years from 01.04.2010 to 31.03.2013, subject to the approval of the members in the Annual General Meeting.

Hence, it is proposed to seek approval of the members for the appointment and remuneration payable to Mr. K. Murugavel. Broad particulars of the terms of his appointment are as follows:

Basic Salary of Rs. 75,000 per month and other perquisites as eligible as per the provisions of Schedule XIII of the Companies Act, 1956.

In the case of loss or inadequacy of profits in any financial year, the above remuneration shall be paid to the Whole Time Director as the minimum remuneration.

Mr. K. Murugavel satisfies all the conditions as set out in Part-I of Schedule XIII to the Act for being eligible for the appointment.

The above may be treated as an abstract of the terms of his appointment under Sec. 302 of the Act.

Save and except Mr. K. Murugavel, none of the directors of the Company, is, in any way, concerned or interested in the resolution.

The Board of Directors of your Company is of the opinion that his appointment would be beneficial to the Company and hence recommend the Resolution for your approval.

Place: Chennai
Date : 26.08.2010

By Order of the Board



S.N. Madhavan
Company Secretary

DIRECTOR'S REPORT

To All Members

Your Directors have pleasure in presenting the Twenty-first Annual Report of the Company along with the Audited statement of accounts for the year ended 30th April 2010.

1. FINANCIAL RESULTS

The highlights of the financial results of the Company for the year ended 30.04.2010 as compared with the previous year are given below:

(Rs. In Lakhs)		
Particulars	As on 30.04.2010	As on 30.04.2009
Total Income	1294.74	2116.42
Profit before Taxation	16.30	94.61
Less: Provision for Taxation	(72.66)	(10.72)
Add/ (Less): Provision for deferred taxation	60.19	(148.07)
Less: Income tax of earlier year	-	-
Net profit after tax	3.83	-64.17
Add: Profit brought forward	1892.80	1956.97
Amount available for appropriation	1896.62	1892.80
Balance carried forward	1896.62	1892.80

The Profit before tax (PBT) for the year was Rs. 16.30 Lakhs as compared to the previous year figure of Rs. 94.61 Lakhs. The net profit after tax for the year was Rs. 3.83 Lakhs.

2. DIVIDEND

Considering your company's expansion and the necessity to preserve funds for the future business plan of your Company, on a conservative basis, your directors have not recommended any dividend for the year.

3. DIRECTORS

Mr. R. Chandrasegaran, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

During the year under review Mr. Shamsir Bin Omar, Mr. R. Kuppu Rao and Mr. R. Nagarajan, Directors resigned from the office of Director due to their pre commitments. Mr. K. Murugavel, Mr. K. Ramadasan and Mr. C. Vasan joined the Board as Additional Directors. The Board puts on record its sincere thanks and appreciation for the untiring efforts put by the retiring Directors besides welcoming the new Directors.

During the year under review Mr. K. Murugavel was appointed as Director cum Chief Operating Officer of the Company for a period of 3 years with effect from 01.04.2010, subject to the approval of the member of the Company.

4. PUBLIC DEPOSITS

During the year your company have not received any deposits nor renewed any deposit from the public.

5. FOREIGN EXCHANGE EARNINGS & OUTGO

During the year under review the Company has not booked overseas revenue. Previous year nil.

6. PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

The particulars required to be given in terms of section 217 (1)(e) of the Companies Act, 1956 regarding conservation of energy, technology absorption are not applicable to your Company.

None of the employees of your Company fall under this section 217 (2A) and as such the statement is to be taken as Nil.

7. QUALITY MANAGEMENT SYSTEM

The Company continues to lay emphasis on excellence in quality and services and is committed to total customer satisfaction.

8. DIRECTOR'S RESPONSIBILITY STATEMENT

The Directors confirm;

- a. That in the preparation of Annual Accounts, the applicable accounting standards have been followed and no material departures have been made.
- b. That they 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 at the end of the financial year and of the profit of the Company for the year under review.
- c. 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 your Company and for preventing and detecting fraud & other irregularities.
- d. The annual accounts have been prepared on a going concern basis.

9. CORPORATE GOVERNANCE

Your Company will always strive to incorporate appropriate standards for good corporate Governance.

10. AUDITORS

Messrs Venkatesh & Co. Chartered Accountants, Statutory auditors of the Company retires on the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

11. REPLY TO AUDITORS QUALIFICATION/ OBSERVATION

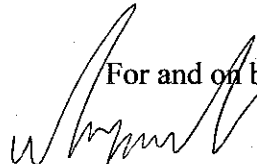
No provision has been made in the Accounts for Gratuity since the payments are made on a cash basis and the necessary provision will be made as and when the liability arise.

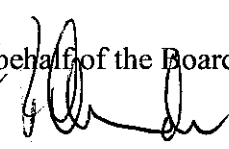
12. ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the contribution made by the employees at all levels enabling the Company to achieve the performance under review.

Your Directors also appreciate the valuable co-operation and continued support extended by the Company's Bankers, Distributors and various Government authorities for their trust and confidence in the Management of the Company. Finally your Directors are deeply grateful to the members for their continued confidence & faith in the management of the Company.

For and on behalf of the Board


K. Murugavel
Director & COO


R. Chandrasegaran
Director

Place: Chennai
Date: 26.08.2010

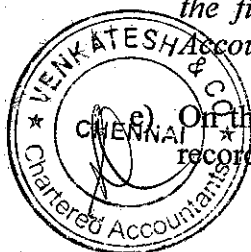
REPORT OF THE AUDITORS TO THE MEMBERS OF

M/S.MID VALLEY ENTERTAINMENT LIMITED

- (1) We have audited the attached Balance Sheet of M/s. Midvalley entertainment Limited as at 30th April 2010, and the Profit and Loss Account for the period 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.
- (2) 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 of material misstatements. An audit includes, examining on a test basis, evidence to support the financial statement amounts and disclosures in the financial statement, assessing the accounting principles used in the preparation of financial statements, assessing significant estimates made by management in the preparation of financial statements and evaluating overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- (3) As required by the Companies (Auditor's Report) Order, 2003 issued by the Company Law Board 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.

Further to our comments in the Annexure referred to in paragraph 3 above, we state that:

- 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 such books.
- c) The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of account.
- d) In our opinion, the Profit and Loss Account and the Balance Sheet comply with the Accounting Standards referred to in Subsection (3C) of Section 211 of the Companies Act, 1956. *Subject to non-provision for accrued gratuity liability, bonus and leave encashment in accordance with As-15 on Employee Benefits in the financial statements of the employer issued by the Institute Of Chartered Accountants Of India.*



e) On the basis of written representation received from the directors, and taken on record by the Board of Directors, we report that none of the directors is