

CORPORATE INFORMATION**BOARD OF DIRECTORS**

Mr. Ratish Tagde	Managing Director
Mr. Mahesh Tagde	Director
Mr. Bharat Gada	Director
Mr. Vivek Salian	Director

SENIOR MANAGEMENT

Ms. Komal Deshmukh AVP- Corp. Affairs &
Company Secretary

STATUTORY AUDITORS

M/s. N K Jalan & Co. Chartered Accountants,
2A, Mayur Apartments, Dadabhai Cross Road No.3,
Vile Parle (West), Mumbai – 400 056

REGISTERED OFFICE

704, Crystal Plaza, Andheri Ghatkopar Link Road,
Chakala, Andheri (E),
Mumbai- 400 099

**REGISTRAR AND SHARE
TRANSFER AGENTS**

M/s. Sharex Dynamic (India) Pvt. Ltd.
Unit no.1, Luthra Ind.Premises, Safed Pool,
Andheri Kurla Road, Andheri (East),
Mumbai – 400072
Ph: 022 2851 5644/ 2851 5606.

BANKERS

Axis Bank Limited
Corporation Bank

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NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of **Perfect-Octave Media Projects Limited** will be held on Friday, July 12, 2013 at 12.00 Noon at the Hotel Planet, Subhash Road, Adjacent to Garware House, Vile Parle (East), Mumbai - 400 057 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited Balance Sheet as at March 31, 2013, the Profit and Loss Account for the year ended on that date and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Bharat Gada who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint statutory auditors M/s. N. K. Jalan & Co., Chartered Accountants to hold office from the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

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. Bharat Gada, who was appointed with effect from November 08, 2012 as an Additional Director of the Company by the Board of Directors and who by virtue of Section 260 of the Companies Act, 1956 holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company and whose term of office shall be liable to determination by retirement 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. Mahesh Tagde, who was appointed with effect from November 08, 2012 as an Additional Director of the Company by the Board of Directors and who by virtue of Section 260 of the Companies Act, 1956 holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company and whose term of office shall be liable to determination by retirement 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. Vivek Salian, who was appointed with effect from February 11, 2013 as an Additional Director of the Company by the Board of Directors and who by virtue of Section 260 of the Companies Act, 1956 holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company and whose term of office shall be liable to determination by retirement by rotation."

On behalf of Board of Directors of
Perfect-Octave Media Projects Limited

Sd/-
Ratish Tagde
Managing Director

Date: 30.5.2013
Place: Mumbai
Registered Office:
704, Crystal Plaza,
Andheri Ghatkopar Link Road,
Chakala, Andheri (East), Mumbai – 400 099

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received by the Company, not less than 48 hours before the time of commencement.
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing to attend and vote on their behalf at the Meeting along with the attendance slip or proxy as the case may be.
3. All the documents referred to in the accompanying notice are available for inspection at the registered office of the Company on all the working days between 3.00 p.m. to 5.00 p.m. upto the date of the Annual General Meeting.
4. Members are requested to notify their change of address, if any, to the Company/ Share Transfer Agent, Sharex Dynamic (India) Private Limited, Unit no.1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400072.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from July 10, 2013 to July 12, 2013 (both days inclusive).
6. Shareholders are requested to forward their queries on the accounts for the financial year ended March 31, 2013 to the Company at least 10 days in advance, to enable us to keep the required information available at the Meeting.
7. Members are requested to give their valuable suggestions for improvement of the services and are also advised to quote their E-mail Id's, telephone / facsimile no. for prompt reply of their communications.
8. In case the members have not received new share certificate with new name of the company, they are requested to kindly contact the Registrar & Share Transfer Agent for issue of new certificate in lieu thereof.
9. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
10. The Ministry of Corporate Affairs, Government of India has come out with a circular dated 29th April 2011 which allows the companies to send documents including Annual Reports and other intimation by an email. Therefore you are requested to register your email IDs with the Registrar and Transfer Agent of the Company. The Company is already having email ID of the members holding their shares in Demat through their respective Depository Participants. The said email ID shall be considered as registered email ID for the said members unless informed otherwise by the respective shareholder to the Company or Registrar and Transfer Agent.

EXPLANATORY STATEMENT**(Pursuant to Section 173(2) of the Companies Act, 1956)****Item No. 4 and 5:**

Mr. Bharat Gada and Mr. Mahesh Tagde were appointed as an Additional Directors of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, with effect from November 08, 2012. They hold office till conclusion of ensuing Annual General Meeting. The Company has received notice under Section 257 of the said Act from a member signifying his intention to propose candidature of Mr. Bharat Gada and Mr. Mahesh Tagde for appointment as Directors of the Company. Mr. Bharat Gada and Mr. Mahesh Tagde do not hold any equity shares in the Company. None of the Directors of the Company may be considered to be interested in the passing of the Resolution except the appointee themselves. However, Mr. Ratish Tagde is interested in the appointment of Mr. Mahesh Tagde. This may also be treated as an abstract and memorandum issued pursuant to Section 302 of the Companies Act, 1956.

Item No. 6:

Mr. Vivek Salian was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, with effect from February 11, 2013. He holds office till conclusion of ensuing Annual General Meeting. The Company has received notice under Section 257 of the said Act from a member signifying his intention to propose candidature of Mr. Vivek Salian for appointment as Director of the Company. Mr. Vivek Salian does not hold any equity shares in the Company. None of the Directors of the Company may be considered to be interested in the passing of the Resolution except the appointee himself. This may also be treated as an abstract and memorandum issued pursuant to Section 302 of the Companies Act, 1956.

**On behalf of Board of Directors of
Perfect-Octave Media Projects Limited**

Sd/-

**Ratish Tagde
Managing Director**

**Place: Mumbai
Date: 30th May, 2013**

DIRECTOR'S REPORT

Your directors present herewith the 22nd Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2013.

(Amount in ₹)		
FINANCIAL RESULTS	2012-2013	2011-2012
Revenue from operations	81,318,225	80,978,800
Less: Operational & Other expenses	85,487,566	77,044,502
Profit/(Loss) before Depreciation	(4,169,341)	39,34,298
Less: Depreciation	1,753,009	1,620,856
Profit/(Loss) After depreciation	(5,922,350)	2,313,442
Add/(Less) Prior Period Adjustment	Nil	Nil
Profit/ (Loss) Before Taxation	(5,922,350)	2,313,442
Less: Provision for Tax	Nil	Nil
Current Tax	Nil	Nil
Deferred Tax (Net)	(633,186)	Nil
Net Profit After Tax	(5,289,164)	2,313,442
Profit / (Loss) brought forward from previous year	(17,448,648)	(19,762,090)
Transfer under scheme of Amalgamation	(9,327,572)	NIL
Balance carried to Balance Sheet	(32,065,384)	(17,448,648)

OPERATIONS:

For the period ended March 2013 your Company has recorded revenue of ₹ 813 lacs compare to previous year of ₹ 809 lacs. However the expenses incurred are more this year as compared to last year. Major spent on the setting up broadcasting activity, appointment of necessary personnel etc. The Company is yet to initiate its broadcasting business.

MERGER OF GANDHAR MEDIA LIMITED:

During the year under review, the Bombay High Court has approved the merger of Gandhar Media Ltd (GML) into Perfect-Octave Media Projects Ltd (POMPL) vide its order dated September 07, 2012. As per the scheme of amalgamation, all assets and liabilities of GML stands transferred and vested in the Company.

TRANSFER TO RESERVES:

In the absence of adequate profits, no amount was transferred to Reserves.

DIVIDEND:

Due to inadequacy of profits during the year under review, your Directors do not recommend any dividend for the financial year 2012-2013.

SHARE CAPITAL:

During the year under review, the Bombay High Court has approved the merger of Gandhar Media Ltd into Perfect-Octave Media Projects Ltd, as per the said Scheme of Merger the Company has made an allotment of 2,58,22,800 equity shares of Rs. 10/- each to the shareholders of Gandhar Media Ltd in a ratio of 1:62:1.

As on 31st March, 2013, the paid up share capital of the Company is ₹ 34,01,28,000/- divided into 3,40,12,800 equity shares of Rs. 10/- each.

DIRECTORS:

In accordance with the provisions of Companies Act, 1956 and the Articles of Association of the Company, Mr. Bharat Gada, Director retires by rotation and being eligible offer himself for re-appointment.

During the year under review, Mr. Mahesh Tagde, Mr. Bharat Gada was appointed as Directors w.e.f November 08, 2012 and Mr. Vivek Salian appointed as Director w.e.f February 11, 2013.

Mr. Ratish Tadge continues to be Managing Director on the Board of Director of the Company.

During the year under review, Mr. Santosh Kumar Jain resigned w.e.f November 08, 2012 and Mr. Anand Jariwal resigned w.e.f February 11, 2013.

SIGNIFICANT DEVELOPMENTS AFTER END OF THE YEAR:

The Company is already airing test signals of India's first ever classical based music channel. The name of channel is "INSYNC". The test signals are available on two major digital cable networks Hathway and In Cable showing the InSync channel on no 315 and 450 respectively in Mumbai. The Company foresees that by end of July 2013, the channel shall be launched in all major cities of India including all 4 metro cities i.e. Mumbai, Delhi, Bangalore and Kolkata.

Subsequent to the year end, Company has roped in Mr. Manish Rach to take responsibility of sales and distribution of the channel. Mr. Manish Rach will be appointed as a Director in the company which requires prior approval from the Ministry of Information and Broadcasting, Government of India. Mr. Manish Rach possesses 20 years of rich experience in broadcasting industry and under his able guidance, we are sure that company will achieve its targets both in distribution and sale efficiently and timely.

PARTICULARS OF EMPLOYEES:

During the year under review, there were no employees drawing remuneration of ₹ 60,00,000/- p.a. or ₹ 5,00,000/- p.m. or more. Hence there is no information to be provided in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975.

DISCLOSURE UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956:

The particulars required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is given in Annexure-I to this Directors Report.

AUDITORS:

The Auditor of the Company M/s. N.K. Jalan & Co., Chartered Accountants, Mumbai, retires at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. The appointment if made will be in accordance with the sub section (1B) of section 224 of the Companies Act, 1956 as per certificate furnished by the auditor. Members will be required to appoint Auditors for the current year and to authorize the Board of Directors to fix their remuneration.

AUDITOR'S OBSERVATIONS:

The Balance confirmation of some of the Debtors and Creditors were obtained after completion of Audit. Other observations of auditor are self explanatory and do not require any further to be commented by directors in this report.

DIRECTORS RESPONSIBILITY STATEMENT:

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

1. That in the preparation of the accounts for the financial year ended 31st March 2013; the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. That the Directors have adopted such accounting policies and applied them consistently and made judgments estimates that were reasonable and prudent so as to give a true and fair view of the state affair of the Company at the end of the financial year and of the profit or loss of the company for the year under review.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the accounts for the financial year ended 31st March 2013 on a "going concern" basis.

SUBSIDIARIES:

The Company does not have any subsidiary Company.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report for the year under review as required under Clause 49 of the Listing Agreement is presented in a separate section forming part of the Annual Report.

DEPOSITS:

The Company has not accepted deposits falling within the provisions of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of the Deposits) Rules, 1975 during the year under review.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the Company has complied with the provisions of Corporate Governance and a report on Corporate Governance is annexed hereto and forms part of this report. A certificate from Practicing Company Secretary of the Company regarding compliance of Corporate Governance, as stipulated under Clause 49 of the Listing Agreement, is appended to the Annual Report.

DEPOSITORY SYSTEM:

The Company has electronic connectivity with both depositories namely Central Depository Services (India) Limited and National Securities Depository Limited. As on March 31, 2013, 75.11% of the Company's paid-up share capital representing 2,55,48,400 equity shares is in dematerialized form. In view of the numerous advantages offered by the Depository system, Members holding shares in physical mode are requested to avail of the facility of dematerialization of the Company's shares on either of Depositories.

GO GREEN INITIATIVE:

The Ministry of Corporate Affairs, Government of India, through its Circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send the annual reports and other official documents to their shareholders electronically as part of its green initiatives in Corporate, provided the email address of the shareholder is obtained by the Company from the shareholders.

This move by the Ministry will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit.

Keeping the above in view, your Company proposes to send documents such as the Notice of the Annual General Meeting and Annual Reports henceforth to the shareholders by Electronic means, to the e-mail address provided by them and/or made available to the Company by the Depositories. In absence of any communication from the shareholders, email id in the records of depositories shall be considered registered email id of the respective shareholder. All the shareholders who hold their shares in physical form and whose e-mail address are not available with the Company, may if they wish to receive the Annual Report in electronic form, please send their email to perfectoctaves@gmail.com. The Company solicits active cooperation of shareholders in helping the Company to implement the e-governance initiatives of the Government.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their appreciation for the support and co-operation, which the Company continues to receive from its associates and bankers. The Directors are also thankful to the shareholders for their unstinted support to the Company.

On behalf of Board of Directors

Sd/-
Ratish Tagde
Managing Director

Place: Mumbai
Date: 30th May, 2013

ANNEXURE I

I. CONSERVATION OF ENERGY:

- (a) Energy conservation measures taken – Nil
- (b) Additional investments and proposals if any, being implemented for reduction of consumption of energy – Nil
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods – Nil
- (d) Total energy consumption and energy consumption per unit of production – Nil

FORM-A: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

- A. Power and fuel consumption: Nil
- B. Consumption per unit of production: Nil

II. TECHNOLOGY ABSORPTION

FORM-B: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION ETC.,

- I Research and Development: Nil
- II Technology Absorption, Adaptation and Innovation: Nil

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

- I. Earnings in Foreign Exchange during the year: NIL
- II. Foreign Exchange outgo during the year: NIL

On behalf of Board of Directors

Sd/-
Ratish Tagde
Managing Director

Place: Mumbai
Date: 30th May, 2013

MANAGEMENT DISCUSSION AND ANALYSIS

Indian Media & Entertainment Industry

The Indian media and entertainment industry has been achieving a steady growth for past few years and registered 12.6% growth during the financial year 2012. The industry grew to ₹ 82100 Cr in 2012 from ₹ 72800 Cr in 2011 recording a massive growth path. The television sector revenues grew from ₹ 32900 Cr in 2011 to ₹ 37010 Cr in 2012 registering a growth rate of 12.5% (Source: FICCI-KPMG M & E Industry Report 2013).

Digitization

Digitization of TV Channel distribution Industry has brought in the promise of more sustainable and profitable business models across media sectors. The year 2012 heralded the much awaited start to digitization of analog cable era. Despite some hiccups, Phase 1 saw significant success in implementation of mandatory digital access system (DAS) across the four metros. The Phase II of the digitization in 38 cities across India has also been completed. The industry has achieved 90% plus digitization of television homes and expects to be close to 100 percent digitized in the next 18 months to 2 years. The third phase of digitization will witness complete digitization of C & S homes across India which will drastically change the perception of Indian television industry internationally. Overall - digital technology is expected to drive the M&E sector's growth in a challenging macro environment, by spurring on end-user spending and transparency.

We have launched the first ever classical music channel, In-Sync on two major digital cable networks Hathway and In Cable. The Company has already created/acquired/preferred access to nearly 300 hrs of suitable content for the channel.

Business Prospects

Company proposes to be a very prominent hub in the non-film music segment. We will provide opportunities to all aspiring musicians to become professional artists. Company will also have a very robust event management business model wherein we have planned many events across India that will generate content for our TV Channel and also generate revenue and enhance subscribers base. Ours is the India's first music channel catering to Indian classical music, sufi and ghazals which entails us the first mover's advantages.

Risk Factors

Competition from other players

The Company operates in highly competitive environment that is subject to innovations, changes and varying levels of resources available to each player in each segment of business.

Ever changing trends in Media sector

It may not be possible to consistently predict changing audience tastes. People's tastes vary quite rapidly along with the trends and environment they live in. With the kind of investments made in ventures, repeated failures would have an adverse impact on the bottom line of the Company.

Niche segment

Ours is the super niche segment and no market size is readily available. We need to create market for the viewership of this channel. Moreover, there is no readymade content available, the entire content for the channel needs to be created from the scratch.

Opportunities and Threats

Your Company has a diversified business model in Media and Entertainment sector and the revenue is expected to come from various segments across various levels of the value chain. The diversified business model of the Company will provide scalability apart from spreading the risk profile of the overall business.

The Company is well poised to take advantage of opportunities in the Media and Entertainment sector in India. In the television space, addressability in the Indian market is expected to provide great opportunities for growth. With the advent of new addressable systems like DTH, IPTV and Mobile TV etc., more numbers of new players are expected to launch several new channels including niche channels. These channels would require a lot of home grown content. In the broadcasting segment, increased penetration of Indian homes has provided impetus to the growth of the Indian television industry. New distribution avenues like DTH, mobile TV etc. have the potential for increased revenue.

Your Company operates in a very competitive environment. Changes in the Government regulations or any change in the legislative intent to bring about addressability could adversely impact growth plans.

Outlook

Indian Media and Entertainment Industry (M&E) seems soaring higher and higher every year. It is one of the fastest growing sectors in Indian economy triggered by economic growth and increasing income levels.

Segment Wise or Product Wise Performance

The Company proposes to operate in the following segments:

- Television Broadcasting Division (TBD)
- Content Production Division (CPD)
- Music Division (MB)
- Event Management Division (EMD)
- Artist Management Division (AMD)

Since your Company has recently entered into media industry, during the year under review, there is no segment wise performance.

Internal Control System and their Adequacy

The Company has in place adequate internal control systems, commensurate with its size and nature of operations so as to ensure smoothness of operations and compliance with applicable legislation. The Company has a well-defined system of management reporting and periodic review of businesses to ensure timely decision-making. The management information system (MIS) forms an integral part of the Company and are monitored and controlled. Any material change in the business outlook is reported to the Board. Material deviations from the annual planning and budgeting, if any, are reported to the Board on quarterly basis. An effective budgetary control on all capital expenditure ensures that actual spending is in fine with the Capital Budget.

Discussion and Financial Performance With Respect To Operational Performance

The Company has earned revenue of ₹ 813 lacs (previous year ₹ 809 lacs) from operations houses registering substantial growth over the previous year. Company has already commenced its operations of launching India's first ever classical based music channel on two major digital cable networks Hathway and In Cable showing the "InSync" channel.

Material Developments in Human Resources/ Industrial Relations Front

The Company seeks respects and values the diverse qualities and backgrounds that its people bring to it and is committed to utilizing the richness of knowledge, ideas and experience. The work environment is stimulating and development of core competencies through format training, job rotation and hands on training is an ongoing activity. The Company has appointed various personnel during the year under review for its content production activity, research and programming of content on channel.

Cautionary Statement

Statements in this report on Management Discussion and Analysis describing the company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectation of future events, actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include global and domestic demand-supply conditions, finished goods prices, raw material costs and availability, change in Government regulations and tax structure, economic developments within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward looking statements which may be amended or modified in future on the basis of subsequent developments, information or events.

On behalf of Board of Directors
Sd/-
Ratish Tagde
Managing Director

Place: Mumbai
Date: 30th May, 2013