

**Board of Directors:**

Mr. Manish Shah (Managing Director)

Mrs. Ulka Shah

Mr. Kunal Singh

Mr. Satish Shidhaye

Mr. Sandeep Poddar

**Auditors :**

M/s Sekhri Kanodia & Associates

Chartered Accountants

202, Shakti Sadan, B Wing,

Plot No. 14, Khernagar,

Opp. Provident Fund Office,

Bandra (E), Mumbai - 400 051.

**Registered Office :**

Plot No. 45,

Ganpati Bhavan, 1st Floor,

M. G. Road, Goregaon (West),

Mumbai 400 062.

Tele. 2874 8995/9001

Fax 2876 7645

Email: universalartslimited@hotmail.com

**Registrars & Transfer Agents :**

BIGSHARE SERVICES PRIVATE LIMITED

E/2, Ansa Industrial Estate,

Saki Vihar Road, Saki Naka,

Andheri (East),

Mumbai 400 072

Tele 2847 3474, 2847 0652/53

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### Notice to the Members

NOTICE is hereby given that the Eighteenth Annual General Meeting of Universal Arts Limited will be held on Monday, 23rd day of December, 2013 at Keshav Gore Smarak Trust Hall, "Smriti", Aarey Road, Goregaon (West), Mumbai 400062 at 11.00 a.m. to transact the following business:

**Ordinary Business :**

1. To receive, consider and adopt the Balance Sheet as at 30th June, 2013 and the Statement of Profit and Loss Account for the year ended on that date and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sandeep Poddar, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint M/s. Sekhri Kanodia & Associates, Chartered Accountants, the retiring Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration to be decided by the Board of Directors in consultation with the Auditors.

By Order of the Board

Sd/-

**Manish Shah**  
Managing Director

Place: Mumbai

Dated: 15th November, 2013

**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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY SHOULD, HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, 16th December, 2013 to Monday, 23rd December 2013 (both days inclusive).
3. Members are requested to notify the change in their address to the Company and always quote their Folio Numbers or DP ID and Client ID Numbers in all correspondence with the Company. In respect of holding in electronic form, members are requested to notify any change of address to their respective Depository Participants.
4. Members seeking any information with regard to accounts of the Company are requested to send their queries so as to reach the registered office at least 10 days before the meeting to enable the management to keep the information ready.
5. As a measure of economy, copies of Annual Reports will not be distributed at the Annual General Meeting. Members are requested to bring their copies of Annual Report to the Meeting.

## Directors' Report

Your Directors have pleasure in presenting their Eighteenth Annual Report together with the Audited Accounts of the Company for the year ended on 30th June, 2013.

### Financial Results

(Amount in `)

	For year ended on 30th June, 2013	For year ended on 30th June, 2012
Gross Income (Including Exceptional and Extraordinary Items)	69,21,976	1,19,56,524
Expenditure	80,64,857	94,71,856
Profit/(Loss) before Taxation & Depreciation	(9,49,077)	22,90,864
Depreciation	1,93,804	1,93,804
Profit / (Loss) before tax	(11,42,881)	24,84,668
Provision for Taxation & Fringe Benefit Tax	2,83,904	2,27,028
Profit / (Loss) after tax	(14,26,785)	22,57,640
Profit / (Loss) brought forward from last year	(1,59,31,125)	(1,81,88,765)
Profit / (Loss) carried forward to Balance Sheet	(1,73,57,910)	(1,59,31,125)

Again due to existence of Big Corporate in the market, the Gross Income during the year under review was ` 69.22 lacs as against ` 119.56 lacs during the previous year. Your Company posted a Loss before tax of ` 11.42 Lacs against a profit of ` 24.84 Lacs.

(A detailed analysis of financial results has been made in "Management Discussion & Analysis Report" which is annexed hereto.)

### Management Discussion and Analysis

In accordance with the Listing Agreement entered into with stock exchanges, the Management Discussion and Analysis Report is annexed hereto and forms part of this report.

### Fixed Deposits

The Company has not accepted any deposits from the Public within the meaning of Section 58A of the Companies Act, 1956 during the period under review.

### Directors

Mr. Sandeep Poddar will retire by rotation and being eligible, has offered himself for re-appointment at the ensuing Annual General Meeting. Your Directors recommend his re-appointment as Director.

### Directors Responsibility Statement

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

- (i) In the preparation of these annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The accounting policies have been consistently applied and reasonable and prudent judgments and estimates have been made, so as to give a true and fair view of the state of affairs of the Company for the year ended on 30th June 2013 and of the Loss of the Company for that year;
- (iii) Proper and sufficient care has been taken 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;
- (iv) These annual accounts have been prepared on a going concern basis.

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### **Auditors**

M/s. Sekhri Kanodia & Associates., Chartered Accountants, the auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment as the Auditors of the Company. A certificate from the Auditors has been received to the effect that their appointment, if made, would be within limits prescribed under Section 224(1B) of the Companies Act, 1956.

### **Auditors Report**

The Auditors Report to the Shareholders does not contain any adverse qualifications.

### **Internal Control System**

The Company maintains adequate internal control systems, which provide, among other things, reasonable assurance of recording the transaction of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets. The Company is now in the process of setting up Internal Audit System.

### **Corporate Governance**

A report of the Corporate Governance is annexed hereto and forms part of this Report. A Certificate from the Auditors of the Company regarding the compliance of conditions of Corporate Governance is attached to this Report.

### **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo**

The Company is not strictly engaged in the manufacturing activity; as such particulars relating to conservation of energy and technology absorption are not applicable. However, in the editing facilities, offices etc., adequate measures are being taken to conserve energy as far as possible.

As far as foreign exchange earning and outgo is concerned, the Company has neither earned nor used any foreign exchange during the period under review.

### **Particulars of Employees**

There is no employee covered pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended. Hence, no particulars are given.

### **Subsidiary Companies**

A statement pursuant to Section 212 of the Companies Act, 1956 relating to Company's subsidiaries is attached to the balance sheet.

### **Consolidated Financial Statements**

Your Directors have pleasure in attaching the Consolidated Financial Statements prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard.

### **Acknowledgments**

Your Directors wish to place on record their appreciation and acknowledge with gratitude the support and co-operation extended by the Bankers, Shareholders, Registrar & Transfer Agents, the Artists and Technicians associated with the Company's programmes, media and channels, whose continued support has been a source of strength to the Company. Your Directors also place on record their appreciation for the dedicated and sincere services rendered by the employees of the Company.

For and on behalf of the Board  
Sd/-  
**(Manish Shah)**  
*Chairman cum Managing Director*

Place: Mumbai  
Date: 28th August, 2013

## Management Discussion and Analysis Report

### INTRODUCTION

The Indian economy continues to perform strongly and one of the key sectors that benefits from this fast economic growth is the E&M industry. This is because the E&M industry is a cyclical industry that grows faster when the economy is expanding. It also grows faster than the nominal GDP during all phases of economic activity due to its income elasticity wherein when incomes rise, more resources get spent on leisure and entertainment and less on necessities. Further, consumption spending itself is increasing due to rising disposable incomes on account of sustained growth in income levels, and this also builds the case for a strong bullish growth in the sector.

The size of E&M in India is currently estimated at INR 353 billion and is expected to grow at a compounded Annual Growth rate of 19 percent over the next five years. The television industry continues to dominate the E&M industry by garnering a share of over 42 percent, which is expected to increase by a further 9 percent to reach about 51 percent. The share of the film industry, which currently stands at 19 percent, is not expected to change materially over the next five years. Print media, which stands at over 31 percent, is projected to lose some of its share in favour of the emerging segments.

### Opportunities and Threats

#### Opportunities

The revenue for Hindi movies has increased ten folds in last five years.

Many new rights like Broadband, Internet Protocol Television, Ring tones, Mobile Rights, Video on Demand etc has started generating revenues.

It is hoped that DTH and CAS becomes operational during next few years. These systems will end the monopoly of cable operators and shift the power to consumers.

Emergence of international audiences and NRI's as a strong and lucrative market for feature films

Television enjoys the highest reach across the people all over India. It has direct, day-to-day and continuous mass appeal when compared with newspapers, radio or cinema. There still exists a vast potential for reaching cable television.

The access of cable and satellite channels into television households is currently 21 percent compared to 43 per cent of all Indian households having television sets- a considerable room for growth within India's existing market.

The international markets represent a large untapped market for the Indian soap. India is in a position to capture the attention of a large Indian population across UK, UAE, South Africa and US.

Your company expects the cost of various rights of films to settle down to a reasonable level in coming year. This coupled with the expected growth of television industry will provide an opportunity to the company to once again establish itself as a leading player in the business of trading in IPR of films.

Indians love to watch movies and advancements in technology are helping the Indian film industry in all the spheres - film production, film exhibition and marketing. The industry is increasingly getting more corporatised. More theatres across the country are getting upgraded to multiplexes and initiatives to set up more digital cinema halls in the country are already underway. This will not only improve the quality of prints and thereby make film viewing a more pleasurable experience, but also reduce piracy of prints.

#### **Threats and Challenges:**

Major threat to the company remains the high cost of acquiring rights of films both in respect of television rights and theatrical distribution rights. The problem of piracy assumes a different proportion in a country such as India with an area of 3.3 million sq. km. and a population of over 1 billion speaking 22 different languages. It impacts all segments of the industry especially

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films, music and television. Most of the credible efforts today to combat piracy have been initiated by industry bodies themselves. On part of the government, lack of empowered officers for enforcement of anti-piracy laws remains the key issue that is encouraging the menace of piracy. This, coupled with the lengthy legal and arbitration process, is being viewed as a deterrent to the crusade against pirates. The current Copyrights Act too is dated in terms of technology improvements, and above all, it does not address the needs of the electronic media which has maximum instances of piracy today. The draft of the Optical Disc Law to address the need for regulating piracy at the manufacturing stage is still lying with the ministry for approval.

At present, the government has appointed an independent regulator - TRAI - for only television and radio. Here too, the role of the regulator has been restricted to providing recommendations on segment issues to the government, as a result the government has still not acted upon several recommendations by the regulator. Some of the key recommendations include 'issues relating to broadcasting and distribution of TV channels' of which 'addressability in distribution' forms a significant part impacting the largest segment of television. Other pending recommendations include 'digitalisation of cable TV', 'Privatisation of terrestrial broadcasting'.

### **Future Outlook**

With the entry of Big Corporate like UTV, Eros, TV18, Ashtavinayak, Sony Pictures, Reliance, Aditya Birla Group, the competition has increased and thereby increasing the cost of negative rights, satellite rights, video rights etc. This would result in requirement of huge amount of capital to survive in this business. With a small capital and negative reserves the going for the Company appears to be tough.

### **Discussion on financial performance with respect to Operational Performance**

At the Last Annual General Meeting of the Company, the Board of Directors expected a bad year. Due to entry of big corporates like Ashtavinayak, Eros, TV 18, UTV, Reliance, Adlabs, Sony Pictures the business in which your Company is into has become more capital intense. It has become difficult to operate in the said industry with small corpus.

The Constraint in the cycle of the business is, Company has acquired rights of the movies which are 2-3 decades old and for acquiring new movies, the cost has soar so rapidly that, it is becoming very difficult for the Company to maintain stiff competition among the Market Maker of these Industries.

The Progress of the Company had slow down as compared to last year, but still Company is taking adequate steps in making the optimum utilization of the available resources for maintaining the trust of Shareholders.

It has always been the policy of the Company to control and reduce the expenditure to the extent possible. No director has claimed any sitting fees / out of pocket expenses for attending board/committee meetings. As a cost cutting measure, the strength of employees was kept to the bare minimum.

The Company is exploring various options/means to come out of the intense and competitive arena where it finds itself.

### **Human Resources**

The Company has maintained peaceful and cordial relationship with the employees.

### **Cautionary Statement**

Statements in this report on Management Discussion and Analysis describing the Company's objectives, estimates and expectations are "forward looking" statements. These statements are based on certain assumptions and expectations of future events. The actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting the Entertainment Industry.

## Report on Corporate Governance

This report on Corporate Governance forms part of the Directors Report. This section besides being in compliance of the mandatory listing agreement requirement gives an insight into the process of functioning of the Company.

### Company's Philosophy on Code of Corporate Governance

- To adopt internal and external measures to increase the level of transparency and accountability.
- To demonstrate to stakeholders that the Company is following right governance practices.
- To lead the Company towards high growth path of higher profits and revenue.
- To respect the laws of the land and rights of stakeholders and to get respect from all concerned.
- To uphold at all times fundamental values of accountability, probity and transparency in all areas of its operations and business practices.

### Board of Directors

The Board of Company consists of eminent persons with considerable professional experience and expertise in the field of media, law, finance, accounts etc.

The strength of the Board of Directors of the Company as on 30th June 2013 is 5.

The Composition of Board of Directors is as follows:

Name of Directors	Designation	Category	Status
Mr. Manish Shah	Managing Director	Executive	Independent
Mrs. Ulka Shah	Director	Non-executive	Independent
Mr. Kunal Singh	Director	Non-executive	Independent
Mr. Satish Shidhaye	Director	Non-executive	Independent
Mr. Sandeep Poddar	Director	Non-executive	Independent

During the year, Five Board meetings were held and the requisite quorum was present at all Board meetings. There is no gap of four months between any two meetings. None of the Directors is a member in more than 10 committees or acts as a Chairman in more than five committees across all companies in which he is a Director.

### Audit Committee

The composition, powers and functions of the Audit Committee were as stipulated under clause 49 of the Listing Agreement and under section 292A of the Companies Act, 1956.

Name of Directors	Designation	Category	Status
Mr. Satish Shidhaye	Chairperson of the Committee	Non-Executive	Independent
Mrs. Ulka Shah	Member of the Committee	Non-Executive	Independent
Mr. Sandeep Poddar	Member of the Committee	Non-Executive	Independent

The Statutory Auditors are the permanent invitees to the Audit Committee Meeting. The Committee met five times during the year.

### Remuneration Policy and Details of Remuneration paid

No remuneration was paid to other Executive Directors and Non-Executive Directors.

### Shareholders / Investors Grievance Committee

The main functions of Shareholders/ Investors Grievance Committee is taking care of Shareholders' grievances and strengthening investors' relations.

The Composition of the Committee as follows:

Name of Director	Designation	Category	Status
Mrs. Ulka Shah	Chairperson of the Committee	Non-executive	Independent
Mr. Satish Shidhaye	Member of the Committee	Non-executive	Independent
Mr. Manish Shah	Member of the Committee	Executive	Independent

During the year, the Committee held five meetings. All investor complaints received during the year have been resolved.

### Share Transfer Committee

The Share Transfer Committee consists of Mr. Manish Shah, the Managing Director and Mrs. Ulka Shah as its members. The Committee met four times during the year to approve the transfer of shares and other matters relating to transfer and registration of shares.

### Disclosure

There have been no transactions of material nature between the Company and its promoters, directors, management, their subsidiaries or relative etc. that may have potential conflict with the interests of the Company at large and which have not been disclosed to the Board.

The equity shares of the Company are listed on the BSE Limited and Hyderabad Stock Exchange Limited. The Company

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is complying with the regulations relating to capital markets and that no penalty or strictures have been imposed on the Company by the stock exchanges or SEBI or any Statutory Authority in respect thereof.

### Means of Communication

Un-audited quarterly results of the Company for the quarter ending 30th September 2012, 31st December 2012, 31st March 2013 and audited quarterly results for the quarter ended 30th June 2013 were published in newspapers as stipulated under the listing agreement.

### CEO / CFO Certification

A Certificate from the Managing Director on the financial statement of the Company was placed before the Board as required by clause 49(v) of the Listing Agreement.

### General Body Meeting

The location and time where last three Annual General Meeting were held are as under :

Date & Time	Venue	Special Resolution
a) 20th December, 2012 11.00 a.m.	Keshav Gore Smarak Trust Hall Smriti, Aarey Road, Goregaon (W) Mumbai 400 062	No
b) 20th March, 2012 11.00 a.m.	Keshav Gore Smarak Trust Hall Smriti, Aarey Road, Goregaon (W) Mumbai 400 062	No
c) 24th December, 2010 12 noon	Keshav Gore Smarak Trust Hall Smriti, Aarey Road, Goregaon (W) Mumbai 400 062	No

### General Shareholders information

The required information is provided in "Shareholders information" Section

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of **UNIVERSAL ARTS LIMITED**

We have examined the Company's Compliance conditions of Corporate Governance by UNIVERSAL ARTS LIMITED for the year ended 30th June, 2013, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The Compliance conditions of Corporate Governance is the responsibility of the Management. Our Examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company

In our Opinion and to be best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that no investors' grievance is pending for a period exceeding one month against the Company as per records maintained by the Shareholders' / Investors' Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M/s Sekhri Kanodia & Associates**  
Chartered Accountants

**Ajay Sekhri**  
Partner

Place : Mumbai

Date : 15th November, 2013

### CERTIFICATE OF COMPLIANCE WITH CODE OF CONDUCT POLICY

As provided under clause 49 of the Listing Agreement with the Stock Exchanges, this is to confirm that all the Members of the Board have affirmed the compliance of the Code of conduct for the year ended 30th June, 2013

Place : Mumbai

Date : 15th November, 2013

**For UNIVERSAL ARTS LIMITED**  
**Manish Shah**  
MANAGING DIRECTOR



### Shareholders Information

<b>Date, time and venue of 18th AGM</b>	Monday, 23rd December 2013 at 11.00 am at Keshav Gore Smarak Trust Hall, "Smriti", Aarey Road, Goregaon (West), Mumbai 400062.
<b>Date of Book Closure</b>	16th December 2013 to 23rd December 2013 (both days inclusive)
<b>Listing on Stock Exchanges</b>	BSE Limited The Hyderabad Stock Exchange Limited.
<b>Listing Fees</b>	Paid as per the Listing Agreements
<b>Demat Arrangement</b>	With NSDL and CDSL
<b>ISIN No.</b>	INE 464801018
<b>BSE Stock Code</b>	532378
<b>Registered Office</b>	Plot No. 45, Ganpati Bhavan, 1st Floor, M. G. Road, Goregaon (West), Mumbai 400 062 Tel No. 2874 8995, 2874 9001 Fax No. 2876 7645 Email: universalartslimited@hotmail.com
<b>Registrar &amp; Share Transfer Agents</b>	M/s Bigshare Services Private Limited E/2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai 400 072. Tele No. 2847 3474, 2847 0652/0653 Fax No. 2852 5207 Email: bigshare@bom7.vsnl.net.in
<b>Compliance Officer</b>	Mr. Manish Shah Managing Director Plot No. 45, Ganpati Bhavan, 1st Floor, M. G. Road, Goregaon (West), Mumbai 400 062 Tel No. 2874 8995, 2874 9001 Fax No. 2876 7645

#### Categories of Shareholders as on 30th June, 2013:

Category	% of Shareholding	Nos. of shares held
Promoters	0.0214	100
Bodies Corporate	2.9966	537209
Public	96.6182	8304446
Non Resident Indians	0.321	321030
Clearing Members	0.0428	7115
Total	100	9169900

Total no. of shares forfeited but not re-issued (not included in above statement) = 30,900

#### Distribution of Shareholding as on 30th June, 2013:

No. of Equity Share	Shareholders		No. of Shares	
	Number	% of holders	Number	% of shares
1 - 5000	2677	57.30	7246330	7.90
5001 - 10000	918	19.65	8410680	9.17
10001 - 20000	467	10.00	7802500	8.51
20001 - 30000	180	3.85	4779370	5.21
30001 - 40000	89	1.90	3290020	3.59
40001 - 50000	98	2.10	4722000	5.15
50001 - 100000	131	2.80	9960730	10.86
100001 - and above	112	2.40	45487370	49.61
Total	4672	100.00	91699000	100.00

Total no. of shares forfeited but not re-issued (not included in above statement) = 30,900

## INDEPENDENT AUDITORS' REPORT

To  
The Members,  
**UNIVERSAL ARTS LIMITED**  
(Formerly Known as Goldmines Media Limited)

### **REPORT ON FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of **UNIVERSAL ARTS LIMITED** (Formerly Known as Goldmines Media Limited) ("the Company"), which comprise the Balance Sheet as at June 30, 2013, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS.**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **AUDITOR'S RESPONSIBILITY.**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act 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 30th June, 2013 and;
- (ii) In the case of the Statement of Profit and Loss account, of the Loss of the Company for the year ended on that date.
- (iii) In so far as it relates to Cash Flow Statement, of the Cash Flow for the year ended on that date.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report 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 those books
  - c) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) On the basis of written representations received from the directors as on June 30, 2013, none of the directors is disqualified as on June 30, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For Sekhri Kanodia & Associates**  
Chartered Accountants  
Sd/-

**Ajay Sekhri-Partner**  
Membership No 032103  
Firm No. 109389W

Date: 28.08.2013  
Place: Mumbai