

NOTICE

Notice is hereby given that the Eleventh Annual General Meeting of the Members of Cinevistaas Limited will be held on Friday, the 26th day of September, 2008, at 11.00 a.m. at Shri Bhaidas Maganlal Sabhagriha, Shri Vile Parle Kelavani Mandal, Vile Parle (W), Mumbai – 400 056 to transact the following business:

AS ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Balance Sheet as at 31st March, 2008, and Profit and Loss Account for the year ended on that date, together with the Directors' Report and the Auditors' Report thereon.
- 2) To appoint a Director in place of Shri Talat Aziz, who retires by rotation and being eligible, offers himself for reappointment.
- 3) To appoint Statutory Auditors and to fix their remuneration. The retiring Auditors M/s Vimal Punmiya and Co., Chartered Accountants are eligible for reappointment.
- 4) Any other business with the permission of the Chair.

Registered Office:

Plot No. 1, L.B.S. Marg
Gandhi Nagar
Kanjurmarg (W)
Mumbai – 400 078.
Place: Mumbai
Date : 30th June, 2008.

By order of the Board
For Cinevistaas Limited

Sandhya R. Malhotra
Company Secretary

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.
2. The instrument appointing a Proxy, 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 Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 20th day of September 2008, to 26th day of September 2008 (both days inclusive).
4. As per clause 49(IV)(G)(i) of the Listing Agreement entered into with the Stock Exchanges, the brief profiles of the directors appointed and re-appointed, subsequent to retiring by rotation or otherwise, are disclosed in the 'Corporate Governance Report' attached to and forming part of the Directors' Report.
5. Members are requested to address all their shares / membership related queries to the Company's Registrar and Transfer Agents viz. M/s Karvy Computershare Pvt. Ltd., Plot No.17-24, Vittalrao Nagar, Madhapur, Hyderabad – 500 081.

Registered Office:

Plot No. 1, L.B.S. Marg
Gandhi Nagar
Kanjurmarg (W)
Mumbai – 400 078.
Place: Mumbai.
Date : 30th June, 2008.

By order of the Board
For Cinevistaas Limited

Sandhya R. Malhotra
Company Secretary

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in submitting the Eleventh Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2008.

1. Financial Results

	March 31, 2008	(Rs. in lacs) March 31, 2007
Realisation from serials	2234.34	1845.37
Other income	194.21	267.07
Total income	2428.55	2112.44
Total expenditure	1723.04	1260.48
Gross profit before interest, depreciation and taxation	705.51	851.96
Interest	158.76	160.47
Profit before depreciation and taxation	546.75	691.49
Depreciation	136.61	172.54
Provision for Taxation –		
Under provision of previous year's tax	-	(51.58)
Current tax	8.47	-
Deferred Tax Liability	38.34	58.29
Deferred Tax Asset w/off	182.20	360.85
Wealth Tax	(0.57)	(0.38)
Income Tax provision w/off	51.58	-
Fringe Benefit Tax	1.83	-
Net Profit/(Loss)	306.99	886.13

2. Operations

Financial and Operational Review:

The Company has earned a gross income of Rs.2428.55 lacs for the financial year 2007-08, as compared to Rs.2112.44 lacs in the previous year, an increase of 316.11 lacs.

The Company has earned a net profit of Rs.306.99 lacs for the year as compared to Rs.886.18 lacs in the previous year.

Interest expenditure for the year under review has decreased by Rs.1.71 lacs from Rs.160.47 lacs in the previous year.

Depreciation during the year was lower by Rs.35.93 lacs as compared to Rs.172.54 lacs in the previous year.

Earning per share is Rs.0.60 as compared to Rs.8.48 in the previous year.

Resources & Liquidity:

The Company's net worth as on 31st March 2008 was Rs.156.60 crore, with paid up capital of Rs.10.13 crore and accumulated Reserves & Surplus of Rs.152.83 crore.

Industry Structure & Developments

The Media & Entertainment sector

According to a report by Crisil, the Media & Entertainment Industry is poised to double its revenues by the calendar year 2010, with an Annual growth rate of 15.6%. The study forecasts that the revenues will reach the level of INR 74,400 crore by 2010. The sector is rising high on the back of several factors such as presence of multiple players, greater choices to consumers and growing investor interest. According to another report by FICCI and PricewaterhouseCoopers, the Media and Entertainment sector is expected to cross a turnover of INR 100,000 crore by 2011 from the present 43,700 crore, thereby registering a 18 percent compounded annual growth.

Infrastructure & Development: Growing Opportunities

The Infrastructure sector is the engine of spiraling growth, for sustained economic development. India has made considerable progress in the last ten years, in attracting considerable private investments into the infrastructure sector viz, roads, telecommunications and several other projects.

- The sector is estimated to grow at 15 per cent over the coming years.
- Construction industry is the second largest economic activity in India, next only to agriculture. Investments in the construction business accounts for nearly 11 per cent of India's GDP and nearly 50 per cent of its Gross Fixed Capital Formation (GFCF). Construction accounts for nearly 65 per cent of the total investment in infrastructure and is expected to be the biggest beneficiary for the surge in infrastructure investments to be made over the next five years.
- The Indian construction industry, an integral part of the economy and a conduit for a substantial part of its development investment, is poised for growth on account of industrialization, urbanization, economic development and people's rising expectations for an improved quality of living.
- The Construction activity constitutes almost 40% to 50% of India's total capital expenditure on projects in various sectors. Keeping this perspective in mind, your company plans its first foray into this ever expanding construction and development sector with the proposed IT Park project on your parcel of land at Kanjurmarg. This hopefully will be the beginning of many new ventures to be undertaken in the near future.

Opportunities

The Indian Economy continues to perform well and remains one of the fastest growing economies in the world. A growing economy coupled with a growing industry throws up immense opportunities for business to flourish. In the area of our core competence there is no stone left unturned to grab growth opportunities. We are in constant talks with all the varied channels at all times, with a view that your Company's product graces every channel of prominence, with a view that when our shareholders see their Company's logo displayed on every conceivable channel, it not only brings pride to our valued shareholders, but ensures an ever growing and prosperous bottom-line.

Similarly in the infrastructure sector as well, the opportunities seem to be only multiplying. Your company is completely poised to commence the project in hand as well as tap any other opportunity worth utilizing in the immediate future.

Outlook:

The Company's main focus in the year to follow shall be on capturing opportunities in our core business of media & entertainment, coupled with the commencement of the IT park project, in hand.

Challenges, Risks and concerns:

The company faces normal business challenges of market competition in its television & media business and needs to continuously nurture attractive growth opportunities. Your Company adopts suitable business strategies to counter such challenges and surge ahead, inspite of them.

3. Transfer to Reserves

The amounts transferred to reserves during the year are Rs.1,76,89,781.66

4. Dividend

Your Directors do not propose any dividend for the year ended 31st March, 2008.

5. Directors

Pursuant to section 260 of the Companies Act, 1956 and Article 120 of the Articles of Association of the Company, Shri Talat Aziz retires by rotation in the forthcoming Annual General Meeting and being eligible offers himself for reappointment.

Appropriate Resolution for the reappointment of the aforesaid Director is being moved at the ensuing Annual General Meeting, which the Board commends for your approval.

Brief resume of the Directors, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, their shareholding and relationships between them inter se, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the report on Corporate Governance forming part of the Annual Report.

6. Corporate Governance

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report and Management Discussion and Analysis and Auditors' Certificate are appended as part of the Annual Report. As per the amended Clause 49(V) of the Listing Agreement, the required certification by Chief Executive Officer and Chief Financial Officer is also appended to the Annual Report.

The requisite certificate from the Auditors of the Company, M/s Vimal Punmiya & Co., confirming Compliance with the conditions of Corporate Governance as stipulated under the aforesaid clause 49, is annexed to this Report.

7. Directors' Responsibility Statement

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, the Directors' confirm the following:

- (i) that in the preparation of the Annual Accounts for the financial year ended 31st March, 2008, the applicable accounting standards have been followed and that there are no material departures from the same;
- (ii) that the Directors have 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 as at 31st March, 2008, and of the profit and loss of the Company for the year ended on that date;
- (iii) that the Directors 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 the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts for the Financial year ended 31st March, 2008, on a going concern basis.

8. Subsidiaries and Joint Ventures

In addition to "Consolidation of Financial Statements" as required under Clause 32 of the Listing Agreement with the Stock Exchanges, the details on the performance of the Company's subsidiaries are attached as Annexure I.

9. Fixed Deposits

During the year under review, the Company did not accept any fixed deposits from the public.

10. Auditors

M/s Vimal Punmiya & Co., Chartered Accountants, Statutory Auditors retire at the forthcoming Annual General Meeting and are eligible for reappointment. You are requested to appoint the Auditors.

The Company has received the letter from them to the effect that their reappointment if made would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of section 226 of the said Act.

**11. Statutory Information
Conservation of Energy & Technology Absorption**

Considering the nature of the business of the Company, the particulars required to be furnished pursuant to 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, relating to the Conservation of Energy and Technology Absorption are not applicable.

Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings and Outgo are Rs. 39.47 lacs and Rs.0.62 lacs respectively.

Particulars of Employees

The provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, are not applicable since there is no employee drawing remuneration exceeding the ceiling prescribed therein.

12. Appreciation

Your Directors wish to place on record their appreciation to all the employees for their diligence and contribution. Your Directors also express their gratitude for all the assistance extended by the Bankers of the Company.

For and on behalf of the Board

Place : Mumbai
Date : 30th June, 2008

Prem Krishen Malhotra
Chairman

MANAGEMENT DISCUSSION & ANALYSIS

The Indian Entertainment and Media (E&M) industry is undergoing a remarkable change and is gradually emerging as one of the fastest growing and contributing economic sectors in the nations fast moving GDP Growth. The entertainment industry is a perfect blend of creativity and commerce providing vast investment and growth opportunities to multitudes. According to a report by FICCI and Pricewaterhouse Coopers, the Indian entertainment and media industry is poised to become INR one trillion (INR 100,000 crore) industry by 2011. The industry is estimated to be worth INR 43,700 crores currently.

The television industry recorded a growth higher than the overall growth of the industry in 2007, surging ahead with a growth of 18 per cent over the previous year and touched close to Rs. 226 billion in 2007, up from a substantially large base of Rs. 191 billion in 2006. In the last four years between 2004 to 07, the growth has been close to 21% on an overall basis taking after online advertising and radio.

The financial year 2007-08, in general, has been a year of ups and downs for the Nation. In the first three quarters the economy surged ahead dramatically only to see the sensx collapsing in the last quarter and inflation growing to double digits. Today India is a \$ 1 trillion economy growing at an average of 8% per year.

Though all the upheaval in the financial markets, both domestic and international having played havoc with the share prices, your company's performance during the year was strong with a bettered top line performance and a decent bottomline which we hope our esteemed shareholders find satisfactory.

Cinevistaas core business witnessed a phenomenal growth with the production and telecast of 3 television series simultaneously besides having four/five in the pipeline, the preparation of which had already commenced prior to the close of the financial year 2008.

All the three series on air at present are daily soaps. Amongst them Dill Mill Gayye has been recording mind boggling TRP's (Television Rating Points) establishing its popularity and appeal amongst the youth of today. It is the highest rated programme on Star One today and accounts for 1/3rd of its total G.R.P's.

Jersey No.10 has been extremely well received and is actually a trendsetter of sorts. Based against the backdrop of cricket, the story revolves around the life and times of the main players. However, the story content has been so well knitted that it has managed to gravitate the television viewing audience with its differentiation.

Yahan Ke Hum Sikander is the third series being showcased on Zee Next. Amongst the series being telecast on the channel, YKHS has rated consistently between the No.2 and No.3 position.

There are many factors that contribute to the popularity of a series, arresting audience attention from the very beginning, being the first and foremost, - the time slot on which the series is finally telecast, frequency of telecast being another important factor besides the star cast, channel on which it is being aired, besides the screenplay and the storyline, amongst other factors.

It is very important for our shareholders to know, that huge investments need to be channeled for the production of any series, which vary depending upon the subject, demands of the channel, starcast, locations, setting, concept etc. before the money really starts rolling back.

The series under production are 'Lo Ho Gayi Pooja Iss Ghar Ki', 'Vivaah', 'Jaane Kya Baat Hui', 'Shubh Kadam' and 'Khilte Hain Gul Yahan'.

Some of the sure fire expectations from the Media and Entertainment Industry, are as follows:

- Maximum growth is expected in the television and film segments
- More than 300 national and regional TV channels, cumulatively
- Close to a 1000 films made every year
- Liberal FDI policies across all the segments of the industry
- Government focusing on regulations to give further impetus to the industry

From the above one can comfortably conclude that considering our area of core competence we will surely bring in the desired returns in the times to come besides ensuring that the company gradually rates amongst the number one production house in the country. This is your company's vision for the future.

A BRIEF UPDATE ON THE IT PARK PROJECT

As our shareholders are aware, at the time of our last Annual General Meeting, there were a couple of approvals and certifications which were still pending; the same have been obtained, in full by now. As our shareholders are aware, we were busy arranging for funds for the construction of the project which has been estimated at Rs.87.5 crores, by our esteemed Architect Reza Kabul. This huge outlay of funds to be arranged has resulted in a delay in the commencement of the project, by a couple of months. We're however confident of commencing the construction on the said parcel of land, by September 2008. We are desirous of completing the said project by December 2009/March 2010, for handing over possession to our esteemed clients, on a long term lease and rental basis only. This is how your company's plans stand as of today.

Cautionary Statement

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward – looking statements' within the meaning of the applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

AUDITORS CERTIFICATE ON CLAUSE 49 COMPLIANCE

We have reviewed and examined the records concerning the Company's Compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges of India, for the Financial Year ended 31st March, 2008.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanation given to us by the Company.

Based on such a review and to the best of our information and according to the explanations given to us, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement.

For Vimal Punmiya & Co.
Chartered Accountants

Place: MUMBAI
Date: 30.06.2008

Vimal C. Punmiya
Proprietor
Membership No. 16574

CORPORATE GOVERNANCE REPORT

Transparency is the foundation on which lays the entire structure of Corporate Governance. Cinevistaas is not only complying with the norms but has aligned the organization and its functioning so well with the norms that it has become an integral part of the business and its way of working. Your company is committed to work under the four walls of integrity, fairness, transparency, and adoption of the highest standards of business ethics which aims to benefit all the stakeholders.

The detailed report on implementation by the Company, of the Corporate Governance Code as incorporated in clause 49 of the Listing Agreement with the Stock Exchanges is set out below:

A. MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Transparency in dealings, fair, timely and adequate disclosures and consistent efforts towards enhancing the value of its shareholders are the corner stones of good corporate governance and your company follows the best practices to ensure their implementation in the best possible manner. Your company aims at maximizing value for shareholders, while ensuring fairness to all segment of stakeholders - customers, employees, investors, vendors, dealers, financiers, State and Central Governments and society at large. Ensuring total transparency in operations and inspiring the confidence and trust of the stakeholders are of paramount importance to the company and corporate governance is basic to the corporate conduct of business.

Your Company is fully committed to and continues to follow procedures and practices in conformity with the Code of Corporate Governance contained in the Listing Agreement.

2. BOARD OF DIRECTORS:

The Board currently has six members of whom, two are Executive Directors. The Board has an Executive Chairman. As per Clause 49 (I)(A)(ii), at present one-half of the strength of the Board of Directors comprises of Independent Directors.

Composition, category, other directorships in the Board/Committee:

Name of the Directors	Category	Directorship in Other Companies (*)	No. of Board Committees (other than Cinevistaas Limited) in which Chairman/Member
Shri Prem Krishen Malhotra Chairman	Promoter & Executive Director	Nil	Nil
Shri Sunil Mehta Vice Chairman & Managing Director	Promoter & Executive Director	Nil	Nil
Shri Talat Aziz	Non-executive Director	Nil	Nil
Smt. Sulochana Talreja	Independent & Non-executive Director	Nil	Nil
Smt. Renu Anand	Independent & Non-executive Director	Nil	Nil
Smt. Bharti Sareen	Independent & Non-executive Director	Nil	Nil

(*) - excludes Alternate Directorships, Directorships in Indian Private Limited Companies and Foreign Companies and Membership of Managing Committees of Various Bodies.

Only membership of Audit Committee and Shareholders'/Investors' Grievances Committee are considered.

Board Meetings:

The Board meets at least once in a quarter to review the quarterly performance and the financial results. The notice, agenda and the relevant notes are sent in advance to each Director.

The information as specified in Annexure IA to Clause 49 of the Listing Agreement is regularly made available to the Board.

The Board's role, functions responsibility and accountability are clearly defined. In addition to matters statutorily requiring Board's approval, all major decisions involving policy formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, sale of business unit/division, compliance with statutory/regulatory requirements, major accounting provisions and write-offs are considered by the Board.

The minutes of the Board meetings are circulated in advance and confirmed at subsequent meetings. The Minutes of the Audit Committee and other Committees of the Board are regularly placed before the Board.

During the year ended 31st March 2008, 12 Board Meetings were held on 25th April 2007, 4th June 2007, 29th June 2007, 31st July 2007, 20th August 2007, 27th August 2007, 12th October 2007, 31st October 2007, 10th November 2007, 14th December 2007, 31st January 2008 and 5th March 2008.

Attendance of the Directors at the Board Meetings held during the year ended 31st March, 2008, and at the last AGM:

Name of the Directors	Attendance at the Board Meetings	Attendance at the last AGM held on 25-09-2007
Shri Prem Krishen Malhotra	12	Present
Shri Sunil Mehta	11	Present
Shri Talat Aziz	8	Absent
Smt. Sulochana Talreja	10	Present
Smt. Renu Anand	10	Present
Smt. Bharti Sareen	10	Present

Code of Conduct:

All Board members and Senior Management personnel of the Company have affirmed compliance with the 'Code of Conduct' of the Company for the year ended 31st March, 2008, and the said 'Code of Conduct' has been posted on the website of the Company i.e. www.cinevistaas.com

3. AUDIT COMMITTEE:**Broad Terms of Reference**

The Audit Committee of the Board of Directors of the Company, inter-alia, provides assurance to the board on the adequacy of the internal control systems and financial disclosures.

The terms of reference of the audit Committee are wide enough to cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in section 292A of the Companies Act, 1956 and inter - alia includes:

- a. oversight of the Companies Financial Reporting process to ensure proper disclosure of its financial statement;
- b. recommending to the Board, the appointment, reappointment and if required, the replacement or removal of the Statutory auditors and the fixation of audit fees;
- c. reviewing annual financial statements before submission to the Board for approval, with particular reference to:
 - i) matters required to be included in the Director's responsibility Statement which forms part of the Directors' Report pursuant to Clause 2AA of Section 217 of the Companies Act, 1956;
 - ii) changes if any in the accounting policies and practices and reasons for the same;
 - iii) major accounting entries involving estimates based on the exercise of judgment by management;
 - iv) significant adjustments made in the financial statements arising out of audit findings
 - v) Compliance with listing and other legal requirements relating to financial statements;
 - vi) Disclosure of any related party transactions;
 - vii) Qualifications in the draft audit report.
- d. Reviewing performance of the statutory and internal auditors, adequacy of the internal control systems;

In fulfilling the above role, the audit committee has powers to investigate any activity within its terms of reference.

The Audit Committee while reviewing the Annual Financial Statements also reviewed the applicability of various accounting standards issued by the Institute of Chartered Accountants of India.

Composition

The Audit Committee comprises of three Directors, two of whom are non-executive independent Directors and one Non-executive. The Audit Committee is constituted in accordance with the provisions of Clause 49 (II) (A) of the Listing Agreement and section 292A of the Companies Act, 1956. The quorum for the audit Committee meetings is 2 members, the Company Secretary acts as Secretary to the Committee.

The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meetings.

Composition of the Audit Committee and the attendance of each Director:

During the financial year ended 31st March 2008, five Audit Committee meetings were held on 25th April 2007, 29th June 2007, 31st July 2007, 31st October 2007 and 31st January 2008. The gap between two meetings did not exceed four months.

Composition of Audit Committee and the attendance of each director are shown below:

Name of the Directors	Category	Number of Meetings Attended
Smt. Bharti Sareen, Chairman	Independent & Non-executive	5
Smt. Sulochana Talreja, Member	Independent & Non-executive	4
Shri Talat Aziz, Member	Non-executive	4

Smt. Bharti Sareen who acts as the Chairman of the Audit Committee meetings was present at the 10th Annual General Meeting of the Company held on 25th September 2007.

4. REMUNERATION COMMITTEE:

Terms of Reference

- reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Wholetime Director(s).
- reviewing the performance of the Managing/Wholetime Director(s) and recommending to the Board the quantum of annual increments.

The Sitting fees of the Non Executive Directors of the Company are fixed by the Board of Directors.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

The remuneration package of the Executive Directors consists of gross consolidated package. No other benefits viz. commission, pension, provident fund, etc. are applicable to the Executive Directors. The Non-Executive Directors of the Company are being paid Sitting fees for each meeting attended.

During the year, five Remuneration Committee meetings were held on 25th April 2007, 29th June 2007, 28th September 2007, 14th December 2007 and 31st January 2008.

Composition of Remuneration Committee and the attendance of each director are shown below:

Name of the Directors	Category	Number of Meetings Attended
Smt. Sulochana Talreja, Chairman	Independent & Non-executive	4
Shri Talat Aziz, Member	Non-executive	3
Shri Sunil Mehta, Member	Promoter & Executive	5

The Company Secretary acts as Secretary to the Committee.

Details of remuneration paid to the Directors for the year ended 31st March, 2008:

Managing and Whole-time Directors:

Name of the Director	Designation	Salary (In Rs.)
Shri Prem Krishen Malhotra	Chairman	15,00,000
Shri Sunil Mehta	Vice Chairman & Managing Director	15,00,000

Non-Executive Directors:

Name of the Director	Designation	Sitting Fees (In Rs.)	No. of shares held
Shri Talat Aziz	Director	20000	Nil
Smt. Sulochana Talreja	Director	20000	500
Smt. Renu Anand	Director	12000	Nil
Smt. Bharti Sareen	Director	15000	Nil

None of the Non-Executive Directors has any material pecuniary relationship or transactions with the Company.

5. SHAREHOLDERS'/INVESTORS GRIEVANCE COMMITTEE:

The Shareholders'/Investors Grievance Committee ensures the redressal of the complaints received from shareholders/investors with regard to the share transfer, transmission, issue of duplicate share certificate, non-receipt of refund, etc. Considering the nature of the complaints, including pending if any, the Committee meets as and when necessary.

During the financial year ended 31st March 2008, five meetings of the committee were held on 25th April 2007, 29th June 2007, 31st July 2007, 31st October 2007 and 31st January 2008.

Composition of the Shareholders'/Investors Grievance Committee and the attendance of each director are shown below:

Name of the Directors	Category	Number of Meetings Attended
Smt. Sulochana Talreja, Chairman	Independent & Non-executive	4
Shri Talat Aziz, Member	Non-executive	4
Shri Prem Krishen Malhotra, Member	Promoter & Executive	5

The Company Secretary acts as Secretary to the Committee.

The Share Department of the company and Share Transfer Agent, Karvy Computershare Pvt. Ltd. attend to all grievances of all the shareholders and investors received directly or through SEBI, Stock Exchanges, and Ministry of Corporate Affairs etc.

The Minutes of Shareholders'/Investors' Grievance Committee Meeting are noted by the Board of Directors at the Board Meetings.

The total numbers of complaints received and replied to the satisfaction of the shareholders during the year ended 31st March, 2008 were 4. There were no complaints outstanding as on 31st March, 2008.

It is ensured that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders'/Investors' complaints and other correspondence are normally attended to within seven working days. No investor grievances remained unattended/pending for more than 30 days as on March 31, 2008.

6. GENERAL BODY MEETINGS:

The details of the location and time where last three Annual General Meetings were held:

Financial Year	Location	Day & Date Time
2004 - 2005	Santokba Sanskar Sadan, Shri Vile Parle Kelavani Mandal, Vile Parle (W), Mumbai - 400 056.	Monday, 26th September 2005 11:00 A.M.
2005 - 2006	Santokba Sanskar Sadan, Shri Vile Parle Kelavani Mandal, Vile Parle (W), Mumbai - 400 056.	Tuesday, 26th September 2006 11:00 A.M.
2006 - 2007	Shri Bhaidas Maganlal Sabhagriha, U-1, Juhu Development Scheme, Vile Parle (W), Mumbai - 400 056.	Tuesday, 25th September 2007 11:00 A.M.

Special Resolutions passed during the last three AGMs:

- 1) Special Resolution for appointment of Smt. Pamma Mehta as the "Head Creative Section" was passed at the Ninth Annual General Meeting of the Company held on 26th September 2006, which was put to vote by show of hands and passed unanimously.
- 2) Special Resolution for appointment of Smt. Sunita Malhotra as the "Head Costume Design and Development" was passed at the Ninth Annual General Meeting of the Company held on 26th September 2006, which was put to vote by show of hands and passed unanimously.
- 3) Special Resolution for sub-division of the face value of the Equity Shares from Rs.10/- to Rs.2/-, was passed at the Tenth Annual General Meeting of the Company held on 25th September 2007, which was put to vote by show of hands and passed unanimously.
- 4) Special Resolution for increase in Authorized Share Capital from Rs.12,00,00,000 (Twelve Crores only) to Rs.20,00,00,000 (Twenty Crores Only), was passed at the Tenth Annual General Meeting of the Company held on 25th September 2007, which was put to vote by show of hands and passed unanimously.
- 5) Special Resolution for reissue of forfeited shares at a price of Rs.67/- per share was passed at the Tenth Annual General Meeting of the Company held on 25th September 2007, which was put to vote by show of hands and passed unanimously.

Postal Ballot:

During the year ended 31st March 2008, there were no resolutions passed by the Company's members through Postal Ballot. At the ensuing Annual General Meeting also, there is no resolution proposed to be passed through postal ballot.

SUBSIDIARIES:

The Company does not have any material non-listed Indian subsidiary whose turnover or networth (ie. Paid-up capital and free reserves) exceeds 20% of the consolidated turnover or networth respectively, of the listed holding Company and its subsidiaries in the immediately preceding accounting year.

CODE OF CONDUCT

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management Personnel. The said code has been displayed on the website of the Company www.cinveistaas.com.

INSIDER TRADING

The Securities and Exchange Board of India (SEBI) has, effective February 20, 2002 introduced amendments to the existing Insider Trading Regulations of 1992 which ordain new action steps by corporates and other market intermediaries for the purposes of prevention of Insider Trading.

Pursuant to the above requirements of SEBI (Prohibition of Insider Trading) Regulations 1992 as amended, the Company has adopted Code of Conduct for Prohibition of Insider Trading with effect from 23rd April, 2004. The code is applicable to all the Directors, Officers and such designated employees who are expected to have access to unpublished price sensitive information relating to the company.

Ms. Sandhya Malhotra, Company Secretary has been appointed as the Compliance Officer for monitoring adherence to the Regulations.

7. DISCLOSURES:

- a. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large.

There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large.

As per the requirements of Accounting Standard 18, transactions with related parties are disclosed in Note 11 of Schedule 15 to the Accounts in the Annual Report and the same are not in conflict with the interest of the Company.

- b. Details of Non-Compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory authority on any matter related to the Capital markets, during the last three years

The Company has complied with all the requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no penalties/strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, for any non-compliance on any matter relating to capital markets, during the last three years.

c. Whistle Blower Mechanism

The company promotes ethical behavior in all its business activities and has put in place mechanism of reporting illegal or unethical behavior. Employees may report violations of laws, rules, regulations and unethical conduct to their immediate supervisor. The reports received from employees will be reviewed by the Audit Committee. The Director and Management Personnel are obligated to maintain confidentiality of such reportings and ensure that the whistle blowers are not subjected to any discriminatory practices.

d. Non - mandatory requirements

1. The terms of reference and policy of Remuneration Committee has been elsewhere explained in this Report.
2. The half-yearly financial results in respect of the financial performance of the Company are being published in The Free Press Journal and Navshakti apart from being displayed on the Company's website at www.cinevistaas.com and SEBI CFDS System- website at www.corpfiling.co.in. Hence, the results and summary of significant events are not being sent to each household of shareholders.

Adoption of other non-mandatory requirements of Clause 49 of the Listing Agreement are being reviewed by the Board from time to time.

8. REAPPOINTMENT OF DIRECTOR:

TALAT AZIZ

Talat Aziz, aged 51 years, celebrates two decades of musical success. Talat Aziz hails from a illustrious family who were great patrons of fine arts. He took his initial training from Kirana Gharana formed by Abdul Karim Khan Saheb. He was primarily trained by Ustad Sanad Khan and later by Ustad Fayaz Ahmed who were great musicians of repute. He has composed music and sung ghazals

for several T.V. serials. He has also been associated with the world famous tabla player like Ustad Abdul Sattar and Ustad Sultan Khan in many ways. He has also acted in various serials, with 'Sahil', produced by Cinevista Communications Limited being the first. A celebrity with tremendous contacts, he brings a lot to Cinevistaas stable.

He does not hold the directorships in any other company and also is not a member/chairman of any committees on the board of any other company.

Shareholding in Cinevistaas Ltd. as on 31st March, 2008: NIL

9. MEANS OF COMMUNICATIONS:

- Financial Results : The quarterly, half-yearly and annual results of the Company are published in The Free Press Journal and Navshakti. The Board approves them and takes on record within prescribed time.
- Any website where displayed : At Company's website at www.cinevistaas.com. Pursuant to Clause 51 of the Listing Agreement with the Stock Exchanges, all data related to quarterly financial results, shareholding pattern, etc. are posted on the SEBI CFDS (Corporate Filing & Dissemination System) website at www.corpfiling.co.in
- Official news and presentations made to institutional investors and analysts : During the year, no presentation was made.
- Whether Management Discussion and Analysis is a part of the Annual Report : Yes

10. GENERAL SHAREHOLDER INFORMATION

A. Annual General Meeting

- Day, Date & Time : Friday, 26th September 2008, at 11.00 a.m.
 Venue : Shri Bhaidas Maganlal Sabhagriha
 U-1, Development Scheme
 Shri Vile Parle Kelavani Mandal
 Vile Parle (W), Mumbai - 400 056.

B. Financial Calendar

- Financial reporting for the quarter ending:
 30th June, 2008 (audited) : July 2008.
 30th September, 2008 (audited) : October 2008.
 31st December, 2008 (audited) : January 2009.
 31st March, 2009 (audited) : June 2009

C. Date of Book Closure

- : 20th September 2008 to
 26th September 2008 (Both days inclusive)

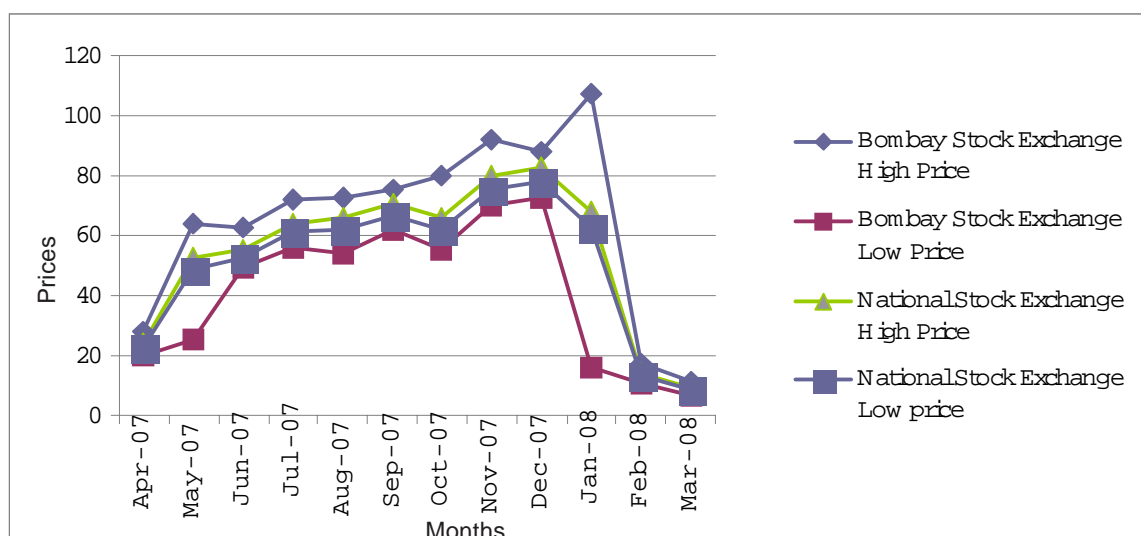
Cinevistaas Limited

- D. Dividend Payment Date** : No Dividend Recommended.
- E. Listing on Stock Exchange of Equity Shares & Code**
 Bombay Stock Exchange Limited : 532324
 The National Stock Exchange of India Ltd. : CINEVISTA EQ
- F. Listing Fees** : Listing fees has been paid to the above stock exchanges for the financial year 2007-2008.
- G. ISIN No.:** : INE 039B01026.
- H. Stock Market Data:**
 The monthly High and Low on BSE and NSE during the year were as follows:

Month	Bombay Stock Exchange		National Stock Exchange	
	High Price	Low Price	High Price	Low price
Apr-07	28	20	24.24	22.77
May-07	63.75	25.5	52.59	48.8
Jun-07	62.5	49.1	55.58	52.64
Jul-07	72	56.15	64.32	61.23
Aug-07	73	54.05	65.77	61.99
Sep-07	75.65	62	70.69	66.77
Oct-07	80.1	55.5	66.32	61.67
Nov-07	92.3	70.1	80.28	75.16
Dec-07	87.7	73	82.53	78.13
Jan-08	107.35	16.2	67.94	62.89
Feb-08	17.3	10.75	14	13.1
Mar-08	11.6	6.6	9.24	8.45

Stock Performance (Indexed)

The performance of the Company's Shares relative to BSE Sensex and Nifty, is given in the Chart Below:



- I. Registrar and Transfer Agents** : Karvy Computershare Pvt. Ltd.
 Unit: Cinevistaas Limited
 Plot No. 17-24, Vittal Rao Nagar
 Madhapur, Hyderabad - 500 081.
 Tel. No.: 040-23420818-24 Fax No.: 040-23430814
 E-mail: mailmanager@karvy.com

Email exclusively for redressal of investors complaints : helpdesk@cinevistaas.com

J. Share Transfer System:

Request for share transfers in physical form are registered and returned within a period of 15 to 30 days. During the year, 12275 shares were transferred in the physical form. There were no rematerialisation or dematerialisation requests during the period. The Share Transfer Committee of the Directors of the Company meets as and when required to approve the transfer of shares.

In compliance with the Listing Agreement with the Stock Exchanges, a practicing Company Secretary carries out audit of the System of Transfer and the certificate to that effect is issued.

K. Distribution of Shareholding as on 31st March, 2008:

No. of Equity Shares	No. of Shareholders	% of Shareholders	Amount	% of Shareholding
Upto 5000	10968	93.21	12838432	12.66
5001-10000	425	3.61	3460866	3.41
10001-20000	184	1.56	2809998	2.77
20001-30000	59	0.50	1531144	1.51
30001-40000	30	0.25	1066636	1.05
40001-50000	29	0.25	1372150	1.35
50001-100000	40	0.34	2918426	2.87
100001 & above	32	0.27	75337348	74.34
TOTAL	11767	100.00	101335000	100.00

L Shareholding Pattern as on 31st March, 2008:

	Category	No. of shares held	Percentage of shareholding
a.	Promoter	34349155	67.79
b.	Mutual Funds and UTI	NIL	NIL
c.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non-govt. Institutions)	NIL	NIL
d.	FII's	NIL	NIL
e.	Private Corporate Bodies	2401987	4.74
f.	Indian Public	13646202	26.94
g.	NRIs/OCBs	163219	0.32
h.	Any other-Employees	20000	0.04
	Clearing Members	74683	0.15
	Trusts	12254	0.02
	GRAND TOTAL	50667500	100.00

M. Dematerialisation of Shares and Liquidity:

99.13% of the total equity capital is held in a dematerialised form with National Securities Depository Ltd. and Central Depository Services (India) Ltd. as on 31st March, 2008.

Status of Dematerialisation as on 31st March, 2008

Particulars	No. of Shares	% to Total Capital	No. of Accounts
National Securities Depository Limited	46306725	91.39%	8491
Central Depository Services (India) Limited	3920720	7.74%	2453
Total dematerialized	50227445	99.13%	10944
Physical	440055	0.87%	823
Grand Total	50667500	100%	11767

The Company issued 1866500 Convertible Warrants convertible into Equity shares in the ratio of 1:1, on a preferential issue basis, at a duly convened Extraordinary General Meeting of the Members of the Company held on 21st May 2007. The Warrants are due to be converted into equity shares before December 2008.

The Company has not issued any GDR/ADR during the year under review.

N. Plant Locations:

The Company has an integrated studio located at 6, Silver Croft, 33rd Road, Linking Road, Bandra (W), Mumbai - 400 050, and Plot No. 1, L.B.S. Marg, Kanjurmarg (W), Mumbai - 400 078.

O. Registered Office:

Plot No. 1, L.B.S. Marg, Gandhi Nagar, Kanjurmarg (W), Mumbai - 400 078.

P. Address for Correspondence:

The Company Secretary
Plot No. 1, L.B.S. Marg, Gandhi Nagar, Kanjurmarg (W), Mumbai - 400 078.
Tel. No.: 022-25787622/25770446., Fax No.: 022-25770503.
E-mail: sandhya.malhotra@cinevistaas.com

11. SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL

As stipulated by SEBI, a qualified practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Listed Stock Exchanges. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL & CDSL) and total number of shares in physical form.

12. COMPLIANCE CERTIFICATE OF THE AUDITORS

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges and the same is annexed to the Directors' Report and Management Discussion and Analysis.

DECLARATION

All the Board Members and Senior Management Personnel of the Company have affirmed compliance with the code of conduct of the Company for the year ended 31st March 2008.

For Cinevistaas Limited

Place: Mumbai
Date: 30th June 2008

Prem Krishen Malhotra
Chairman

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To
The Board of Directors
Cinevistaas Limited

We, Sunil Mehta, Chief Executive Officer and K.B. Nair, Chief Financial Officer, of Cinevistaas Limited hereby certify to the best of our knowledge and belief that:

- a. We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are as to the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and have taken requisite steps to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
 - i. there have been no significant changes in internal control over financial reporting during the year;
 - ii. there have been no significant changes in accounting policies during the year and
 - iii. there have been no instances of significant fraud of which we have become aware and any involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- e. All Board members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct and Ethics during the year ended 31st March 2008.

Place : Mumbai
Date : 30th June 2008

Sunil Mehta
Chief Executive Officer

K.B. Nair
Chief Financial Officer

AUDITOR'S REPORT TO THE MEMBERS OF CINEVISTAAS LIMITED

We have audited the attached Balance Sheet of Cinevistaas Limited as at 31st March 2008 and the annexed Profit & Loss Account of the Company for the year ended on that date annexed thereto, and the cash flow statement for the year ended on that date. 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. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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.

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as considered appropriate and according to the information and explanations given to us during the course of audit, 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 the above paragraph, we state that:

- 1) 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;
- 2) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books;
- 3) The Balance Sheet and the Profit & Loss Account referred to in this report are in agreement with the Books of Account;
- 4) In our opinion, the Profit and Loss Account and the Balance Sheet comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956, to the extent applicable to the Company;
- 5) On the basis of written declarations received from the directors, as on 31st March 2008 and taken on record by the board of directors, we report that none of the directors has been disqualified as on 31st March 2008, from being appointed as a director in terms of clause (g) of subsection (1) of Section 274 of the Companies Act, 1956.
- 6) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss Account read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required, and gives true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in so far as it relates to the Balance Sheet, of the 'State of Affairs' of the Company as at 31st March, 2008;
 - b) in so far it relates to the Profit & Loss Account, of the profit for the year ended on that date; and
 - c) in the case of the cash flow statement, of the cash flows for the year ended on that date;

**FOR VIMAL PUNMIYA & CO.
CHARTERED ACCOUNTANTS**

Place: Mumbai
Date : 30-06-2008

**(VIMAL C. PUNMIYA)
Proprietor**

ANNEXURE REFERRED TO IN PARAGRAPH OF THE AUDITORS REPORT RELATED TO COMPANIES (AUDITORS REPORT) ORDER, 2003 TO THE MEMBERS OF CINEVISTAAS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2008

Based on the information and explanations furnished to us and the books and records examined by us in the normal course of audit, we report that in our opinion;

- I) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) During the year Fixed Assets of the Company have been physically verified by the Management at all locations and there is a regular program of verification which in our opinion, is reasonable, having regard to the size of Company and the nature of the Fixed Assets. No material discrepancies have been noticed in respect of the assets, which have been physically verified during the year.
- (c) There is no substantial disposal of Fixed Assets of the Company during the year & therefore does not affect the going concern of the company.
- II) (a) The management during the year has physically verified stock of all types of Cassettes at all locations.
- (b) In our opinion, the management has followed reasonable and adequate procedures in relation to the size of the Company and the nature of its business for physical verification of Stock of Cassettes.
- (c) No discrepancies were noticed on verification between the physical stock and books records.
- III) (a) During the year the company has not taken unsecured loans from parties maintained under Section 301.
- IV) In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size and nature of business of the Company for the purpose of inventory & fixed assets and for the sale of serials, films, ad-films etc. No major weaknesses in internal control were noticed.
- V) The Company has not accepted any deposits from public and consequently the Provisions of Section 58A of the Companies Act, 1956, and The Companies (Acceptance of Deposits) Rules, 1975, are not applicable.
- VI) The company has an internal audit system commensurate with its size and nature of its business.
- VII) We have been informed that the Central Government has not prescribed maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956.
- VIII) a) The company is regularly depositing undisputed statutory dues including income tax, sales tax, wealth tax and any other statutory dues with the appropriate authorities. except in case of Service tax for Rs.1,25,62,410/- out of which a sum of Rs 54,28,322/- has been paid and we are informed that the balance will be paid on or before 31st July 2008
- b) According to the information and explanation given to us there were no undisputed amount payable in respect of income tax, wealth tax, sales tax, custom duty and excise duty .

Cinevistaas Limited

- IX)** The Company has written off Sundry debtors to Rs 63.89 lakhs.
- X)** During the year the company has not defaulted in repayment of dues to a financial institution or bank.
- XI)** The company has not granted any loans and advances during the year on the basis of pledge of shares, debentures and other securities.
- XII)** The company has not given any guarantee for loans taken by others from bank & financial institution & therefore same clause is not applicable to company during the year.
- XIII)** The company has taken term loan during the year from Central Bank.
- XIV)** The funds raised during the year on short-term basis have been used for long term investments & vice-versa.
- XV)** The company has not issued any debentures or any securities against them.
- XVI)** No public issue has been made by the company during the year.
- XVIII)** No fraud on or by the company has been noticed or reported during the year.

**FOR VIMAL PUNMIYA & CO.
CHARTERED ACCOUNTANTS**

Place: Mumbai
Date : 30-06-2008

**(VIMAL C. PUNMIYA)
Proprietor**

CINEVISTAAS LIMITED
BALANCE SHEET AS AT 31.03.2008

PARTICULARS	SCH NO.	31.03.2008	31.03.2007
SOURCE OF FUNDS			
SHAREHOLDERS FUND			
Share Capital	1	101,335,000.00	101,288,000.00
Reserves & Surplus	2	1,528,381,569.40	1,510,691,787.74
LOAN FUNDS			
Secured Loans	3	134,423,181.55	129,388,613.07
Unsecured Loans	4	64,431,001.79	43,917,778.79
TOTAL		<u>1,828,570,752.74</u>	<u>1,785,286,179.60</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	1,462,141,049.84	1,455,506,999.24
Less : Depreciation		147,359,994.00	135,849,018.99
Net Block		<u>1,314,781,055.84</u>	<u>1,319,657,980.25</u>
INVESTMENTS	6	26,008,522.06	26,008,522.06
CURRENT ASSETS, LOANS & ADVANCES			
(1) Inventories		181,847,453.99	157,438,247.23
(2) Sundry Debtors		300,398,866.67	164,913,545.94
(3) Cash balances		146,382.67	1,750,724.98
(4) Bank balances		12,552,389.96	8,013,371.00
(5) Loans and advances		74,970,287.13	67,723,761.29
		<u>569,915,380.42</u>	<u>399,839,650.44</u>
(I)			
Less:CURRENT LIABILITIES & PROVISIONS	8		
Current Liabilities		144,897,697.43	45,640,047.00
Provisions		935,274.00	5,189,449.00
		<u>145,832,971.43</u>	<u>50,829,496.00</u>
NET CURRENT ASSETS		<u>424,082,408.99</u>	<u>349,010,154.44</u>
DEFERRED TAX ASSETS (NET)	9	44,910,365.85	59,295,522.85
MISCELLANEOUS EXPENDITURE	10	18,788,400.00	31,314,000.00
(to the extent not written off or adjusted)			
TOTAL		<u>1,828,570,752.74</u>	<u>1,785,286,179.60</u>

AS PER REPORT OF EVEN DATE
FOR VIMAL PUNMIYA & CO.
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Vimal C. Punmiya
(Proprietor)

PREM KRISHEN MALHOTRA
(Chairman)

SUNIL MEHTA
(Managing Director)

Place: Mumbai
Date: 30.06.2008

SULOCHANA TALREJA
(Director)

SANDHYA MALHOTRA
(Company Secretary)

CINEVISTAAS LIMITED
PROFIT & LOSS A/C FOR THE YEAR ENDED 31.03.2008

PARTICULARS	SCH NO.	31.03.2008	31.03.2007
INCOME			
Realisations	11	223,433,784.00	184,537,326.00
Other Income	12	19,422,611.55	26,708,062.46
		<u>242,856,395.55</u>	<u>211,245,388.46</u>
EXPENDITURE			
Cost of Production & Telecast Charges	13	120,541,615.78	92,496,461.15
Administrative Expenses	14	48,455,512.30	33,552,279.25
Depreciation		13,661,191.00	17,253,866.00
Interest		16,867,312.81	16,047,313.26
		<u>199,525,631.89</u>	<u>159,349,919.66</u>
Profit before tax		43,330,763.66	51,895,468.80
Provision for Tax			
Income Tax			
Current Tax		(846,870.00)	(5,157,965.00)
Prior Period Exps		2,500,000.00	-
Provision for Income Tax Earlier period W/off		5,157,965.00	-
Deferred Tax Liability		3,834,920.00	5,828,884.00
Deffered Tax Asset created		(18,220,077.00)	36,084,839.00
Wealth Tax		(56,920.00)	(37,955.00)
Profit after taxation		30,699,781.66	88,613,271.80
brought forward from previous year		90,193,073.64	1,579,801.84
Balance carried forward to Balance Sheet		120,892,855.30	90,193,073.64
Basic & Diluted Earnings per share		0.60	8.75

AS PER REPORT OF EVEN DATE

FOR VIMAL PUNMIYA & CO.
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Vimal C. Punmiya
(Propreitor)

PREM KRISHEN MALHOTRA
(Chairman)

SUNIL MEHTA
(Managing Director)

Place: Mumbai
Date: 30.06.2008

SULOCHANA TALREJA
(Director)

SANDHYA MALHOTRA
(Company Secretary)

CINEVISTAAS LIMITED
SCHEDULE FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH,2008

SCHEDULE 1	31.03.2008	31.03.2007
SHARE CAPITAL :	(Rupees)	(Rupees)
Authorised Capital :		
10,00,00,000 Equity Shares of Face Value of Rs.2 /- Each	200,000,000.00	120,000,000.00
(Authorised Capital has been raised from 120,00,000/- to 10,00,00,000/- Face value has been reduced from Rs 10/- to Rs 2/- per share)		
Issued, Subscribed & Fully Paid Up :		
5,06,67,500 Equity shares of Rs 2/- each fully Paid Up	101,335,000.00	101,241,000.00
9400 Equity shares of Rs 10/- each Rs 5/- Paid Up (Note 1)	-	47000
	101,335,000.00	101,288,000.00

Note-1

9300 Shares has been forfeited and reissued @ Rs. 57 per share for Security Premium and Rs. 10 per Equity Share Capital. Balance allotment money received on 100 shares.

SCHEDULE 2

RESERVES & SURPLUS :

(1) Securities Premium Account :

On 25,24,100 Shares @ Rs.290 /- each	732,018,000.00		
Capital Reserves on Forefeiture & Reissue of 9300 Shares -Note2	<u>515,100.00</u>	732,533,100.00	733,352,000.00

(2) Profit & Loss Account :

Opening Balance	(201,419,246.26)		
Add : Profit During the Year	<u>30,699,781.66</u>	(170,719,464.60)	(201,419,246.26)
(3) Asset Revaluation Account :		966,567,934.00	978,759,034.00

TOTAL

1,528,381,569.40 **1,510,691,787.74**

Note-2

Capital Reserve created on 9300 shares forfeited and reissued. Balance 100 shares partly Share Capital and Share Premium raised from Capital reserve.

SCHEDULE 3

SECURED LOAN :

Bank O/D with Central Bank of India			
(1) A/c No. 305115	106,104,193.51		104,648,281.39
(Secured by hypothication of recievables and with collateral security of Office Premises & Other Assets) {Further secured by the personal guarantees of MR. Premkrishen Malhotra & Mr. Sunil Mehta(Directors)			
(2) A/c No. 305040	9,695,699.06		10,255,960.37
(Secured against Fixed Deposits)			
(3) Car Loan from ICICI Bank	1,403,399.50		1,330,304.67
(Secured against Demand Promissory Notes)			
(4) Term Loan	14,505,457.50		11,964,638.00
(5) Car Loan from Citi Bank	260,412.55		393,572.55
(6) HDFC Bank (Auto Loan)	<u>2,454,019.43</u>		<u>795,856.09</u>
TOTAL	134,423,181.55		129,388,613.07

SCHEDULE 4

UNSECURED LOANS :

(a) From Directors	21,706,240.79		14,539,920.79
(b) From others	<u>42,724,761.00</u>		<u>29,377,858.00</u>
TOTAL	64,431,001.79		43,917,778.79

SCHEDULE 5 : Fixed Assets

Description Of Assets	Rate Of Dep	Gross Block				Depreciation			Net Block		
		As At 01.04.2007	Additions In The Year	Deductions	As At 31.03.2008	As At 01.04.2007	For The Year	Deductions	As At 31.03.2008	AS AT 1.04.2007	AS AT 31.03.2008
OFFICE PREMISES	0.0500	67,767,538.00	36,132.00	21,459,339.00	46,344,331.00	5,571,906.00	670,955.00	1,549,122.00	4,693,739.00	62,195,632.00	41,650,592
FURNITURE	0.1810	13,143,980.97	530,533.00	-	13,674,513.97	7,747,841.00	1,056,892.00	-	8,804,733.00	5,396,139.97	4,869,781
AIRCONDITIONER	0.1391	8,618,430.30	666,303.10	-	9,284,733.40	4,041,276.00	648,834.00	-	4,690,110.00	4,577,154.30	4,594,623
COMPUTER	0.4000	8,275,421.69	910,372.00	-	9,185,793.69	6,945,511.00	658,155.00	-	7,603,666.00	1,329,910.69	1,582,128
MOTOR CAR	0.2589	19,817,727.00	4,038,339.00	99,000.00	23,757,066.00	15,223,137.00	1,511,467.00	73,203.00	16,661,401.00	4,594,590.00	7,095,665
LIGHT EQUIPMENTS	0.2000	8,321,537.40	413,440.25	-	8,734,977.65	6,131,271.00	481,727.00	-	6,612,998.00	2,190,266.40	2,121,980
GODOWN	0.0500	-	-	-	-	-	-	-	-	-	-
CAMERA	0.2000	22,863,662.00	48,685.00	-	22,912,347.00	17,369,613.00	1,104,988.00	-	18,474,601.00	5,494,049.00	4,437,746
FAX MACHINE	0.1391	327,779.00	-	-	327,779.00	249,302.00	10,945.00	-	260,247.00	78,477.00	67,532
OFFICE EQUIPMENTS	0.1391	1,712,847.75	13,011.00	-	1,725,858.75	896,704.00	114,982.00	-	1,011,686.00	816,143.75	714,173
ELECTRICAL FITTINGS	0.1391	96,767.00	260,693.50	-	357,460.50	775.00	34,080.00	-	34,855.00	95,992.00	322,606
EQUIPMENTS	0.2000	51,597,424.89	6,393,300.75	-	57,990,725.64	35,829,782.00	3,439,642.00	-	39,269,424.00	15,767,642.89	18,721,302
TELEVISION	0.2000	279,900.00	16,490.00	-	296,390.00	162,113.00	24,685.00	-	186,798.00	117,787.00	109,592
SOFTWARE	-	127,920,613.74	-	-	127,920,613.74	-	-	-	-	127,920,613.74	127,920,614
GENERATOR	0.2000	742,085.00	-	-	742,085.00	491,743.00	50,206.00	-	541,949.00	250,342.00	200,136
LAND & BUILDING	0.0500	1,053,223,652.00	332,647.00	-	1,053,556,299.00	22,116,173.00	-	-	22,116,173.00	1,031,107,479.00	1,031,440,126
SEWING MACHINE	0.1391	7,329.00	13,250.00	-	20,579.00	3,679.00	717.00	-	4,396.00	3,650.00	16,183
SET	0.0500	63,473,727.00	16,241,504.00	2,212,229.00	77,503,002.22	10,450,816.00	3,160,250.00	527,891.00	13,083,175.00	53,022,911.00	64,419,827
COSTUMES	0.1391	7,316,576.50	489,918.00	-	7,806,494.50	2,617,377.00	692,666.00	-	3,310,043.00	4,699,199.50	4,496,452
		1,455,506,999.24	30,404,618.60	23,770,568.00	1,462,141,049.84	135,849,019.00	13,661,191.00	2,150,216.00	147,359,994.00	1,319,657,980.24	1,314,781,056

Schedule 6 : INVESTMENTS

	31.03.2008	31.03.2007
	(Rupees)	(Rupees)
Long Term Investments (shares)- At Cost		
(1) Investments in subsidiary companies -Non Trade -Unquoted		
(a) Cinevista Eagle Plus Media Pvt. Ltd. (548365 Equity shares of Rs.10/-each fully paid up)	5,483,650.00	5,483,650.00
(b) Cinevista Studios Pvt. Ltd. (49990 Equity shares of Rs.10/-each fully paid up)	499,900.00	499,900.00
(c) Video Vista Inc. (353 Equity shares of \$ 1000/-each fully paid up)	16,679,250.00	16,679,250.00
(2) Investment in other companies- Trade-Quoted		
(a) Silverline Technologies Ltd (2000 Equity shares of Rs. 1/- each fully paid up) (Market Value Rs. 55,800/-)	304,429.06	304,429.06
(b) Zee Entertainment Ltd (5200 Equity shares of Rs 1/- each fully paid up) (Market Value Rs. 12,72,180/-)	2,790,293.00	2,790,293.00
(3) Investment in other companies- Non Trade-Unquoted		
(b) Dynamic Fusion Private Limited (25100 Equity shares of Rs 10/- each fully paid up)	251,000.00	251,000.00
	26,008,522.06	26,008,522.06

SCHEDULE 7

CURRENT ASSETS, LOANS & ADVANCES

(1) Inventories			
(a) Stock in trade	133,640.00		
(b) Work in progress	155,850,824.90		
(c) Special Purpose Vehicle	25,862,989.09	181,847,453.99	157,438,247.23
(2) Sundry Debtors (Unsecured but considered good)			
(a) Outstanding for a period exceeding six months	140,834,259.66		
(b) Other debts	159,564,607.01	300,398,866.67	164,913,545.94
Cash & Bank balance			
(3) Cash on Hand	146,382.67		
(4) Bank balances (With Scheduled Banks)			
(a) In Current Accounts	4,638,599.96		
(b) Fixed Deposit Accounts	7,913,790.00	12,698,772.63	9,764,095.98
(5) Loans and advances (Unsecured but considered good)			
(a) Advances and loans to subsidiaries	30,974,509.00		
(b) Deposits	1,315,637.00		
(c) Advance Taxes	20,122,483.78		
(d) Other loans and advances. (Maximum amount due during the year Rs.15,00,000/-)	22,557,657.35	74,970,287.13	67,723,761.29
		569,915,380.42	399,839,650.44

SCHEDULE 8		31.03.2008	31.03.2007
CURRENT LIABILITIES & PROVISIONS		(Rupees)	(Rupees)
Current Liabilities			
(1) Sundry Creditors		51,775,397.43	33,883,913.00
(2) Other Liabilities		93,122,300.00	11,756,134.00
TOTAL	(I)	144,897,697.43	45,640,047.00
Provisions			
Provision for Tax			
(a) Income Tax		846,870.00	5,157,965.00
(b) Wealth Tax		88,404.00	31,484.00
TOTAL	(II)	935,274.00	5,189,449.00
TOTAL	(I) + (II)	145,832,971.43	50,829,496.00
SCHEDULE 9			
DEFERRED TAX ASSETS (NET)			
Deferred Tax Asset			
Opening Balance	123,676,647.00		
Add: Created During the Year	(18,220,077.00)	105,456,570.00	123,676,647.00
Deferred Tax Liability			
Opening Balance	(64,381,124.15)		
Add: Created During the Year	3,834,920.00	(60,546,204.15)	(64,381,124.15)
		44,910,365.85	59,295,522.85
SCHEDULE 10			
MISCELLANEOUS EXPENDITURE :			
(To the extent not written off or adjusted)			
Deffered Cost of Production of Film(Garv)			
Add: Capitalised during the year	31,314,000.00		
Less: W/off during the year	12,525,600.00	18,788,400.00	31,314,000.00
		18,788,400.00	31,314,000.00
SCHEDULE 11			
REALISATIONS			
Serials		184,334,001.00	148,950,000.00
Ad Films		-	7,665,000.00
Feature Film		-	12,575,000.00
Export Income		3,946,655.00	15,347,326.00
Service Tax Realised		14,754,763.00	-
Technical Service		20,398,365.00	-
		223,433,784.00	184,537,326.00
SCHEDULE 12			
OTHER INCOMES :			
Discount		1,701.00	10,876.00
Dividend On Shares		100.05	54.00
Sale of Godwn		-	9,878,054.00
Share from Technical Services		184,700.00	6,073,347.00
Fluctuation on Foreign Currency		(333,770.80)	(40,439.23)
Interest on Fixed Deposit		726,776.00	732,448.00
Interest on I. T. Refund		402,983.00	-
Miscellaneous Income		114,490.00	54,846.00
Sundry Creditors Written Off		110,168.30	9,416,964.69
Interest on MSEB Deposit		10,707.00	-
Profit on Sale of Office Premises		15,597,415.00	-
Profit on Sale of Set Properties		760,039.00	-
Hire Charges		1,847,303.00	581,912.00
TOTAL		19,422,611.55	26,708,062.46

Cinevistaas Limited

SCHEDULE 13	31.03.2008	31.03.2007
	(Rupees)	(Rupees)
COST OF PRODUCTIONS		
Serials	105,786,852.78	83,300,694.02
Service Tax paid	14,754,763.00	-
Ad Films	-	9,195,767.13
	120,541,615.78	92,496,461.15

SCHEDULE : 14 **ADMINISTRATIVE & GENERAL EXPENSES.**

A.G.M. Expenses	291,801.00	117,927.50
E.G.M. Expenses	248,592.10	-
Application Fees	2,000.00	-
Bank Charges	512,169.31	481,952.96
Deffered Cost of Prodn Garv Exps	12,525,600.00	12,525,600.00
Directors Remuneration	3,000,000.00	2,500,000.00
Directors Sitting Fees	67,000.00	14,500.00
Electricity Expenses	4,133,400.94	2,842,631.00
Freight & Courier	105,021.68	262,265.54
General Expenses	3,873,709.85	2,383,506.94
Insurance Expense	399,377.00	432,161.00
Loss on sale of motor car	16,425.00	-
Motorcar Expenses	1,538,461.82	1,512,842.62
Printing & Stationary	359,932.80	257,538.67
Professional Charges	2,850,809.00	2,158,255.50
Rent, Rates & Taxes	471,780.00	1,134,196.91
Repairs & Maintenance	1,945,817.30	1,106,745.31
Salaries & Allowances	5,829,432.00	2,456,777.00
Selling & Distribution Expenses	1,582,035.94	595,096.20
Sundry Debtors Written Off	6,389,308.24	22.00
Technical Charges	307,136.00	20,500.00
Telephone Expenses	1,400,725.01	1,411,797.73
Travelling & Conveyance	504,977.31	1,237,962.37
<u>Auditor's Remuneration</u>		
Audit Fees	60,000.00	60,000.00
Tax Audit Fees	40,000.00	40,000.00
TOTAL	48,455,512.30	33,552,279.25

SCHEDULE ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2008 :

**SCHEDULE 15 :
SIGNIFICANT ACCOUNTING POLICIES**

1. Basis Of Presentation / Accounting :

The financial statements are prepared under historical cost convention, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956, with revenues recognised and expenses accounted on accrual basis unless otherwise stated.
Dividend on investments is accounted for on cash basis.

2. Fixed Assets :

Fixed Assets are stated at cost less depreciation. Costs include cost incidental to and / or installation expenses incurred in putting the assets for its intended use.

3. Investments :

Long term investments are stated at cost.

4. Depreciation :

Company provides for depreciation on the Fixed Assets at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 on Written Down Value Method. Depreciation on additions to assets during the year is provided on a proportionate basis. No depreciation has been charged on land and building during the year as written down value consist of cost of land only.

5. Inventories :

Inventories are valued at weighted average cost as permissible under the Accounting Standard 2 (AS-2) "Valuation Of Inventories" issued by the Council of The Institute Of Chartered Accountants Of India.

6. Contingent Liabilities :

Contingent liabilities in respect of show cause notices received are considered only when they are converted into demands.

7. Foreign Currency Transactions :

Foreign Currency transactions are accounted for at the exchange rates prevailing on the date of the transactions. Foreign Currency receivables and payables are valued at the closing price at the year end in accordance with the Accounting Standard 11 (AS-11) Foreign Currency Transactions issued by the Institute of Chartered Accountants of India.

8. Miscellaneous Expenditure :

Preliminary Expenses :

Preliminary expenses incurred before 1st April, 1998 are being written off equally over a period of ten years. Preliminary Expenses incurred after 31st March, 1998 are amortised in five equal installments over the years.

Deffered Cost of Production :

Deffered cost of production of the feature flim "Garv- Pride and Honour" is being written off equally over a period of 5 years.

9. Revenue Recognition :

Realisations in respect of serials are shown at gross.

In respect of serials, income is recognised in the Profit & Loss Account as and when the relevant programme or the episode is telecast.

In respect of export of serials, income is recognised in Profit & Loss Account only when the relevant serials are delivered to and accepted by the buyers and all the significant risks and rewards of telecasting rights of programme have been transferred to the buyers.

In respect of Ad Films, income is recognised when the completed commercial cassettes is delivered to the buyer.

In respect of released feature films income is recognised as and when the right to receive the amount is established.

Deferred Revenue Expenses:

Production cost of T.V. Serial's telecast is deferred, wherever ownership and other copyrights are with the company. This deferred expenditure is written off over the estimated useful life of T. V. Serials as estimated by the management.

From the deferred Revenue Expenditure, Production Cost of Serials, the Production / Telecast of which has been discontinued are transferred to Fixed Assets under the head 'Software'. No depreciation has been charged on software.

For the purpose of taxation the Production Cost are treated as revenue expenses, as per the legal opinion obtained by the company.

NOTES TO ACCOUNTS :

1. Inventories :

(a) U-Matic Cassettes:

The company values stock of U-Matic Cassettes at **Weighted Average Cost** as permissible under the Accounting Standard 2 (AS 2) "Valuation of Inventories" issued by the Institute of Chartered Accountants of India.

(b) Work in progress:

Under production cost of serials, ad films etc. is valued at actual cost on incurred basis.

2. Contingent Liabilities :

During the Financial Year 1997-98 search action was carried out by the Income Tax Authority at the premises of the company Under Section 132 of the Income Tax Act, 1961, and assessment under the same was completed on 31st January, 2000 thereby raising a demand of Rs.48,30,381/- on the Company. Against the said demand the company has paid Rs. 41,07,093/- .

The Company disputed the demand raised by the Income Tax Department and filed an Appeal against the order before the Commissioner of Income Tax (Appeals) who has partly allowed it to the extent of Rs. 31,00,524/-. Disputing the balance liability the company has gone into Appeal to Income Tax Appellate Tribunal.

3. Income In Foreign Currency :

Realisation from export of serials, feature film & ad films: 39,46,655/-
(Previous Year : Rs.1,53,47,326/-)

4. Expenditure In Foreign Currency :

Travelling Expenses Rs. 62,218/-
(Previous Year: Rs.46,900/-)

5. Cost of Production :

Estimation of cost of serials under production being of technical nature, cannot be verified by the Auditors and have been taken as certified by the Management of the Company.

6. Directors Remuneration :

Salaries :	Rs. 30,00,000/-	(Previous Year : Rs.25,00,000/-)
Sitting Fees:	Rs. 67,000/-	(Previous Year : Rs.14,500/-)

7. Auditors Remuneration :

Audit Fees :	Rs.60,000/-	(Previous Year : Rs.60,00/-)
Tax Audit Fees :	Rs.40,000/-	(Previous Year : Rs.40,000/-)

8. Balance of Debtors & Creditors :

Balances of Sundry Debtors and Sundry Creditors, Loans and Advances, are taken as per books of accounts and are subject to confirmation.

9. Preliminary Expenses :

Preliminary expenses incurred before 1st April, 1998 are being amortised in ten equal instalments over the years. Preliminary Expenses incurred on or after 1st April, 1998 are being amortised in five equal instalments over the years.

The above Write-Offs have been made as per the Provisions of **Section 35 D** of the Income Tax Act, 1961.

10. Taxation :

Provision for Deferred Tax Liability written off Rs.4,43,198/- has been made as per the requirements of AS-22 "Accounting for Taxes on Income" on the difference of depreciation as per Companies Act , 1956 & Income Tax Act ,1961, Deferred Tax Asset has been created on the current year's profit of Rs.4,97,66,729/-. Deffered Tax

Cash flow statement for the year ended March 31, 2008

Particulars	31.03.2008 (Rupees in '000)	31.03.2007 (Rupees in '000)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and extra ordinary items	30,699.78	88,613.27
Adjustments :		
Deffered Cost of Production of Garv	12,525.60	12,525.60
Deffered Tax Asset w/off	18,220.08	(36,084.84)
Deffered Tax Liability	(3,834.92)	(5,828.88)
Depreciation	13,661.19	17,253.87
Profit on sale of Set	(760.04)	-
Loss on sale of Motor car	16.43	-
Profit on sale of Godown	-	(9,878.05)
Profit on sale of Office premisses	(15,597.42)	-
Interest Expenses	150.00	3,590.00
Interest on bank O/D	15,831.59	11,550.14
Interest income	(1,129.76)	(732.45)
Provision for Tax	903.79	-
Provision for Tax Written Off	(5,157.97)	5,157.97
Provision for Wealth Tax Written Off	-	37.96
Sundry Debtors & under production Written Off	6,389.31	(291,612.32)
Sundry Creditors Written Off	(110.17)	(9,416.96)
Exchange Rate Fluctuation Loss	333.77	40.44
Exchange rate Difference rectified	-	(129.15)
Dividend Received	(0.10)	(0.05)
	41,441.38	(303,526.75)
Operating Profit before working capital changes	72,141.16	(214,913.48)
Adjustments for working capital changes		
Inventories	(24,409.21)	146,305.64
Trade & Other Receivables	(140,786.24)	283,666.04
Trade Payable & Other Liabilities	94,981.55	(245,934.81)
	(70,213.90)	184,036.87
Cash generated from Operations	1,927.27	(30,876.61)
Direct Taxes Paid	(10,977.68)	(2,316.12)
Net Cash flow From Operating Activities	(9,050.42)	(33,192.73)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(30,404.62)	(7,676.28)
Sale of Fixed Assets	21,620.35	13,600.80
Interest income	1,129.76	732.45
\Dividend Received	0.10	0.05
	(7,654.41)	6,657.02

C. CASH FLOW FROM FINANCING ACTIVITIES

Prefrencial Capital Raised	4,386.27	-	
Share Capital received on reissue of forfeited shares	638.10	-	
Interest Expenses	(150.00)	(3,590.00)	
Interest on bank O/D	(15,831.59)	(11,550.14)	
Secured Loans received	3,436.47	16,103.90	
Unsecured Loans received	25,562.15	17,297.30	
ICICI CAR LOAN	73.10	(909.84)	
HDFC AUTO LOAN	1,860.00	-	
HDFC CAR LOAN	(201.84)	795.86	
CITI CAR LOAN	(133.16)	393.57	
Cash used in Financing Activities	19,639.50	18,540.65	

Net Increase/(decrease) in cash and cash equivalents

(A) + (B) + (C)	2,934.68	(7,995.05)
Cash & Cash Equivalents as on 01.04.2007	9,764.10	17,759.15
Cash & Cash Equivalents as on 31.03.2008	<u>12,698.77</u>	<u>9,764.10</u>

FOR AND ON BEHALF OF THE BOARD

PREM KRISHEN MALHOTRA
(Chairman)

SUNIL MEHTA
(Managing Director)

Place: Mumbai
Date: 30.06.2008

SULOCHANA TALREJA
(Director)

SANDHYA MALHOTRA
(Company Secretary)

We have examined the attached cash flow statement of **M/s Cinevistaas Limited** for the year ended 31st March, 2008. The statement has been prepared by the company in accordance with the requirements of listing agreements of the various Stock Exchanges and is based on and is in agreement with the corresponding Profit & Loss Account & the Balance Sheet of the Company covered by our report of even date to the members of the Company.

FOR VIMAL PUNMIYA & CO.
Chartered Accountants

Vimal C. Punmiya
(Proprietor)

PLACE : MUMBAI
DATE : 30-06-2008

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.	11-107871	State Code	11
Balance Sheet Date	31-03-2008		

II. Capital raised during the year (Amount Rs. in 000's)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds (Amount Rs. in 000's)

Total Liabilities	1828571	Total Assets	1828571
-------------------	---------	--------------	---------

Sources of Funds

Paid-up Capital	101335	Reserves & Surplus	1528382
Secured Loans	134423	Unsecured Loans	64431

Application of Funds

Net Fixed Assets	1314781	Investments	26009
Accumulated Losses	NIL	Misc. Expenditure	18788

IV. Performance of Company (Amount Rs. in 000's)

Turnover (including other income)	242856	Total Expenditure	199526
Profit / (Loss) Before Tax	43331	Profit / (Loss) After Tax	30700
Earning per share in Rs.	0.60	Dividend Rate	NIL

V. Generic Names of Three Principal Products of the Company

Product Description	Media Software	Item Code	Not Alloted
---------------------	----------------	-----------	-------------

**AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF
CINEVISTAAS LIMITED AND ITS SUBSIDIARIES TO THE BOARD OF DIRECTORS OF
CINEVISTAAS LIMITED**

We have audited the attached Consolidated Balance Sheet of Cinevistaas Limited and its subsidiaries as at 31st March, 2008 and the annexed Consolidated Profit & Loss Account of the Company for the year ended on that date attached thereto, and the cash flow statement for the year ended on that date. 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 have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes 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 that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India, on the basis of individual financial statements of Cinevistaas Limited and its subsidiary companies included in the consolidated financial statements.

In our opinion, based on our audit and the report of the other auditor, the consolidated financial statements referred to above give a true and fair view of the financial position of Cinevistaas Limited and its' subsidiary companies as at March 31, 2008 and the results of the operation and consolidated cash flows for the year then ended in conformity with generally accepted accounting principles in India.

**FOR VIMAL PUNMIYA & CO.
CHARTERED ACCOUNTANTS**

Place: Mumbai
Date : 30.06.2008

**(VIMAL C. PUNMIYA)
Proprietor**

**CONSOLIDATED BALANCE SHEET OF CINEVISTAAS LIMITED
AND ITS SUBSIDIARIES AS AT 31.03.2008**

PARTICULARS	SCH NO.	31.03.2008	31.03.2007
SHAREHOLDERS FUND			
Share Capital	1	101,335,000	101,288,000
Reserves & Surplus	2	1,497,421,606	1,482,146,105
LOAN FUNDS			
Secured Loans	3	134,423,182	129,388,613
Unsecured Loans	4	64,436,002	43,917,779
	TOTAL	<u>1,797,615,790</u>	<u>1,756,740,497</u>
APPLICATION OF FUNDS			
GOODWILL ON CONSOLIDATION	5	23,295,680	23,295,680
FIXED ASSETS	6		
Gross Block		1,478,201,162	1,470,694,274
Less : Depreciation		156,540,650	144,018,150
Net Block		<u>1,321,660,512</u>	<u>1,326,676,124</u>
INVESTMENTS	7	3,345,722	3,345,722
CURRENT ASSETS, LOANS & ADVANCES	8		
(1) Inventories		181,847,454	157,438,247
(2) Sundry Debtors		301,144,023	165,699,833
(3) Cash and bank balances		13,850,433	13,301,308
(4) Loans and advances		44,147,588	36,856,380
	(I)	<u>540,989,498</u>	<u>373,295,769</u>
Less:CURRENT LIABILITIES & PROVISIONS	9		
Current Liabilities		152,387,220	53,240,978
Provisions		935,274	5,189,449
	(II)	<u>153,322,494</u>	<u>58,430,427</u>
NET CURRENT ASSETS	(I) - (II)	<u>387,667,003</u>	<u>314,865,342</u>
DEFERRED TAX ASSETS (NET)	10	42,835,489	57,220,646
MISCELLANEOUS EXPENDITURE	11	18,811,383	31,336,983
(to the extent not written off or adjusted)			
	TOTAL	<u>1,797,615,790</u>	<u>1,756,740,497</u>

ACCOUNTING POLICIES & NOTES TO ACCOUNTS 16

AS PER REPORT OF EVEN DATE
FOR VIMAL PUNMIYA & CO.
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Vimal C. Punmiya
(Proprietor)

PREM KRISHEN MALHOTRA
(Chairman)

SUNIL MEHTA
(Managing Director)

Place: Mumbai
Date: 30.06.2008

SULOCHANA TALREJA
(Director)

SANDHYA MALHOTRA
(Company Secretary)

**CONSOLIDATED PROFIT AND LOSS ACCOUNT OF CINEVISTAAS LIMITED
AND ITS SUBSIDIARIES FOR THE YEAR ENDED 31.03.2008**

PARTICULARS	SCH NO.	31.03.2008	31.03.2007
INCOME			
Realisations	12	242,980,035.88	202,691,082.09
Other Income	13	19,422,611.55	26,946,519.46
		<u>262,402,647.43</u>	<u>229,637,601.55</u>
EXPENDITURE			
Cost of Production & Telecast Charges	14	131,368,814.50	99,849,336.43
Administrative Expenses	15	58,577,321.06	46,065,063.54
Depreciation		14,672,715.58	18,465,679.45
Interest		16,867,312.81	16,047,313.26
		<u>221,486,163.95</u>	<u>180,427,392.68</u>
Profit before tax		40,916,483.48	49,210,208.87
Prior Period Items		(2,500,000.00)	(39,834.00)
Income Tax			
Previous year's tax written back		5,157,965.00	-
Current Tax		(846,870.00)	(5,157,965.00)
Deferred Tax Liability		3,834,920.00	5,828,884.00
Deffered Tax Assets W/off		(18,220,077.00)	36,084,839.00
Wealth Tax		(56,920.00)	(37,955.00)
Profit after taxation (available for appropriation)		28,285,501.48	85,888,177.87
Under Provision of Previous Year's Tax			
Profit attributable to minority interest			
Profit attributable consolidated group		28,285,501.48	85,888,177.87
Basic and Diluted Earnings Per share		0.5580	8.4796

AS PER REPORT OF EVEN DATE

FOR VIMAL PUNMIYA & CO.
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

Vimal C. Punmiya
(Propreitor)PREM KRISHEN MALHOTRA
(Chairman)SUNIL MEHTA
(Managing Director)Place: Mumbai
Date: 30.06.2008SULOCHANA TALREJA
(Director)SANDHYA MALHOTRA
(Company Secretary)

CINEVISTAAS LIMITED (CONSOLIDATED)
SCHEDULE FORMING PART OF ACCOUNTS

SCHEDULE 1	31.03.2008	31.03.2007
SHARE CAPITAL :	(Rupees)	(Rupees)
Authorised Capital :		
10,00,00,000 Equity Shares of Face Value of Rs.2 /- Each (Authorised Capital has been raised from 120,00,000/- to 10,00,00,000/- Face value has been reduced from Rs 10/- to Rs 2/- per share)	200,000,000.00	120,000,000.00
Issued, Subscribed & Fully Paid Up :		
5,06,67,500 Equity shares of Rs 2/- each fully Paid Up	101,335,000.00	101,241,000.00
9400 Equity shares of Rs 10/- each Rs 5/- Paid Up (Note 1)	-	47,000.00
	101,335,000.00	101,288,000.00

Note-1

9300 Shares has been forfeited and reissued @ Rs.57 per share for Security Premium and Rs.10 per Equity Share Capital. Balance allotment money received on 100 shares.

SCHEDULE 2

RESERVES & SURPLUS :

(1) Securities Premium Account :

On 25,24,100 Shares @ 290 /- each	732,018,000.00		
Capital Reserves on Forefeiture & Reissue of 9300 Shares -Note2	515,100.00	732,533,100.00	733,352,000.00

(2) Profit & Loss Account :

Opening Balance	(229,893,631.19)		
Add : Profit for the year	28,285,501.48		
	(201,608,129.71)	(229,893,631.19)	
Foreign Fluctuation Reserve	(71,298.06)		(71,298.06)
Revaluation Reserve	966,567,934.00		978,759,034.00
TOTAL	1,497,421,606.23	1,482,146,104.75	

Note-2

Capital Reserve created on 9300 shares forfeited and reissued. Balance 100 shares partly Share Capital and Share Premium raised from Capital reserve.

SCHEDULE 3

SECURED LOAN :

Bank O/D with Central Bank of India

(1) A/c No. 305115 (Secured by hypothication of recievables and with collateral security of Office Premises) {Further secured by the personal guarantees of MR. Premkrishen Malhotra & Mr. Sunil Mehta(Directors)}	106,104,193.51	104,648,281.39
(2) A/c No. 305040 (Secured against Fixed Deposits)	9,695,699.06	10,255,960.37
(3) Car Loan from ICICI Bank	1,403,399.50	1,330,304.67
(4) Term Loan	14,505,457.50	11,964,638.00
(5) Car Loan from Citi Bank	260,412.55	393,572.55
(6) HDFC Auto Loan	2,454,019.43	795,856.09
TOTAL	134,423,181.55	129,388,613.07

SCHEDULE 4**UNSECURED LOANS :**

	31.03.2008	31.03.2007
	(Rupees)	(Rupees)
(a) From Directors	21,711,240.79	14,539,920.79
(b) From Others	42,724,761.00	29,377,858.00
TOTAL	64,436,001.79	43,917,778.79

SCHEDULE 5**GOODWILL ON CONSOLIDATION**

Of Cinevista Eagle Plus Media Pvt. Ltd.	14,352,869.76	14,352,869.76
Of Cinevista Studios Private Ltd.	7,302,180.17	7,302,180.17
Of Video Vista Inc.	1,020,711.00	1,020,711.00
	23,295,680.00	23,295,680.00

SCHEDULE 6 : Fixed Assets

DESCRIPTION OF ASSETS	RATE OF DEP.	Gross Block				Depreciation				Net Block	
		AS AT 01.04.2007	ADDITIONS IN THE YEAR	DEDUCTIONS	AS AT 31.03.2008	AS AT 01.04.2007	FOR THE YEAR	DEDUCTIONS	AS AT 31.03.2008	AS AT 01.04.2007	AS AT 31.03.2008
OFFICE PREMISES	0.05	67,767,538	36,132	21,459,339	46,344,331	5,571,906	870,955	1,549,122	4,693,739	62,195,632	41,650,592
FURNITURE	0.18	13,143,981	530,533	-	13,674,514	7,747,841	1,056,892	-	8,804,733	5,396,140	4,869,781
AIR CONDITIONER	0.14	8,618,430	666,303	-	9,284,733	4,041,276	648,834	-	4,690,110	4,577,154	4,594,623
COMPUTER	0.40	8,327,972	910,372	-	9,238,344	6,995,475	659,190	-	7,654,665	1,332,497	1,583,679
MOTOR CAR	0.26	19,817,727	4,038,339	99,000	23,757,066	15,223,137	1,511,467	73,203	16,661,401	4,594,590	7,095,665
AUTOMOBILE		11,618,690	872,838	-	12,491,527	6,496,950	631,727	-	7,128,676	5,121,740	5,362,851
LIGHT EQUIPMENTS	0.20	8,321,537	413,440	-	8,734,978	6,131,271	481,727	-	6,612,998	2,190,266	2,121,980
GODOWN	0.05	-	-	-	-	-	-	-	-	-	-
CAMERA	0.20	22,863,662	48,685	-	22,912,347	17,369,613	1,104,988	-	18,474,601	5,494,049	4,437,746
FAX MACHINE	0.14	327,779	-	-	327,779	249,302	10,945	-	260,247	78,477	67,532
OFFICE EQUIPMENTS	0.14	1,712,848	13,011	-	1,725,859	896,704	114,982	-	1,011,686	816,144	714,173
ELECTRICAL FITTINGS	0.14	96,767	260,694	-	357,461	775	34,080	-	34,855	95,992	322,606
EQUIPMENTS	0.20	55,113,460	6,393,301	-	61,506,761	37,452,000	3,818,405	-	41,270,405	17,661,460	20,236,356
TELEVISION	0.20	279,900	16,490	-	296,390	162,113	24,685	-	186,798	117,787	109,592
SOFTWARE	-	127,920,614	-	-	127,920,614	-	-	-	-	127,920,614	127,920,614
GENERATOR	0.20	742,085	-	-	742,085	491,743	50,206	-	541,949	250,342	200,136
LAND & BUILDING	0.05	1,053,223,652	332,647	-	1,053,556,299	22,116,173	-	-	22,116,173	1,031,107,479	1,031,440,126
SEWING MACHINE	0.14	7,329	13,250	-	20,579	3,679	717	-	4,396	3,650	16,183
SET	0.05	63,473,727	16,241,504	2,212,229	77,503,002	10,450,816	3,160,250	527,891	13,083,175	53,022,911	64,419,827
COSTUMES	0.14	7,316,577	489,918	-	7,806,495	2,617,377	692,666	-	3,310,043	4,699,200	4,496,452
		1,470,694,274	31,277,456	23,770,568	1,478,201,162	144,018,150	14,672,716	2,150,216	156,540,650	1,326,676,124	1,321,660,512

Schedule 7**INVESTMENTS****Long Term Investments (shares)**

	31.03.2008	31.03.2007
	(Rupees)	(Rupees)
Trade-Quoted		
(a) Silverline Technologies Ltd. (2000 Equity shares of Re. 1/- each fully paid up) (Market Value Rs. 22,400/-)	304,429.06	304,429.06
(b) Zee Telefilms Ltd. - Shares (5200 Equity shares of Re 1/- each fully paid up) (Market Value Rs.15,40,000)	2,790,293.00	2,790,293.00
Aggregate amount of quoted investment is Rs.30,94,722/- (Market value is Rs.15,62,400/-)		
Dynamic Fusion Private Limited (25100 Equity shares of Rs 10/- fully paid up)	251,000.00	251,000.00
Aggregate amount of unquoted investment is Rs. 2,51,000/-		
	3,345,722.06	3,345,722.06

SCHEDULE 8		31.03.2008	31.03.2007
CURRENT ASSETS, LOANS & ADVANCES		(Rupees)	(Rupees)
(1)	Inventories		
(a)	Stock in trade	133,640.00	
(b)	Work in progress	181,713,813.99	157,438,247.23
(2)	Sundry Debtors (Unsecured but considered good)		
(a)	Outstanding for a period exceeding six months	141,532,633.66	
(b)	Other debts	159,611,389.01	165,699,832.94
(3)	Cash balance on hand	1,279,996.87	
(4)	Bank balances (With Scheduled Banks)		
(a)	In Current Accounts	4,656,645.96	
(b)	Fixed Deposit Accounts	7,913,790.00	13,301,308.18
(5)	Loans and advances (Unsecured but considered good)		
(a)	Deposits	1,315,637.00	
(b)	Advance Taxes	20,214,184.78	
(c)	Other loans and advances.	21,057,657.35	
(d)	Loans and advances (Maximum amount due during the year Rs.15,00,000/-)	1,500,000.00	
(e)	Loan to Videovista.	60,109.00	
		-	
		44,147,588.13	36,856,380.29
		540,989,497.62	373,295,768.64
SCHEDULE 9		31.03.2008	31.03.2007
CURRENT LIABILITIES & PROVISIONS		(Rupees)	(Rupees)
Current Liabilities			
(1)	Sundry Creditors	59,238,180.13	41,484,843.97
(2)	Investor Education And Protection Fund (Unpaid Share Application Money due for refund)		
(3)	Advance from Debtors		
(4)	Other Liabilities	93,149,040.00	11,756,134.00
	TOTAL (I)	152,387,220.13	53,240,977.97
Provisions			
Provision for Tax			
(a)	Income Tax	846,870.00	5,157,965.00
(b)	Wealth Tax	88,404.00	31,484.00
	TOTAL (II)	935,274.00	5,189,449.00
	TOTAL (I) + (II)	153,322,494.13	58,430,426.97
SCHEDULE 10		31.03.2008	31.03.2007
DEFERRED TAX ASSETS (NET)		(Rupees)	(Rupees)
Deferred Tax Asset			
	Opening Balance	123,676,647.00	
	Add: i) Created during the year	(18,220,077.00)	
		105,456,570.00	123,676,647.00
Deferred Tax Liability			
	Opening Balance	(66,456,001.15)	
	Add: Created During the Year	3,834,920.00	
		(62,621,081.15)	(66,456,001.15)
		42,835,488.85	57,220,645.85

SCHEDULE 11	31.03.2008	31.03.2007
MISCELLANEOUS EXPENDITURE :	(Rupees)	(Rupees)
(To the extent not written off or adjusted)		
Deffered Cost of Production Garv	31,336,983.00	
Less: W/off during the year	12,525,600.00	31,336,983.00
	18,811,383.00	31,336,983.00

SCHEDULE 12	31.03.2008	31.03.2007
REALISATIONS	(Rupees)	(Rupees)
Serials	184,334,001.00	148,950,000.00
Sales by Video Vista Inc	19,423,118.88	18,153,756.09
Ad Films	7,665,000.00	-
Feature Film	-	12,575,000.00
Export Income	3,946,655.00	15,347,326.00
Service Tax Realised	14,754,763.00	-
Technical Services	20,521,498.00	-
	242,980,035.88	202,691,082.09

SCHEDULE 13	31.03.2008	31.03.2007
OTHER INCOMES :	(Rupees)	(Rupees)
Discount	1,701.00	10,876.00
Dividend On Shares	100.05	54.00
Exchange Rate Fluctuation	(333,770.80)	(40,439.23)
Share from Technical Services	184,700.00	6,278,735.00
Interest on Fixed Deposit	726,776.00	732,448.00
Interest on I. T. Refund	402,983.00	655.00
Interest on Term Deposit	-	
Interest of MSEB deposit	10,707.00	
Miscellaneous Income	114,490.00	87,260.00
Profit on sale of Office Premises	15,597,415.00	
Profit on sale of godown	-	9,878,054.00
Net profit on sale of Shares	-	
Net profit on sale of Motor Car	-	
Profit on sale of Fixed Asset	-	
Profit on Sale of Set Properties	760,039.00	
Sundry Creditors Written Off	110,168.30	9,416,964.69
Hire Charges	1,847,303.00	581,912.00
TOTAL	19,422,611.55	26,946,519.46

SCHEDULE 14	31.03.2008	31.03.2007
COST OF PRODUCTION	(Rupees)	(Rupees)
Serials	105,786,852.78	83,300,694.02
Service tax Paid	14,754,763.00	
Ad Films	9,195,767.13	
Cost of Sales	10,827,198.72	7,352,875.28
	131,368,814.50	99,849,336.43

SCHEDULE : 15

ADMINISTRATIVE & GENERAL EXPENSES.	31.03.2008	31.03.2007
A.G.M. Expenses	291,801.00	117,927.50
EGM Exps	248,592.10	
Application Fees	2,000.00	-
Bank Charges	581,369.27	553,107.16
Deffered Cost of Prodn Garv Exps	12,525,600.00	12,525,600.00
Directors Remuneration	3,000,000.00	2,500,000.00
Directors Sitting Fees	67,000.00	14,500.00
Electricity Expenses	4,133,400.94	2,842,631.00
Foreign Exchange Fluctuations	40,871.56	-
Freight & Courier	105,021.68	262,265.54
General Expenses	5,597,828.05	2,943,659.26
Insurance Expense	1,131,555.08	1,092,271.19
Interest	14,073.12	25,548.97
Motorcar Expenses	1,538,461.82	1,512,842.62
Printing & Stationary	361,492.80	257,538.67
Professional Charges	2,987,030.12	2,439,836.87
Rent, Rates & Taxes	906,626.88	1,983,330.93
Repairs & Maintenance	2,437,248.98	1,541,615.17
Salaries & Allowances	11,519,232.00	8,195,007.00
Selling & Distribution Expenses	1,785,323.62	1,315,355.02
Technical Charges	313,490.00	47,630.00
Telephone Expenses	1,661,672.29	1,558,008.61
Travelling & Conveyance	810,660.51	2,433,764.90
Audit Fees	71,236.00	76,854.00
Tax Audit Fees	40,000.00	40,000.00
Sundry Debtors Written Off	6,389,308.24	1,187,783.13
Loss on sale of Motor Car	16,425.00	-
Loss on sale of Fixed Asset	-	597,986.00
TOTAL	58,577,321.06	46,065,063.54

Consolidated Cash flow statement for the year ended March 31, 2008

Particulars	31.03.2008 (Rupees in '000)	31.03.2007 (Rupees in '000)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and extra ordinary items	28,285.50	85,888.18
Adjustments :		
Deffered Cost of Production of Garv	12,525.60	12,525.60
Deffered Tax Asset w/off	18,220.08	(36,084.84)
Foreign exchange difference	-	71.20
Deffered Tax Expenses	(3,834.92)	(5,828.88)
Depreciation	14,672.72	18,465.68
Profit on sale of Set	(760.04)	-
Loss on sale of Motor car	16.43	-
Profit on sale of Godown	-	(9,878.05)
Profit on sale of Office premises	(15,597.42)	-
Profit/ loss on sale of equipment	-	597.99
Interest Expenses	150.00	3,615.54
Interest on bank O/D	15,831.59	11,550.14
Interest income	(1,129.76)	(732.45)
Prior Period Item		39.83
Provision for Tax Written Off	(5,157.97)	-
Provision for Income tax	846.87	5,157.97
Provision for wealth tax	56.92	37.96
Sundry Debtors& under production Written Off	6,389.31	(290,424.54)
Sundry Creditors Written Off	(110.17)	(9,416.96)
Exchange Rate Fluctuation	374.64	40.44
Exchange Difference rectified	-	(129.15)
Dividend Received	(0.10)	(0.05)
	<u>42,493.78</u>	<u>(300,392.57)</u>
Operating Profit before working capital changes	70,779.28	(214,504.39)
Adjustments for working capital changes		
Inventories	(24,409.21)	146,305.64
Trade & Other Receivables	(140,745.11)	265,265.46
Trade Payable & Other Liabilities	<u>94,870.08</u>	<u>(70,284.24)</u>
		<u>(244,173.48)</u>
Cash generated from Operations	495.04	(47,106.77)
Direct Taxes Paid	(11,026.88)	(2,316.12)
Net Cash flow From Operating Activities	(10,531.85)	(49,422.89)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(31,277.46)	(10,030.21)
Sale of Fixed Assets	21,620.35	15,494.62
Interest income	1,129.76	732.45
Dividend Received	<u>0.10</u>	<u>0.05</u>
Net Cash used in Investing Activities	(8,527.24)	6,196.91

C. CASH FLOW FROM FINANCING ACTIVITIES

Prefrencial Capital Raised	4,386.27	
Share Capital received on reissue of forfeited shares	638.10	
Interest Expenses	(150.00)	(3,615.54)
Interest on bank O/D	(15,831.59)	(11,550.14)
Secured Loans received	3,436.47	16,383.49
Unsecured Loans received	25,530.83	17,017.71
ICICI car loan	73.10	(909.84)
Citi car loan	(133.16)	393.57
HDFC Auto loan	1,860.00	
HDFC car loan	(201.84)	795.86
Cash used in Financing Activities	19,608.18	18,515.11
Net Increase/(decrease) in cash and cash equivalents		
(A) + (B) + (C)	549.09	(24,710.87)
Cash & Cash Equivalents as on 01.04.2006	13,301.34	38,012.21
Cash & Cash Equivalents as on 31.03.2007	13,850.43	13,301.34

**FOR VIMAL PUNMIYA & CO.
Chartered Accountants**

FOR AND ON BEHALF OF THE BOARD

**Vimal C. Punmiya
(Proprietor)**

**PREM KRISHEN MALHOTRA
(Chairman)**

**SUNIL MEHTA
(Managing Director)**

**Place: Mumbai
Date: 30.06.2008**

**SULOCHANA TALREJA
(Director)**

**SANDHYA MALHOTRA
(Company Secretary)**

AUDITORS' CERTIFICATE

We have examined the attached cash flow statement of **M/s Cinevistaas Limited** for the year ended 31st March, 2008. The statement has been prepared by the company in accordance with the requirements of listing agreements of the various Stock Exchanges and is based on and is in agreement with the corresponding Profit & Loss Account & the Balance Sheet of the Company covered by our report of even date to the members of the Company.

**FOR VIMAL PUNMIYA & CO.
Chartered Accountants**

STATEMENT PURSUANT TO SECTION 212 (3) OF THE COMPANIES ACT, 1956

Name of the Subsidiary Companies	Extent of Interest in the Subsidiary at the end of Financial year of the Subsidiary			Net aggregate amount of the Subsidiary's profit after deducting its losses or vice-versa (so far as it concerns members of the Holding Company) with in Holding (Losses) provided for profits/(losses) not dealt or profit dealt with Company's Accounts in the Holding Company's Accounts	
	Subsidiary's Financial year ended on	No. of shares held	% of total paid-up capital		
1. Cinevista Studios Pvt. Ltd.	31-03-2008	49,990	100%	(Rs.16,942,912)	-
2. Cinevista Eagle Plus Media Pvt. Ltd.	31-03-2008	548,365	67%	(Rs.24,023,999)	-
3. Video Vista Inc.	31-12-2007	353	100%	(US\$ 3,33,666)	-

Note: (a) There has been no change in the Holding Company's Interest in any of the Subsidiaries between the end of the financial year of the Subsidiaries and the end of the financial year of the Holding Company
 (b) No material changes have occurred between the end of the financial year of the Subsidiaries and the Holding Company's financial year in respect of the Subsidiaries (i) fixed assets (ii) investments (iii) moneys lent and (iv) moneys borrowed for any purpose other than that of meeting current liabilities.

**Place: Mumbai
Date: 30.06.2008**

**PREM KRISHEN MALHOTRA
(Chairman)
SULOCHANA TALREJA
(Director)**

**SUNIL MEHTA
(Managing Director)
SANDHYA MALHOTRA
(Company Secretary)**

SCHEDULE ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2008:

SCHEDULE 16 :

SIGNIFICANT ACCOUNTING POLICIES

1. Basis Of Presentation / Accounting:

The consolidated financial statements are prepared under historical cost convention, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956, with revenues recognised and expenses accounted on accrual basis unless otherwise stated and dividend on investments is accounted for on cash basis except in the case of Video Vista Inc. wherein the basis of accounting and presentation is as per the laws prevalent in the country of incorporation.

2. Fixed Assets:

Fixed Assets are stated at cost less depreciation. Costs include cost incidental to and / or installation expenses incurred in putting the assets for its intended use.

3. Investments:

Long term investments are stated at cost.

4. Depreciation:

The Companies provides for depreciation on the Fixed Assets at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 on Written Down Value Method and depreciation on additions to assets during the year is provided on a proportionate basis except in the case of Video Vista Inc. incorporated in the United States of America which provides for depreciation as per the laws prevailing in the respective country.

5. Inventories:

Inventories are valued at weighted average cost as permissible under the Accounting Standard 2 (AS-2) " Valuation Of Inventories " issued by the council of The Institute Of Chartered Accountants Of India. However due to the nature of business the foreign subsidiary holds no stock.

6. Revenue Recognition :

In respect of serials, income is recognised in the Profit & Loss Account as and when the relevant programme or the episode is telecast.

In respect of export of serials, income is recognised in Profit & Loss Account only when the relevant serials are delivered to and accepted by the buyers and all the significant risks and rewards of telecasting rights of programme have been transferred to the buyers.

In respect of Ad Films, income is recognised when the completed commercial cassettes is delivered to the buyer.

7. Contingent Liabilities:

Contingent liabilities in respect of show cause notices received are considered only when they are converted in to demands.

8. Foreign Currency Transactions:

Foreign Currency transactions are accounted for at the exchange rates prevailing on the date of the transactions. Foreign currency receivables & payables are valued at the closing price at the year end.

9. Miscellaneous Expenditure:

Preliminary Expenses:

Preliminary expenses incurred before 1st April, 1998 are being written off equally over a period of ten years. Preliminary Expenses incurred after 31st March, 1998 are amortised in five equal instalments over the years. Preliminary expenses of Video Vista Inc. are not written off during the year as permitted by the Generally Accepted Auditing Standards of the American Institute of Certified Public Accountants.

Deferred Revenue Expenses:

Production cost of T.V. Serial's telecast is deferred, wherever ownership and other copyrights are with the company. This deferred expenditure is written off over the estimated useful life of T. V. Serials as estimated by the management.

From the deferred Revenue Expenditure, Production Cost of Serials, the Production / Telecast of which has been discontinued are transferred to Fixed Assets under the head 'Software'. No depreciation has been charged on software.

For the purpose of taxation the Production Cost are treated as revenue expenses, as per the legal opinion obtained by the company.

NOTES TO ACCOUNTS:

1. The Consolidated Financial Statements include results of all the subsidiaries of Cinevistaas Limited (Formerly known as Cinevista Communication Limited). The names, country of incorporation or residence, proportion of ownership interest is as under :

<u>Name of the Company</u>	<u>Country of Incorporation</u>	<u>% shareholding of Cinevistaas Limited</u>
Cinevista Eagle Plus Media Pvt. Ltd.	India	67%
Video Vista Inc.	U. S. A.	100%
Cinevista Studios Pvt. Ltd.	India	99.99%

2. Notes to these Consolidated Financial Statements are intended to serve as a mean of informative disclosure and a guide to better understanding of the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such Notes from the individual financial statements, which fairly present the needed disclosures. Practical considerations and lack of homogeneity made it desirable to exclude Notes to account, which, in the opinion of the Management, could be viewed, when referred from the individual financial statements, and therefore, such notes have been cross-referenced therein for easier access.
3. Consolidated financial statements have been prepared substantially in the same format as adopted by the parent to the extent possible, as required by Accounting Standard AS-21 "Consolidated Financial Statements: issued by ICAI.
4. Significant Accounting Policies followed by each of the Consolidated companies are annexed to their Respective accounts. Reference is invited to Note 1 in Schedule 15 of Cinevistaas Limited, Note 1 of Schedule H of Cinevista Eagle Plus Media Pvt. Ltd. ,Note 1 of Schedule H of Cinevista Studios Pvt. Ltd
5. Related Party Disclosures :

Since Consolidated financial statements present information about the holding and its subsidiaries as a single reporting enterprise, it is unnecessary to disclose intra-group transactions.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.	11-107871	State Code	11
Balance Sheet Date	31-03-2008		

II. Capital raised during the year (Amount Rs. in 000's)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds (Amount Rs. in 000's)

Total Liabilities	1797616	Total Assets	1797616
-------------------	---------	--------------	---------

Sources of Funds

Paid-up Capital	101335	Reserves & Surplus	1497422
Secured Loans	134423	Unsecured Loans	64436

Application of Funds

Net Fixed Assets	1321661	Investments	3346
Accumulated Losses	NIL	Misc. Expenditure	18811

IV. Performance of Company (Amount Rs. in 000's)

Turnover (including other income)	262403	Total Expenditure	221486
Profit / (Loss) Before Tax	40916	Profit / (Loss) After Tax	28286

Earning per share in Rs.	0.56	Dividend Rate	NIL
--------------------------	------	---------------	-----

V. Generic Names of Three Principal Products of the Company

Product Description	Media Software	Item Code	Not Alloted
---------------------	----------------	-----------	-------------

DIRECTORS REPORT TO THE MEMBERS OF CINEVISTA STUDIOS PRIVATE LIMITED

Your Directors present the Eighth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2008.

Operations

There were no operations during the year under review.

Directors

One-third of the directors are liable to retire by rotation in accordance with the provisions of Section 256 of the Companies Act, 1956. Accordingly, Shri Prem Krishen Malhotra retires by rotation in the forthcoming Annual General Meeting and being eligible offers himself for reappointment.

Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility statement, it is hereby confirmed:

- (i) that in the preparation of the accounts for the financial period ended 31st March, 2008, the applicable accounting standards have been followed;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were 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 or loss of the Company for the year under review;
- (iii) that the Directors 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 the company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the accounts for the financial year ended 31st March, 2008, on a 'going concern' basis.

Personnel

The Company has not paid any remuneration attracting the provisions of Companies (Particulars of Employees) Rules, 1975 read with Section 217(2A) of the Companies Act, 1956. Hence, no information is required to be appended to this report in this regard.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Considering the nature of business of the company there are no particulars to be furnished in this report as required under Section 217(1)(e) of the Companies Act, 1956, relating to conservation of energy and technology absorption. There are no foreign exchange earnings during the year. The Foreign exchange outgo during the year under review is NIL.

Deposits

The Company has not accepted any deposits from the public during the year within the meaning of section 58A of the companies Act, 1956, read with companies (Acceptance of Deposits) Rules, 1975.

Auditors

M/s Sarath & Associates, Chartered Accountants being auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and is eligible for reappointment. The Company has received communications from M/s Sarath & Associates, Chartered Accountants that if they are appointed as auditors, it would be within the prescribed limits under Section 224(1-B) of the Companies Act, 1956.

Acknowledgement

Your Directors wish to place on record their immense appreciation for the assistance and co-operation received from various Statutory Authorities.

For and on behalf of the Board.

Sd/-

SUNIL MEHTA}Director

PREM KRISHEN MALHOTRA}Director

Place: Mumbai.

Dated : 22nd May 2008

Dated : 29th June, 2007

**SARATH & ASSOCIATES
CHARTERED ACCOUNTANTS**

AUDITORS' REPORT

TO THE MEMBERS OF CINEVISTA STUDIOS PRIVATE LIMITED

1. We have audited the attached Balance Sheet of Cinevista Studios Private Limited as at 31st March, 2008 and also Profit & Loss Account 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.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as considered appropriate and according to the information and explanations given to us during the course of our audit, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. **Further to our comments in the Annexure referred to above, we report that:**
 - (i) 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.
 - (ii) 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.
 - (iii) The Balance Sheet and Profit and Loss Account dealt with by this Report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (v) On the basis of written representations received from the directors, as on 31st March, 2008, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2008, from being appointed as directors in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss Account read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
 - i) in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March 2008, and
 - ii) in so far as it relates to the Profit and Loss Account, of the 'Loss' of the Company for the year ended on that date.

**For SARATH & ASSOCIATES
CHARTERED ACCOUNTANTS**

**Place : Mumbai.
Date : 22-05-2008**

**R. LAKSHMI RAO
PARTNER**

**SARATH & ASSOCIATES
CHARTERED ACCOUNTANTS**

Annexure to Auditors' Report

Referred to in Paragraph 3 of our Report of even date.

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) According to information and explanations given to us, the fixed assets have been physically verified by the management at the year end and no material discrepancies were noticed on such verification.
- (c) In our opinion, the company has disposed off substantial part of fixed assets during the year however the going concern status of the company is not affected.
- (ii) (a) As there are no inventories, reporting on the physical verification of inventories does not arise.
- (b) As there are no inventories, reporting on the procedures of physical verification of inventories does not arise.
- (c) As there are no inventories, reporting on maintaining records, material discrepancies etc. does not arise.
- (iii) (a) The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the Act except business advance from its holding company and the maximum amount outstanding at any time during the year is Rs 1,73,09,501/- (previous year: Rs.2,29,96,139/-) and closing balance as on 31-03-2008 is Rs.1,72,64,182/- (previous year: Rs.1,72,95,505/-). The company has not granted any loans secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Act.
- (b) The terms and conditions of the business advance taken by the company are prima facie not prejudicial to the interests of the company.
- (c) There are no stipulations as to repayment of principal amount and interest and as such there is no specific comment to be made in this regard.
- (d) In the absence of any specific stipulation as to the repayment of principal amount and interest, the question of reporting whether reasonable steps have been taken by the company for repayment of loans and advances does not arise.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of fixed assets and there are no purchase of inventories and sale of goods. During the course of our audit, we have not observed any major weakness in internal controls.
- (v) (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements, that needed to be entered in to the register maintained under section 301 of the Companies Act, 1956, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contracts and arrangements entered in the register maintained under section 301 of the Companies Act, 1956, aggregating during the year to Rs.5,00,000/- (Rupees Five Lakhs Only) or more were made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from public and consequently the directives issued by Reserve Bank of India and the provisions of section 58A and 58AA of the Act and rules framed there under are not applicable.
- (vii) As the paid up capital and reserves net of accumulated losses is not exceeding Rs.50 lakhs at the commencement of the financial year or average annual turnover not exceeding five crore rupees for a period of three consecutive financial years immediately preceding the financial year, the internal audit system is not applicable to the company.
- (viii) We have been informed that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
- (ix) (a) According to the records of the company, undisputed statutory dues including income tax, service tax, TDS and other material statutory dues have been generally deposited with the appropriate authorities except service tax amounting to Rs.26,740/- outstanding as on 31-03-2008 which was since then deposited within the stipulated time.
- (b) According to the information and explanations given to us there were no disputed amounts payable in respect of income tax/sales tax/wealth tax/service tax/customs duty/excise duty/cess and other material statutory dues.
- (x) The company has been registered for a period of not less than five years (date of incorporation 28.07.2000) and its accumulated losses for financial year ended 31.03.2008 is Rs 1,70,41,856/- which is more than fifty percent of it's net worth and in the financial year immediately preceding such financial year.

- (xi) As the company did not avail of any facilities from financial institutions, banks or debenture holders, the reporting on default in repayment of dues etc., does not arise.
- (xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003, is not applicable to the company.
- (xiv) In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments. Therefore, clause 4(xiv) of the Companies (Auditor's Report) Order, 2003, is not applicable to the company.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore, clause 4(xv) of the Companies (Auditor's Report) Order, 2003, is not applicable to the company.
- (xvi) In our opinion and according to the information and explanations given to us, the company has not obtained any term loans. Therefore, clause 4(xvi) of the Companies (Auditor's Report) Order, 2003, is not applicable to the company.
- (xvii) In our opinion and according to the information and explanations given to us, there are no funds raised during the year on short term basis, which have been used for long term investment and vice-versa. Therefore, clause 4(xvii) of the Companies (Auditor's Report) Order, 2003, is not applicable to the company.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, clause 4(xviii) of the Companies (Auditor's Report) Order, 2003, is not applicable to the company.
- (xix) The company has not issued any debentures. Therefore, clause 4(xix) of the Companies (Auditor's Report) Order, 2003, is not applicable to the company.
- (xx) The company has not raised any money by way of public issue during the year. Therefore, clause 4 (xx) of the Companies (Auditor's Report) Order, 2003, is not applicable to the company.
- (xxi) In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year. Therefore, clause 4(xxi) of the Companies (Auditor's Report) Order, 2003, is not applicable to the company.

**For SARATH & ASSOCIATES
CHARTERED ACCOUNTANTS**

**Place : Mumbai.
Date : 22-05-2008**

**R. LAKSHMI RAO
PARTNER**

Balance Sheet as at 31st March, 2008

	Schedule	As At 31.03.2008 Rupees	As At 31.03.2007 Rupees
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	500,500	500,500
Loan Funds			
Unsecured Loans	B	17,264,182	17,295,505
Deferred Tax Liability (Net)		2,071,047	2,071,047
Total		19,835,729	19,867,052
APPLICATION OF FUNDS			
Fixed Asset			
Gross Block	C	3,516,035	3,516,035
Less : Depreciation		2,000,981	1,622,218
Net Block		1,515,054	1,893,817
Current Assets, Loans and Advances			
A) Current Assets			
B) Loans and Advances	D	1,043,524	1,018,618
		90,861	74,662
		1,134,385	1,093,280
Less : Current liabilities and Provisions			
A) Current Liabilities			
B) Provisions	E	40,266	62,957
		-	-
		40,266	62,957
Net Current Assets (D - E)		1,094,119	1,030,323
Profit and Loss Account		17,226,556	16,942,912
TOTAL		19,835,729	19,867,052
Notes on Accounts & Accounting Policies			
AS PER OUR REPORT OF EVEN DATE ATTACHED.			
For SARATH & ASSOCIATES. CHARTERED ACCOUNTANTS. R.LAKSHMI RAO PARTNER Mumbai. Dated : 22-05-2008	(SUNIL MEHTA) DIRECTOR	For and on behalf of the Board. (PREMKRISHEN MALHOTRA) DIRECTOR	

Profit and Loss Account for the year ended 31st March, 2008

	SCHEDULE	Current Year Ended 31.03.2008 Rupees	Current Year Ended 31.03.2007 Rupees
INCOME			
Technical Service Charges		123,133	205,388
Sundry Balances Written Back		-	19,316
Miscellaneous Income		-	13,753
TOTAL		123,133	238,457
EXPENDITURE			
1. Administrative and Other Expenses	F	28,014	1,856,002
2. Depreciation		378,763	666,162
TOTAL		406,777	2,522,164
Net Profit / (Loss) for the year carried down		(283,644)	(2,283,707)
Provision for Deferred Tax			-
Provision for Tax			-
Deficit brought forward from previous year		16,942,912	14,659,205
Deficit carried to Balance Sheet		17,226,556	16,942,912
Notes on Accounts & Accounting Policies			
AS PER OUR REPORT OF EVEN DATE ATTACHED.			
For SARATH & ASSOCIATES. CHARTERED ACCOUNTANTS. R.LAKSHMI RAO PARTNER Mumbai. Dated : 22-05-2008	(SUNIL MEHTA) DIRECTOR	For and on behalf of the Board. (PREMKRISHEN MALHOTRA) DIRECTOR	

Cinevista Studios Pvt. Ltd.

SCHEDULE ATTACHED TO AND FORMING THE PART OF THE BALANCE SHEET AS AT 31 MARCH, 2008

	As At 31.03.2008 Rupees	As At 31.03.2007 Rupees
SCHEDULE 'A'		
SHARE CAPITAL		
Authorised Capital :		
50,00,000 Equity shares of Rs. 10/- each	50,000,000	50,000,000
Issued, Subscribed and paid up capital :		
50,050 Equity shares of Rs. 10/- each fully paid up in cash (Previous year 50,050 Equity shares of Rs 10/- each fully paid up in cash)	500,500	500,500
TOTAL	500,500	500,500
SCHEDULE 'B'		
UNSECURED LOANS :		
From Others		
Business Advance from Holding Company : Cinevistaas Limited	17,264,182	17,295,505
TOTAL	17,264,182	17,295,505
SCHEDULE 'D'		
CURRENT ASSETS, LOANS AND ADVANCES		
A) Current Assets		
1. Sundry Debtors : (Unsecured Considered Good)		
More than six months	698,374	778,287
Others	46,782	8,000
	745,156	786,287
2. Cash in hand	291,322	194,640
3. Central Bank of India, Mumbai.	7,046	37,691
TOTAL (A)	1,043,524	1,018,618
B) Loans & Advances (Unsecured Considered Good)		
1. TDS Prof. Fees A.Y. 2006-07	52,968	52,968
2. TDS Prof. Fees A.Y. 2007-08	21,694	21,694
3. TDS Prof. Fees A.Y. 2008-09	16,199	-
TOTAL (B)	90,861	74,662
TOTAL (A + B)	1,134,385	1,093,280
SCHEDULE 'E'		
CURRENT LIABILITIES AND PROVISIONS :		
A) Current Liabilities :		
1. Service Tax	26,740	39,267
2. Sarath & Associates (Auditors Remuneration)	11,236	23,690
3. Klassik	1,560	
4. M.T.N.L	730	
TOTAL (A)	40,266	62,957
B) Provisions :		
Provision for Income Tax		-
TOTAL (B)	-	-
TOTAL (A + B)	40,266	62,957
SCHEDULE 'F'		
ADMINISTRATIVE & OTHER EXPENSES		
Bank Charges and Interest	463	1,274
Conveyance	14	-
Discount	-	4,387
Filing Fees	1,084	1,000
Insurance Expenses	-	20,348
Interest on T D S	-	195
Interest on Service Tax	597	-
Loss on Sale of Camera & Equipment Accessories	-	597,986
Membership & Subscription	1,200	1,200
Miscellaneous Expenses	-	1,236
Printing & Stationary	1,560	-
Telephone Expenses / Mobile Expenses	1,910	-
Technical Service Charges	6,354	27,130
Wages to Contract Labour Contractors	-	138,855
Auditors Remuneration	11,236	16,854
Sundry Balance Written off	3,596	1,045,537
TOTAL	28,014	1,856,002

SCHEDULE 'C'

FIXED ASSETS

Particulars	Rate (%)	Gross Block				As at 3/31/08	Depreciation				Net Block As at 31.03.2007	
		As at 31-Mar-07	Additions During the year	Deduction / Sale	Prior Period Adjustments		As at 31.03.2007	For the Year	Deduction / Sale	As at 31.03.2008		As at 3/31/08
		Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Camera Equipments & Accessories	20%	3,516,035	-	-	-	3,516,035	1,622,218	378,763	-	2,000,981	1,515,054	1,893,817
TOTAL		3,516,035	-	-		3,516,035	1,622,218	378,763	-	2,000,981	1,515,054	1,893,817
Previous Year		6,753,548	-	5,599,631	2,362,118	3,516,035	2,595,583	666,162	1,639,527	1,622,218	1,893,817	4,157,965

Depreciation on Fixed Assets has been provided on prorata basis under the Written Down Value Method at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

SCHEDULE 'G'

Notes on Accounts & Accounting Policies :-

1. Significant Accounting Policies :-

- a) **Basis of Preparation of Financial Statements**
 - i) The financial statement have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956.
 - ii) The company follows mercantile system of accounting and maintains the accounts on accrual basis.
- b) **Fixed Assets and Depreciation**
 - i) Fixed Assets are stated at cost of acquisition less depreciation. Cost include cost incidental to and/ or installation expenses incurred in putting the assets for its intended use.
 - ii) Depreciation is provided on the written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, on pro rata basis.
- c) **Investments**

There are no Investments.
2. Previous years figures are regrouped, rearranged and reclassified wherever necessary.
3. All the balances are taken as per books of accounts and are subject to confirmations.
4. There are no employees drawing remuneration attracting the provisions of Companies (Particulars of Employees) Rules, 1975 read with Section 217(2A) of the Companies Act, 1956.
5. No Provisions is required for deferred tax liability as per AS-22 Accounting for taxes on income. No provision has been made for deferred tax asset as there is no reasonable certainty that sufficient further taxable income will be available against which deferred tax asset can be realised.
6. Related party disclosures (AS-18) :

Related party disclosures as required under Accounting standard on " Related party disclosures" issued by ICAI are given below:

 - a) Relationship:

Holding company:
Cinevistaas Limited.

Key management personnel:
Mr. Sunil Mehta
Mr Premkrishen Malhotra
 - b) The following transactions were carried out with related parties in the ordinary course of business:
 - i) Repayment of Business advance to Cinevistaas Ltd: Rs 31,323/- (Holding company) (Net)
 - ii) Techincal service charges paid to Cinevistaas Ltd : Rs 1,84,700/- (Holding company)
7. Auditor's Remuneration

Audit Fees Rs.11,236 /- (Rs.16,854/-)
8. No provision for taxation has been made as per Income tax Act during the year under review in view of loss.
9. There are no contingent liabilities during the year.
10. There are no foreign exchange earnings or outgo during the year.
11. All the figures have been rounded off to the nearest rupee.
12. The information required under paragraphs 3 and 4 of Schedule VI of the Companies Act are given to the extent applicable.

13. Balance Sheet Abstract and Company's General Business Profile :

1. Registration Details :

Registration No.	11-127979
State Code	11
Balance Sheet Date	31.03.2008

2. Capital raised during the year : (Amount in Rs. Thousands)

Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement	NIL

3. Position of mobilisation and deployment of funds : (Amount in Rs. Thousands)

Total Liabilities	19,836
Total Assets	19,836

Sources of Funds :

Paid-up-Capital	501
Reserve and Surplus	NIL
Secured Loans	NIL
Unsecured Loans	17,264
Deffered Tax Liability (Net)	2,071

Application of funds :

Net Fixed Assets	1,515
Investments	NIL
Net Current Assets	1,094
Miscellaneous	NIL
Expenditure	
Accumulated Losses	17,227

4. Performance of Company : (Amount in Rs. Thousands)

Turnover	123
Total Expenditure	407
Profit /(Loss) before tax	(284)
Profit /(Loss) after tax	(284)
Earnings per Share (Rs.)	NIL
Dividend Rate (%)	NIL

5. Generic names of three principal products, services of the Company (Amount in Rs. Thousands) :

Item Code No.	Not Alloted
Product Description	Media Software

AS PER OUR REPORT OF EVEN DATE ATTACHED.
For SARATH & ASSOCIATES

For and on behalf of the Board.

CHARTERED ACCOUNTANTS.
R.LAKSHMI RAO
PARTNER
Mumbai.
Dated : 22-05-2008

(SUNIL MEHTA)
DIRECTOR

(PREMKRISHEN MALHOTRA)
DIRECTOR

DIRECTORS REPORT TO THE MEMBERS OF CINEVISTA EAGLE PLUS MEDIA PRIVATE LIMITED

Your Directors present the Eighth Annual Report together with the Audited Statement of Accounts for the period ended 31st March, 2008.

Operations

There was no operation during the year under review.

Directors

One-third of the directors are liable to retire by rotation in accordance with the provisions of Section 256 of the Companies Act, 1956. Accordingly, Shri Sunil Mehta retires by rotation in the forthcoming Annual General Meeting and being eligible offers himself for reappointment.

Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility statement, it is hereby confirmed:

- (i) that in the preparation of the accounts for the financial period ended 31st March, 2008, the applicable accounting standards have been followed;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 period and of the profit or loss of the Company for the period under review;
- (iii) that the Directors 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 the company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the accounts for the financial period ended 31st March, 2008, on a 'going concern' basis.

Personnel

The Company has not paid any remuneration attracting the provisions of Companies (Particulars of Employees) Rules, 1975, read with Section 217(2A) of the Companies Act, 1956. Hence, no information is required to be appended to this report in this regard.

Secretarial Compliance Certificate

In accordance with the provisions of Section 383A of the Companies Act, 1956, a certificate from Company Secretary in practice is given in the Annexure and forms part of this Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Considering the nature of business of the company there are no particulars to be furnished in this report as required under Section 217(1)(e) of the Companies Act, 1956, relating to conservation of energy and technology absorption. There were no foreign exchange earnings or outgo during the period.

Deposits

The Company has not accepted any deposits from the public during the year within the meaning of Section 58A of the companies Act, 1956, read with companies (Acceptance of Deposits) Rules, 1975.

Auditors

M/s Sarath & Associates, Chartered Accountants being auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and is eligible for reappointment. The Company has received communications from M/s Sarath & Associates, Chartered Accountants that if they are appointed as auditors, it would be within the prescribed limits under Section 224(1-B) of the Companies Act, 1956.

Acknowledgement

Your Directors wish to place on record their immense appreciation for the assistance and co-operation received from various Statutory Authorities.

For and on behalf of the Board
(SUNIL MEHTA) Director
(PREM KRISHEN MALHOTRA) Director

Place: Mumbai
Date: 22nd May, 2008

Compliance Certificate

U/S 383A of the Companies Act, 1956 & Rule 3 of the Companies (Compliance Certificate) Rules, 2001

To
The Members,
CINEVISTA EAGLE PLUS MEDIA PRIVATE LIMITED

Nominal Capital : 15,000,000/-
Registration No. : 11- 129460
(31/03/2008)

I have examined the registers, records, books and papers of **CINEVISTA EAGLE PLUS MEDIA PRIVATE LIMITED** (the Company) as required to be maintained under the Companies Act 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2008**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.

Cinevista Eagle Plus Media Pvt. Ltd.

2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director Central Government, Company Law Board or authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company being a private limited company has the minimum prescribed paid up capital and its maximum number of members during the said financial year was **6** excluding its present and past employees and the Company during the year under scrutiny:
 - (a) has not invited public to subscribe for its shares or debentures; and
 - (b) has not invited or accepted any deposits from person other than its members, director or their relatives.
4. The Board of Directors duly met **5** times on **06.05.2007, 29.06.2007, 28.09.2007, 27.12.2007 and 26.03.2008** in respect of which meetings proper notice were given and the proceedings were properly recorded and signed including the circular resolution passed in the minutes books maintained for the purpose.
5. The Company has not closed its Register of Members or Debenture holders during the financial year.
6. The Annual General Meeting for the year ended on **31.03.2007** was held on **30.09.2007** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes book maintained for the purpose.
7. **No** extraordinary general meeting was held during the financial year.
8. The Company being a Private limited, the Provision of Section 295 of the Act is not applicable.
9. The Company has duly complies with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The Company was not required to make any entries in the register maintained under section 301 of the Act.
11. There were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. No duplicate Share Certificates were issued during the year under review.
13.
 - i. There was no Allotment, Transfer and/or Transmission of securities during the financial year.
 - ii. The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - iii. The Company was not required to post warrants to any members of the Company as no dividend was declared during the financial year.
 - iv. The Company was not required to transfer any amount to Investor Education & Protection Fund.
 - v. The Company has duly complied with the requirements of section 217 of the Act regarding Board's report.
14. The Board of Directors of the company is duly constituted and there was no appointment of Directors/additional Director and alternate Directors to fill casual vacancies during the financial year.
15. The Company being Private Company provisions of section 269 of the Act with regard to appointment of Managing Director/ Whole-time Director/ Manager is not applicable.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities prescribed under the various provisions of the Act during the year.
18. The Directors have disclosed their interest in other Firms and Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any Shares / Debentures /other securities during the financial year
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of Preference Shares or Debentures during the financial year.
22. There were no transactions, which required the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A and 58AA of the Act during the financial year.
24. The Company, being a Private Company, the Provisions of Section 293 (1) (d) of the Act are not applicable.
25. The Company has not made any loans and investments or given guarantees or provided securities to other bodies corporate during the financial year and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to Situation of the Company's registered office from one state to another during the financial year.
27. The Company has not altered the provisions of the Memorandum with respect to the Objects of the Company during the financial year.
28. The Company has not altered the provisions of the memorandum with respect to name of the company during the financial year.
29. The Company has not altered the provisions of the memorandum with respect to Share Capital of the company during the financial year.
30. The company has not altered its Articles of Association during the financial year.
31. There were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment imposed on the company during the year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The provisions of provident fund rules are not applicable to the company during the financial year.

Place: Mumbai
Date : 22.05.2008
C.P.No.

Signature :
Name of Company Secretary : Pramod S. Shah
: 3804

Annexure A

The Company has been maintaining the statutory records such as:

- | | |
|---|-----------------------------|
| 1) Minutes Book (Board Meeting) | 2) Minutes Book (AGM & EGM) |
| 3) Register of Member. | 4) Register of Director. |
| 5) Register of Director's shareholding. | 6) Register of Assets. |
| 7) Register of Investment. | 8) Register of Charges. |
| 9) Register of Contracts. | |

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on **31st March,2007**.

Sr. No.	Form No.	Filed u/s	For	Filed on
1	Balance Sheet	220	31.03.2007	18.10.2007
2	Annual Return	159	30.09.2007	18.10.2007
3	Secretarial Compliance Report	383A	31.03.2007	18.10.2007

SCHEDULE 'F'

Notes on Accounts & Accounting Policies :-

1. Significant Accounting Policies :-

- a) **Basis of Preparation of Financial Statements**
 - i) The financial statement have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956.
 - ii) The company follows mercantile system of accounting and maintains the account on accrual basis.
- b) **Fixed Assets and Depreciation**
 - i) Fixed Assets are stated at cost of acquisition less depreciation. Cost include cost incidental to and / or installation expenses incurred in putting the assets for its intended use.
 - ii) Depreciation is provided on the written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, on pro rata basis.
- c) **Investments**
There are no Investments.
2. Previous year's figures are regrouped, rearranged and reclassified wherever necessary.
3. The balances in Current Assets, Current Liabilities, and Unsecured loans are taken as per books of accounts and are subject to confirmations.
4. No provision is required for deferred tax liability as per AS 22- Accounting for taxes on income. No provision has been made for deferred tax asset as there is no reasonable certainty that sufficient future taxable income will be available against which deferred tax asset can be realised.
5. Related Party disclosures (A.S. 18)
Related party disclosures as required under Accounting Standard on related party disclosures issued by ICAI are given below:
 - (a) Relationship:
Holding Company:
Cinevistaas Limited.
Key Management Personnel:
Mr.Sunil Mehta.
Mr.Premkrishen Malhotra.
 - (b) The following transactions were carried out with related parties in the ordinary course of business:
Repayment of Business Advance to Cinevistaas Ltd.(Holding Company): **Rs.2,840/-**.
6. Auditors Remuneration:
Audit Fees Rs. NIL (Rs. Nil)
7. There are no employees drawing remuneration attracting the provisions of Companies (Particulars of Employees) Rules, 1975 read with Section 217(2A) of the Companies Act, 1956.
8. There are no contingent liabilities during the year.
9. There are no foreign exchange earnings or outgo during the year.
10. No provisions for taxation has been made during the year under review in view of loss.
11. All the figures have been rounded off to the nearest rupee.
12. The information required under paragraphs 3 and 4 of Schedule VI of the Companies Act are given to the extent applicable.

AUDITORS' REPORT

TO THE MEMBERS OF CINEVISTA EAGLE PLUS MEDIA PRIVATE LIMITED

1. We have audited the attached Balance Sheet of Cinevista Eagle Plus Media Private Limited as at 31st March, 2008 and also Profit & Loss Account 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.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company as considered appropriate and according to the confirmation and explanation given to us during the course of our audit, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) 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.
 - (ii) 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.
 - (iii) The Balance Sheet and Profit and Loss Account dealt with by this Report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (v) On the basis of written representations received from the directors, as on 31st March, 2008, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2008, from being appointed as directors in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss Account read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
 - i) In so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March 2008, and
 - ii) In so far as it relates to the Profit and Loss Account, of the 'Loss' of the Company for the year ended on that date.

**FOR SARATH & ASSOCIATES
CHARTERED ACCOUNTANTS**

**Place : Mumbai.
Date : 22-05-2008**

**R. LAKSHMI RAO
PARTNER**

Cinevista Eagle Plus Media Pvt. Ltd.

Balance Sheet as at 31st March, 2008

		As At 31st March,2008 Rupees	As At 31st March,2007 Rupees
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	8,184,850	8,184,850
Loan Funds			
Unsecured loans	B	13,655,218	13,647,378
Deffered Tax Liability (Net)		3,088	3,088
TOTAL		21,843,156	21,835,316
APPLICATION OF FUNDS			
Fixed Assets : -			
Gross Block	C	52,550.00	52,550
Less : Depreciation		50,998.00	49,963
Net Block		1,552.00	2,587
Current Assets, Loans and Advances			
A) Current Assets	D	14,995	11,495
B) Loans and Advances		840	840
		15,835	12,335
Less : Current liabilities and Provisions			
A) Current Liabilities	E	2,200,765	2,203,605
B) Provisions		-	-
		2,200,765	2,203,605
Net Current Assets		(2,184,930)	(2,191,270)
Profit and Loss Account		24,026,534	24,023,999
TOTAL		21,843,156	21,835,316
Notes on Accounts & Accounting Policies AS PER OUR REPORT OF EVEN DATE ATTACHED.			
For SARATH & ASSOCIATES CHARTERED ACCOUNTANTS R. LAKSHMI RAO PARTNER Mumbai. Dated :	F (SUNIL MEHTA) DIRECTOR	For and on behalf of the Board. (PREMKRISHEN MALHOTRA) DIRECTOR	

Profit and Loss Account for the year ended 31 st March, 2008

	SCHEDULE No.	Current Year Ended 31st March,2008 Rupees	Current Year Ended 31st March,2007 Rupees
INCOME		-	-
TOTAL		-	-
EXPENDITURE			
Filing Fees		1,500	1,500
Miscellaneous Exps		-	30
Depreciation		1,035	1,724
TOTAL		2,535	3,254
Net Loss for the year carried down		2,535	3,254
Income Tax paid for Previous Years		-	-
Deficit Brought Forward from previous year		24,023,999	24,020,745
Deificit carried to Balance Sheet		24,026,534	24,023,999
Notes on Accounts & Accounting Policies AS PER OUR REPORT OF EVEN DATE ATTACHED.			
For SARATH & ASSOCIATES CHARTERED ACCOUNTANTS R. LAKSHMI RAO PARTNER Mumbai. Dated :	F (SUNIL MEHTA) DIRECTOR	For and on behalf of the Board. (PREMKRISHEN MALHOTRA) DIRECTOR	

Cinevista Eagle Plus Media Pvt. Ltd.

SCHEDULE ATTACHED TO AND FORMING THE PART OF THE BALANCE SHEET AS AT 31 ST MARCH, 2008.

	As at 31st March, 2008 Rupees	As at 31st March, 2007 Rupees
SCHEDULE 'A' : SHARE CAPITAL		
Authorised Capital :		
15,00,000 Equity shares of Rs. 10/- each	15,00,000	15,00,000
Issued, Subscribed and paid up capital :		
818485 Equity Shares of Rs.10/- each fully paid up in cash	8,184,850	8,184,850
TOTAL	8,184,850	8,184,850
SCHEDULE 'B' : UNSECURED LOANS :		
From Director: Sunil Mehta	5,000.00	-
From Others		
Business Advance from Holding Company : Cinevistaas Limited	13,650,218	13,647,378
TOTAL	13,655,218	13,647,378
SCHEDULE 'D' : CURRENT ASSETS, LOANS AND ADVANCES		
A) Current Assets		
Cash & Bank Balances:		
Cash in hand	3,995	495
Balance with Central Bank of India, New Delhi	11,000	11,000
TOTAL (A)	14,995	11,495
B) Loans & Advances		
T.D.S. A.Y.2003-04	840	840
TOTAL (B)	840	840
TOTAL (A + B)	15,835	12,335
SCHEDULE 'E' : CURRENT LIABILITIES AND PROVISIONS :		
A] Current Liabilities		
1. Eagle Films (A firm in which one of the Directors is a partner)	954,404	954,404
2. Eagle Video Films	1,141,272	1,141,272
3. Indian Express	54,000	54,000
4. Mahesh Gupta & Co.	10,725	10,725
5. Mohd.Arif Baluch	10,000	10,000
6. Super Box Office	20,000	20,000
7. Tax deducted at source	-	-
9. R.Lakshmi Rao-(Auditors Remuneration)	10,364	13,204
10. Sarath & Associates (Auditors Remuneration)	-	-
TOTAL (A)	2,200,765	2,203,605
B] Provisions		
1. Provision for Taxation	-	-
TOTAL (B)	-	-
TOTAL (A+B)	2,200,765	2,203,605

Schedule 'C'

FIXED ASSETS

Particulars	Rate (%)	Gross Block				Depreciation					Net Block
		As on 01.04.2007	Additions During the year	Deductions	As at 3/31/08	As on 01.04.2007	For the Year	Deduction	As at 31.03.2008	As at 3/31/08	As at 01.04.2007
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Computer	40%	52,550	-	-	52,550	49,963	1,035	-	50,998	1,552	2,587
TOTAL		52,550	-	-	52,550	49,963	1,035	-	50,998	1,552	2,587
Previous Year		52,550	-	-	52,550	48,239	1,724	-	49,963	2,587	4,311

Depreciation has been provided on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, on pro rata basis.

13. Balance Sheet Abstract and Company's General Business Profile :	
Registration No.	11-127979
State Code	11
Balance Sheet Date	31.03.2008
2. Capital raised during the year : (Amount in Rs. Thousands)	
Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
3. Position of mobilisation and deployment of funds : (Amount in Rs. Thousands)	
Total Liabilities	19,836
Total Assets	19,836
Sources of Funds :	
Paid-up-Capital	501
Reserve and Surplus	NIL
Secured Loans	NIL
Unsecured Loans	17,264
Deferred Tax Liability (Net)	2,071
Application of funds :	
Net Fixed Assets	1,515
Investments	NIL
Net Current Assets	1,094
Miscellaneous	NIL
Expenditure	
Accumulated Losses	17,227
4. Performance of Company : (Amount in Rs. Thousands)	
Turnover	123
Total Expenditure	407
Profit /(Loss) before tax	(284)
Profit /(Loss) after tax	(284)
Earnings per Share (Rs.)	NIL
Dividend Rate (%)	NIL
5. Generic names of three principal products, services of the Company (Amount in Rs. Thousands) :	
Item Code No.	Not Alloted
Product Description	Media Software

AS PER OUR REPORT OF EVEN DATE ATTACHED.

For and on behalf of the Board.

For SARATH & ASSOCIATES
 CHARTERED ACCOUNTANTS.
 R.LAKSHMI RAO
 PARTNER
 Mumbai.
 Dated : 22-05-2008

(SUNIL MEHTA)
 DIRECTOR

(PREMKRISHEN MALHOTRA)
 DIRECTOR

DIRECTORS REPORT TO THE MEMBERS OF VIDEO VISTA INC.

The Directors are pleased to present their report together with the financial statement of Your Company for the period ended December 31, 2007:

Financial Results	(Amt. In US \$)	
	31.12.2007	31.12.2006
Income	205841	405263
Total Income	205841	405263
Total Exp.	252800	413727
Net Income	(46959)	(8464)

Operations:

During the year under review, Your Company recorded sales of US \$ 205841 (US \$ 405263). Cost of goods sold and other expenditure amounted to US \$ 252800 (164145) and US \$ 239194 (237867). Depreciation for the year was US \$ 13606 (11715). After accounting for the above, the company recorded a loss of US \$ 46959 (8464).

Outlook for the current year:

Your Company aims to give further impetus to the business of distribution of Indian programmes to various broadcasters in North America and Europe in the coming years.

Auditing Standards:

Under the Generally Accepted Auditing Standards (GAAS) of American Institute of Certified Public Accountants, an audit opinion is not mandated for a corporation. As a result, the Company has obtained a due diligence report in respect of its accounts for the year ended December 31, 2007.

Acknowledgement:

The Board wishes to place on record their sincere appreciation to Cinevistaas Limited for its continued support.

Place : New Jersey

Mahesh Mehta

Date : 15th April, 2008.

Director

STATEMENT OF ASSETS, LIABILITIES AND EQUITY AS AT DECEMBER 31, 2007

	Amt. In US \$	
	December 31 2006	December 31 2005
ASSETS		
Current Assets		
Cash and cash equivalents	18966	74511
Advances (A)	18966	74511
Fixed Assets		
Furnitures & Fixtures, Automobiles & Equipment	269040	250241
Less: Accumulated Depr. (B)	153537	139930
	115503	110311
Intangible Assets		
Organisational Cost	495	495
Less: Amortisation (C)	NIL	NIL
	495	495
Deposits (D)	NIL	NIL
Total Assets (A)+(B)+(C)+(D)	134964	185317
LIABILITIES AND EQUITY		
Current Liabilities		
Other current liabilities (Sch. I)	30742	25000
Shareholders Loan	NIL	NIL
Other Liabilities	79790	81530
Notes payable	5098	10993
Shareholders' Equity		
Shareholders' Capital (353 shares of US\$ 1000 each)	353000	353000
Retained Earnings	(333666)	(285206)
Total Liabilities & Shareholders Equity	134964	185317

THE ACCOMPANYING NOTES AND SCHEDULES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

STATEMENT OF REVENUE AND EXPENSES AND RETAINED EARNING FOR THE YEAR ENDED ON DECEMBER 31, 2007

	Sch.	Amt. In US \$	
		December 31 2007	December 31 2006
Sales (Net of Returns)	465099		405263
Cost of Goods Sold	II	259272	164145
Interest	14		
Gross Profit		205841	241118
Taxes & Licenses	III	10413	7876
Compensations of Officer		100000	100000
Repairs & Maintenance		-	-
Salaries & Wages		-	-
Interest		337	566
Pension, profit sharing Plans, etc.		-	25000
Other deductions	IV	128444	104425
Net Income		(33353)	3251
Other Income		NIL	NIL
Loss on sale of Automobiles		NIL	NIL
Net Income before Depreciation		(33353)	3251
Depreciation/Amortization		13606	9811
Net Income		(46959)	(8464)
Add: Retained earnings as at the opening of the year		(286707)	(276742)
Less: Adjustments		-	-
Retained earnings as at the end of the year		(333666)	(285206)

THE ACCOMPANYING NOTES AND SCHEDULES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2007

Note 1: Organisation

The Corporation was incorporated in 1992 pursuant to the laws of the State of New Jersey. It is a General for Profit Corporation. The Corporation is a wholly owned subsidiary of Cinevistaas Limited, India.

Note 2: Significant Accounting Policies

The summary of significant accounting policies of VIDEO VISTA INC. is presented to assist in understanding the company's financial statements. The financial statements, notes and representations are those of the company's management, who is responsible for their integrity and objectivity. These accounting policies conform with generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

A. Business Activity

The company is in the business of distribution and licencing of rights for short films on television.

B. Method of Accounting

The company uses the tax basis of accounting for financial and income tax reporting.

C. Fixed Assets

Fixed Assets are carried at cost. Depreciation is provided on the Straight Line Basis based on their estimated useful lives for financial statement reporting purposes.

Note 3: Taxes Payable

This amount represents the payroll taxes payable as on December 31, 2007.

	Amt. In US \$	
	December 31, 2007	December 31, 2006
Schedule I – Other Current Liabilities		
Payroll Taxes Payable	NIL	NIL
State Tax Payable	NIL	NIL
Accrued Pension	30742	25000
	30742	25000
Schedule II – Cost of Goods Sold		
Consultants	259272	164145
	259272	164145
Schedule III – Taxes & Licenses		
Payroll Taxes	8296	7346
New Jersey Taxes	2117	530
	10413	7876
Schedule IV - Selling, General & Administrative Expenses		
Amortization	NIL	NIL
Accounting	NIL	NIL
Alarm	2382	3562
Auto Expenses	11560	11304
Bank Charges	1646	1560
Consultants	NIL	NIL
Dues	2184	3175
Entertainment	1502	3081
Equipment Lease	1385	11080
Freight Out	NIL	NIL
Gifts	7072	7659
Insurance	17141	14076
Maintenance	11768	9708
Office Expense	8733	7650
Postage	-	6286
Referral Fee	953	NIL
Supplies	5324	1777
Software Expense	NIL	NIL
Subscription	NIL	NIL
Telephone	6203	3264
Travelling Expense	5819	15391
Utilities	5324	4646
Unemployment Insurance	392	206
Web Services	NIL	NIL
	92194	104425

CONTENTS	Pages
Notice	01
Directors' Report	02 - 05
Management Discussion & Analysis	06 - 07
Corporate Governance Report	08 - 14
Shareholder Information	15 - 19
Auditors' Report	20 - 22
Balance Sheet	23
Profit and Loss Account	24
Schedules '1' to '14'	25 - 28
Schedule '15' - Significant Accounting Policies and Notes to Accounts	29 - 31
Cash Flow Statement	32 - 33
Balance Sheet Abstract and Company's General Business Profile	34
Consolidated Accounts	35 - 48
 Subsidiary Companies	
Cinevista Studios Private Limited	49 - 56
Cinevista Eagle Plus Media Private Limited	57 - 63
Video Vista Inc.	64

Board of Directors

Prem Krishen Malhotra
Sunil Mehta
Talat Aziz
Bharti Sareen
Sulochana Talreja
Renu Anand

Management Executives

Prem Krishen Malhotra, Chairman
Sunil Mehta, Vice-Chairman & Managing Director
Chandru Shivdasani, Director – Marketing and Sales
K.B.Nair, Chief Financial Officer
Abraham Mathew, Chief Accounts Officer

**Company Secretary and
Compliance Officer**

Sandhya R. Malhotra

Auditors

Vimal Punmiya & Co.
Chartered Accountants
501, Niranjan
99, Marine Drive
Mumbai – 400 002.

Bankers

Central Bank of India

Registered Office

Plot No. 1, L.B. Marg,
Gandhi Nagar
Kanjurmarg (W)
Mumbai – 400 078.
Tel No.: 022-25787622
Fax No.: 022-257770446.

Registrar & Share Transfer Agent

Karvy Computershare Pvt. Ltd.
Plot No. 17-24
Vittal Rao Nagar
Madhapur
Hyderabad – 500 081.
Tel. No. : 040-23420818-24.
Fax No. : 040-23303221

Cinevistaas Limited

Regd. Office: Plot No. 1, L.B.S. Marg, Gandhi Nagar, Kanjurmarg (W), Mumbai – 400 078.

DP ID		L.F. No.	
Client ID No.		No. of Shares held	

ATTENDANCE SLIP

I/We hereby record my/our presence at the Tenth Annual General Meeting of the Company held at Shri Bhaidas Maganlal Sabhagriha, Shri Vile Parle Kelavani Mandal, Vile Parle (W) Mumbai - 400 056, on Friday, 26th September, 2008, at 11.00 a.m.

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE PROXY	

Notes:

1. You are requested to sign and hand over this slip at the entrance of the meeting venue.
2. This attendance is valid only in case shares are held on date of meeting.
3. If you intend to appoint a proxy to attend the meeting instead of yourself, the proxy must be deposited at the Registered Office of the Company at Plot No. 1, L.B.S. Marg, Gandhi Nagar, Kanjurmarg (W), Mumbai – 400 078, not less than 48 hours before the scheduled time of meeting.
4. If you are attending the meeting in person or by proxy, your copy of the Balance Sheet may please be brought by you/your proxy for reference at the meeting.

----- TEAR HERE -----

Cinevistaas Limited

Regd. Office: Plot No. 1, L.B.S. Marg, Gandhi Nagar, Kanjurmarg (W), Mumbai – 400 078.

DP ID		L.F. No.	
Client ID No.		No. of Shares held	

FORM OF PROXY

I/Weof in the district of Being a member/members of CINEVISTAAS LIMITED hereby appoint of in the district of or failing him of in the district of as my/our proxy to vote for me/us on my/our behalf at the Tenth Annual General Meeting of the Company to be held on 26th September, 2008, and at any adjournment thereof.

Signed this day of 2008.

Please affix
Re 1/- revenue
stamp

Notes:

1. The Company reserves the right to ask for identification of the Proxy.
2. A Proxy cannot speak at the meeting or vote on a show of hands.