

## NOTICE

Notice is hereby given that the 25th Annual General Meeting of the members of Catvision Products Ltd. will be held on 30th September, 2010 at 11.30 a.m. at Riverside Sports & Recreation Club, Club Avenue, Mayur Vihar, Phase I, New Delhi-110091 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010, the Profit and Loss Account of the Company for the year ended on that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Syed Athar Abbas, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint M/s Gaur & Associates, Chartered Accountants, as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Board of Directors of the company.

### SPECIAL BUSINESS:

4. **To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 81 & 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force) and in accordance with the provisions of Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, as amended from time to time, (hereinafter referred to as 'SEBI Guidelines') and other applicable Rules, Regulations and Guidelines, if any, prescribed by the Securities and Exchange Board of India (hereinafter referred to as 'SEBI'), the Reserve Bank of India, (hereinafter referred to as 'RBI'), Government of India (including any statutory amendment(s), modification(s) and or re-enactment(s) thereof, for the time being in force), Stock Exchange and/or any other regulatory authorities and in terms of the Listing Agreement entered into by the Company with Stock Exchange where the shares of the Company are listed, in accordance with the enabling provisions in the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and/or sanctions, if any, of the appropriate authorities, institutions or bodies as may be required and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission

and/or sanction and which may be agreed by the Board of Directors of the Company (hereinafter referred to as 'the Board' which expression shall be deemed to include any Committee of the Board exercising the powers conferred by the Board including the powers conferred by this Resolution), the consent of the shareholders be and is hereby accorded to the Board to create, offer, issue, allot and deliver 800,000 Warrants of Rs.10/- each and each Warrant is convertible into one Equity Shares of Rs.10/- each, in one or more tranches, to Global Impex Ltd. (hereinafter referred to as 'GIL'), a foreign company, under Preferential Issue through offer letter and/or such other documents/writings, in such a manner and on such terms and conditions as may be determined by the Board or Committee in its absolute discretion but in accordance with the provisions of Chapter XIII of the SEBI Guidelines or other provisions of applicable law as may be prevailing at such time, provided that the price of the Warrant shall not be less than Rs.17.25 (including a premium of Rs.7.25) per Warrant being the price arrived at in accordance with the provisions of Chapter XIII of SEBI Guidelines.”

**FURTHER RESOLVED THAT** the issue of the Warrants, shall be subject to the following terms and conditions:

- a. The Relevant Date for determination of the price of the Warrant is 31st August, 2010, which is a date 30 days prior to the date on which the meeting of the shareholders of the Company is scheduled to be held in terms of Section 81(1A) of the Companies Act, 1956, for obtaining their approval for the issuance of the Warrants, in accordance with the provisions of the SEBI Guidelines.
- b. GIL shall be required to pay an amount not less than twenty five per cent (25%) of the Warrant price on or before the allotment and balance seventy five per cent (75%) of the Warrant Price shall be paid on the date of exercise of the conversion options but within 18 months from the date of allotment of the Warrants. These amounts shall be adjusted against the price payable subsequently by GIL for acquiring the shares upon exercise of the Warrants.
- c. GIL shall have the option of subscribing for one Equity Share of Rs.10/- each per Warrant at a price of Rs.17.25 (inclusive of premium of Rs.7.25) at any time after the date of allotment but before the expiry of 18 months from the date of allotment, in one or more tranches and the amount paid for the subscription of the Warrants shall be adjusted against the consideration of Equity Shares.
- d. The Warrants remaining unsubscribed at the expiry of 18 months from the date of allotment shall expire

and any amount paid on such Warrants shall stand forfeited.

- e. The Equity Shares to be allotted on exercise of option to GIL, shall be in dematerialized form and subject to the approval of Bombay Stock Exchange.
- f. The Warrants and Equity Shares to be allotted in pursuant to exercise of options attached to Warrants so issued on preferential basis, shall be subject to a lock-in period pursuant to the SEBI Guidelines, as amended from time to time.
- g. To the extent permitted as per the existing provisions of law in this regard the Equity Shares to be issued and allotted by the Company as a consequence of conversion/exchange of the Warrants in the manner aforesaid shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with the then existing Equity Shares.
- h. The offer, issue and allotment of the Warrants and the fresh Equity Shares to be issued on conversion of the Warrants shall be made at such time or times that the Board may in its absolute discretion decide, subject to SEBI Guidelines and other applicable laws, and the terms agreed between the Board of Directors and GIL.
- i. A Warrant by itself shall not give to the Warrant Holder thereof any rights of the Shareholder of the Company.

**FURTHER RESOLVED THAT** the Board or Committee, be and is hereby authorized to issue and allot the Warrants and such number of Equity Shares as may be required to be issued and allotted upon conversion of any Warrants as mentioned above or as may be necessary in accordance with the terms of the issue of Warrants, and all such Equity Shares shall rank pari passu with the then existing shares of the Company in all respects including dividend.

**FURTHER RESOLVED THAT** for the purpose of giving effect to the above Resolutions, the Board be and is hereby authorized on behalf of the Company to do all deeds, acts and things and take actions as it may at its sole discretion deem necessary, desirable or expedient to the issue or allotment of aforesaid Warrants and upon exercise of the Warrants, the listing of the Equity Shares with the Stock Exchange on which the Company's Equity Shares are listed and resolve and settle all questions, difficulties or doubts that may arise in regard to any such issue, offer and allotment of the Warrants, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the Shareholders or otherwise to the end and intent that they

shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**FURTHER RESOLVED THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any committee of Directors or Managing Director or any other Director or officer(s) of the Company to give effect to the aforesaid resolution"

**5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 21 and other applicable provisions of the Companies Act, 1956 and subject to such other approval(s) as may be required consent of the Company be and is hereby accorded to change the name of the Company from Catvision Products Limited to Catvision Limited.

**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to do all other acts, deeds and things which they think are appropriate and necessary to do in this regard and complete all the statutory formalities including filing necessary Forms with the Registrar of Companies"

By Order of the Board  
For **Catvision Products Ltd.**

Place : Noida, U.P.  
Date : 31st August, 2010

**G. S. Butola**  
Company Secretary

**NOTES:**

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member of the Company. The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the commencement of Annual General Meeting.
2. Corporate Members are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
3. The share transfer books and register of members of the Company shall remain closed from 25th September to 30th September 2010 (both days inclusive).
4. Member/proxy holder must bring attendance slip to the meeting and hand it over at the entrance duly signed.
5. Members desiring any information with regard to accounts are requested to write to the Company so as to reach latest by 20th September 2010, to enable the management to give the information at the time of the meeting.

6. Members holding shares in identical order of names in more than one folio are requested to write to the company to enable consolidation of their holdings in one folio.
7. Members holding shares in physical form are requested to notify / send to the Registrar & Transfer Agent of the company M/s RCMC Share Registry Pvt. Ltd., B-106, Sector-2, Noida, UP- 201 301.
8. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business to be transacted at the Annual General Meeting under Items 4 and 5 is annexed hereto.
9. Additional information, pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, on Directors, recommended by the Board of Directors for appointment/ re-appointment at the Annual General Meeting forms part of the Report on Corporate Governance in the Annual Report.

#### **ANNEXURE TO THE NOTICE:**

#### **(Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956)**

#### **ITEM NO. 4**

The Company proposes to raise funds not exceeding Rs.138 Lacs to meet its long term funds requirement through Preferential Issue at a price to be determined in accordance with applicable law and otherwise on such terms and conditions as may be deemed appropriate by the Board.

The details of the issue and other particulars as required in terms of the Preferential Issue Guidelines, as amended from time to time, are furnished as under:

#### **Objects of the issue through Preferential Offer:**

In India, digitalization of cable networks is happening rapidly in the Cable TV industry and the hospitality sector-two markets addressed by the Company. In addition the Company wishes to ramp up sales of energy management systems to hotel and enter the nascent and growing market of LED Video Displays. The Company plans to capture these emerging growth opportunities and create the infrastructure for future growth.

The objects of the proposed issue are to raise funds to augment long term resources for investment in the above emerging opportunities, expansion of its existing business, up-gradation and modernization of the R&D Centre and meeting additional margin money for long term working capital requirement of the Company.

#### **Intention of Promoters/Directors/Key Management Persons to subscribe to the offer:**

The Preferential Issue is proposed to be made only to Global Impex Ltd. as mentioned above and the Promoters, Directors and Key Employees of the Company do not have any direct or indirect intention to subscribe to the offer.

#### **Securities to be issued:**

The resolution set out at Item No. 4 of the accompanying Notice is an enabling resolution, entitling the Board of Directors to issue Warrants convertible into Equity Shares or other securities convertible into or exchangeable with the Equity Shares as may be deemed appropriate in the best interest of the Company.

#### **Pricing of Warrants/Equity Shares:**

Each Warrant will be of face value of Rs.10/- and shall be issued at a price not less than Rs.17.25 (including premium of Rs.7.25) per Warrant. This issue price has been arrived at with respect to the Relevant Date i.e. 31st August, 2010 as prescribed under the Preferential Issue Guidelines. Each Warrant will be converted into one Equity Share of face value of Rs.10/- each, at a price of Rs. 7.25 per equity share.

#### **Terms of Warrants:**

The Warrants would be allotted on the following terms:

1. GIL will have an option to apply for and shall be allotted 1(One) Equity Share of the Company per Warrant, any time after the date of allotment but on or before the expiry of 18 months from the date of allotment, in one or more tranches. In this connection, either the Company or GIL will give an advance notice of at least ten days, calling upon the other party to exercise /avail the option then specifying the number of Warrants. GIL will be liable to make the payment of balance amount per Warrant for such number of Warrants, within 10 days of service of the notice.
2. GIL shall, on the date of allotment, pay an amount not less than 25% of the total consideration per Warrant and pay the balance 75% of the consideration within 18 months from the date of allotment. The conversion of Warrants into Equity Shares shall be made within a period of 18 months from the date of allotment of Warrants in one or more tranches
3. Upon receipt of the payment as above, the Board (or a Committee thereof) shall allot one Equity Share per Warrant by appropriating Rs.10/- towards Equity Share capital and Rs.7.25 towards premium.
4. If the entitlement against the Warrants to apply for the Equity Share is not exercised within the period specified in the notice referred hereinabove, the entitlement of the Warrant holder to apply for Equity Shares of the Company along with the rights attached thereto, shall expire and amount paid on such Warrants shall stand forfeited.
5. GIL shall also be entitled to any future bonus/ rights issue(s) of Equity Shares or other securities convertible into Equity Shares of the Company, in same proportion and manner as any other shareholder of the Company for the time being.
6. The Warrant by itself does not give to the holder(s) thereof any right of the shareholders of the Company.

7. The Equity Shares issued as above shall rank pari-passu in all respects with the then existing Equity Shares of the Company. The Warrants and Equity Shares shall be subject to the Memorandum and Articles of the Company.
8. The allotment of Warrants on preferential basis shall be subject to lock-in provision contained in clause 13.3.1 of SEBI (Disclosure and Investor Protection) Guidelines, 2000 as amended from time to time.
9. There will neither be any change in the composition of the Board nor any change in the control of the Company
- on account of the proposed preferential allotment. However, there will be corresponding changes in the shareholding pattern as well as voting rights consequent to preferential allotment.
10. M/s Gaur and Associates, statutory auditors of the Company have certified that the Preferential Issue is being made in accordance with the requirements contained in SEBI Guidelines for Preferential Issues. A copy of the certificate is being placed before the shareholders.

**Shareholding Pattern:**

The existing and post issue Shareholding Pattern of the Company is/ would be as follows:

Category of shareholder	Pre Issue shareholding		No of Warrants proposed to be allotted	Post Issue Shareholding (after conversion of Warrants)	
	No. of shares held	% of shares		No. of Sharesheld	% of shares
<b>Promoters' Holding</b>					
(a) Individual	1340149	28.80		1340149	24.57
(b) Corporate Bodies	171900	3.69		171900	3.15
<b>SUB TOTAL (A)</b>	<b>1512049</b>	<b>32.49</b>		<b>1512049</b>	<b>27.72</b>
<b>Public Shareholding Institutional Investors</b>					
(a) Mutual Funds	15800	0.34		15800	0.29
(b) Banks, FIs, Insurance Cos. and Institutions	1100	0.02		1100	0.02
<b>SUB TOTAL (B)</b>	<b>16900</b>	<b>0.36</b>		<b>58600</b>	<b>0.31</b>
<b>Non-Institutional Investors</b>					
(a) Corporate Bodies	1359249	29.21		1359249	24.92
(b) Indian Public	1585791	34.08		1547808	28.38
(c) NRIs/OCBs	179611	3.86		179611	3.29
(d) Foreign Corporate Bodies	-	-	800000	800000	14.67
<b>SUB TOTAL (C)</b>	<b>3124651</b>	<b>67.15</b>	<b>800000</b>	<b>3924651</b>	<b>71.26</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>4653600</b>	<b>100.00</b>	<b>800000</b>	<b>5453600</b>	<b>100.00</b>

**Note:**

- The pre-issue Shareholding pattern has been prepared on the basis of shareholding as at 30th June, 2010.
- Post-issue Shareholding pattern has been arrived on the assumption that the entire 800000 Warrants proposed to be issued to Global Impex Ltd. would be converted into Equity Shares.

**Proposed time within which the allotment shall be completed:**

The allotment of Warrants on preferential basis shall be completed within 15 days from the date of shareholders approval provided that where the allotment on preferential basis is pending on account of pendency of any regulatory or Central Government approval, the allotment shall be completed within 15 days from the date of receipt of such approval.

**Identity of the proposed allottee of Warrants and the percentage of the Equity Share Capital on exercise of the Warrant.**

The Warrants are proposed to be allotted as follows:

S. No	Name of the Proposed subscriber	Instrument	Category	Pre Issue share holding (No.)	Pre Issue share holding (%)	Allotment through Preferential Issue	Post Issue share holding (No.)	Post issue share holding (%)
1	Global Impex Ltd.	Warrants	Foreign Corporate Body	Nil	Nil	800,000	800,000	14.67

The Directors feel that the proposed issue of Warrants and the conversion of these Warrants into Equity Shares will add to the shareholders' value/growth in the long- term and therefore recommend this resolution for the approval of the members.

Yours Directors, therefore, recommend the said resolution at Item No.4 for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

The Board of Directors of the Company is in touch with the Registrar of Companies, Delhi & Haryana to seek the availability of the proposed name.

Yours Directors, therefore, recommend the said resolution at Item No.5 for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

By Order of the Board  
For **Catvision Products Ltd.**

**ITEM NO. 5**

The Company adopted the name Catvision Products Ltd. with a view of venturing into the business of manufacturing and dealing in products for cable tv industry. But now the Company has diversified its business activities and has been providing services in the same industry. The word Products conveys the message that it is dealing only in the products. To get away from this impression, it would be in the interest of the Company if the word products is deleted from its name.

Place : Noida, U.P.  
Date : 31st August, 2010

**G. S. Butola**  
Company Secretary

**Registered Office**  
1515, Bhisham Pitamah Marg,  
Kotla Mubarkapur, Near South Extension  
New Delhi-110003

## DIRECTORS' REPORT

To, The Members,

Your Directors take pleasure in presenting the 25th Annual Report together with the Audited Statement of Accounts and Auditor's Report of your company for the Financial Year ended on 31<sup>st</sup> March, 2010.

### FINANCIAL HIGHLIGHTS: (Rs. in Lacs)

	Year Ended 31.03.10	Year Ended 31.03.09
Total Revenue	2402.42	2568.42
Profit before Interest, Depreciation and Taxation	184.71	223.23
Interest and Finance Charges	(21.00)	(30.16)
Depreciation	(50.98)	(48.68)
Profit before Tax	112.73	144.39
Provision for Tax- Current years	(17.42)	(16.36)
Provision for Fringe Benefit Tax	—	(5.39)
Provision for Deferred Tax	(8.62)	(53.60)
Profit after Tax	86.69	69.04

### OPERATIONAL HIGHLIGHTS:

During the year under review, there has been a drop of 6.46% in the total revenue of your company. This has resulted primarily due to the closure of the Cable TV operations of Jamshedpur. The Company also exited the business of supplying dish antennas to DTH operators due to very low margins. Adjusting for the absence of these two businesses, the sales from other businesses actually grew by 5.50%. Overall business of the company from all segments remained steady.

### DIVIDEND:

In order to conserve the financial resources of the Company to meet the need for additional working capital, your Directors are unable to recommend any dividend.

### CORPORATE REVIEW:

The division-wise performance of the Company was as follows:

**CATV Products Division:** This division sells CATV products (products used in cable TV networks) to cable TV operators. There were some major developments in this division:

1. The Company tested export markets for its products and met with immediate success in Africa and the Middle East. The Company now expects significant growth in exports in the coming years.
2. The division added one new product "LED Video Boards" to its portfolio. LED technology has revolutionized the lighting world due to its very low energy consumption, high reliability and digital nature. The company was successful at winning a prestigious order for installation

of 2 LED video boards, each 40 sq. mtr. in size, at the Major Dhyan Chand stadium at New Delhi. These boards were used as scoreboards at the Hockey World Cup in Feb 2010 held at the MDC stadium, and shall also be used in the Commonwealth Games in October this year. With this initial success the company looks forward to additional growth from this product line.

Meanwhile, sales to cable operators remained steady. The industry is still awaiting government initiative in creating a regulatory environment for the roll out of digital cable TV services throughout the country. This is expected any time. That development alone will bring dramatic changes to the industry and would be a boon to companies, such as yours, who will participate in the up-gradation of cable TV networks from analogue to digital.

**Hotel Systems & Services Division:** This division primarily addresses the hospitality sector, providing solutions in cable TV, CCTV and energy management. Here too there were some significant developments:

1. New properties are increasingly looking to install digital cable TV systems. Your company bagged a couple of orders for such systems. But this marks a trend – we can well expect new properties to go digital, and existing ones upgrade to digital from analog. Your company has the best digital solution for hotels in the market.
2. After the break-through installation at the ITC Gardenia, the energy management systems that the company sells to hotels (in collaboration with world leader Inncom, USA), have gained wide acceptance. The Company signed several contracts with leading hotel chains and now plans to aggressively expand this division.

There was a decline in the sales of CCTV systems mainly because of problems faced by the Company's collaborator following the worldwide recession. The company is deliberating upon the way forward for this business considering that so much is happening in digital cable TV and energy management systems.

**R&D Facilities:** Your company is having a Research and Development Centre comprising of a team of highly qualified engineers who are working continuously on developing new products for your company. Besides the new products, the R&D team is persistently working on the up-gradation of the existing products by adding new features and improving manufacturing consistency and improvement of quality. It is a matter of pride to your company that its in-house R&D Centre has got the recognition from the Department of Scientific & Industrial Research, Ministry of Science & Technology. New products added during the year were : Triple SAW Filter Modulator, Field Strength Meter, Demodulator and four-output Optical Node.

**Quality Assurance:** Your company firmly believes that the most critical component for success in the competitive global market is the excellence in quality. To address future challenges and to ensure continuous improvement in performance your company has launched number of new initiatives. It has established an independent quality control department that keeps a close and consistent watch not only on the end products but also on all spheres of its activities.

**ISO CERTIFICATION:**

Your company is proud to announce that it is now certified as ISO 9001:2008 compliant organization. The certification is accredited by MSA Certification Co., Ltd. Korea.

To become certified as ISO 9001:2008 your company underwent an one-year evaluation process that included quality management system development, a management system documentation review, pre-audit, initial assessment and clearance of non-conformances, all of which work to identify corrective actions that eliminate non-conformance to the quality management standard. After correction and closure of all non conformances, your company received its ISO 9001:2008 certificate.

**PUBLIC DEPOSITS:**

During the year your company has not accepted any Deposits under Section 58A and Section 58AA of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rule, 1975 and, as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

**DIRECTORS:**

In accordance with the requirements of the Companies Act, 1956 and Articles of Association of the Company, Mr. Syed Athar Abbas is liable to retire and is eligible for re-appointment in the forthcoming Annual General Meeting. Brief resume of Directors, including Directors proposed to be re-appointed, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, are provided in the Report on Corporate Governance.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions contained in Section 217(2AA) of the Companies Act, 1956, your Directors, based on the representation received from the Operating Management and after enquiry, confirm:

- a. that in the preparation of the annual accounts, the applicable accounting standards with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- b. 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, 2010 and of the profit of the Company

for the year ended on that date;

- c. 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; and
- d. that the Directors have prepared the annual accounts for the financial year ended 31st March, 2010 on a 'going concern' basis.

**CORPORATE GOVERNANCE:**

Your company believes that great companies are built on the foundation of good governance practices. Corporate Governance is all about the effective management of relationships among constituents of the system - shareholders, management, employees, customers, vendors, regulatory bodies and the community at large. Your company strongly believes that this relationship can be strengthened through corporate fairness, transparency and accountability. Your company places prime importance on reliable financial information, integrity, transparency, empowerment and compliances with the law in letter and spirit.

As required under Clause 49 of the Listing Agreement with the Stock Exchanges it has complied with the requirements of Corporate Governance as stipulated by SEBI. A separate section on Corporate Governance and a certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance form part of the Corporate Governance Report and are attached as Annexure to this report.

**DEPOSITORY SYSTEM:**

Trading in Equity Shares of your company in the dematerialized form is compulsory for all shareholders with effect from 25th September 2000 in terms of the notification issued by the Securities and Exchange Board of India (SEBI). The Equity Shares of the Company are available for dematerialization with the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) under ISIN No. INE 660B01011. Currently 80.12% of the Equity Shares of the Company are in the demat form .

**STATUTORY DISCLOSURES:**

None of the Directors of the Company are disqualified as per the provision of Section 274(1) (g) of the Companies Act, 1956. The Directors have made necessary disclosures as required under various provisions of the Act and Clauses of Listing Agreement. Statutory and other regulatory compliances have been made and disclosed before the Board from time to time.

**PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956:**

- i) Your company enjoys cordial relations with its employees.

Your Directors express their deep sense of appreciation for the total commitment, dedication and hard work put in by every employee of the Company in ensuring high levels of performance and growth during the year. The particulars of such employees as required under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, is given as under:

**Employed throughout the year and were in receipt of the remuneration of not less than Rs 24,00,000 per annum :**

Name	S. A. Abbas	Sudhir Damodaran
Age	53 Years	52 years
Designation	Managing Director	Executive Director
Gross Remuneration	27,91,560	27,56,060
Qualification	B. Tech, MBA	Science Graduate
Experience	28 Years	28 Years
Date of Joining	28.06.1985	28.06.1985
Previous Employment	Network Ltd.	Usha International Ltd.

**Note:** Remuneration includes Salary, Allowances, Company's Contribution to Provident Fund, Medical Benefits, Leave Travel Allowance, Rent Free Accommodation and other Perquisites.

- ii) The particulars as prescribed under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 with regard to conservation of energy, technology absorption and foreign exchange earnings

and outgo are set out in the Annexure -A of this report.

**AUDITORS:**

M/s Gaur & Associates, Chartered Accountants, auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from the auditors to the effect that their appointment, if made, would be within the prescribed limits under Section 224 (1)(b) of the Companies Act, 1956.

**AUDITORS' REPORT:**

The Auditors' Report is self-explanatory and, therefore, does not call for any further comments.

**ACKNOWLEDGMENT:**

Your Directors would like to express their appreciation for the assistance and co-operation received from banks, central and state government departments. Your Directors are also grateful to the customers, vendors, suppliers and other related organizations for their continued support and co-operation. Lastly, your Directors also wish to place on record their deep sense of appreciation for the committed services by the employees of the Company and are deeply grateful for the confidence and faith shown by the members of your company in them.

For and on behalf of the Board

S. A. Abbas  
Managing Director

Place : Noida, U.P.  
Date : 31st August, 2010

S. Damodaran  
Executive Director



## ANNEXURE “A” TO THE DIRECTORS’ REPORT

### A. CONSERVATION OF ENERGY:

The Company’s cable TV networks require power for amplification of TV signals only. As such, the Company’s consumption of energy is minimal. Every endeavor is made to ensure optimal use of energy through improved techniques to make infrastructure more energy efficient.

The manufacturing operations at Dehra Dun plant are not energy intensive. However, significant measures are taken to reduce energy consumption by using energy efficient equipment. We constantly evaluate new technologies and invest to make our infrastructure more energy efficient.

As energy costs comprise a very small part of our total expense, the financial impact of these measures is not material.

### B. RESEARCH AND DEVELOPMENT:

Research & Development of new designs, frameworks, process and methodologies continue to be most importance to us. This allows us to enhance quality, productivity and customer satisfaction. Your company has successfully deployed a diverse team of experienced people to meet these challenges. Your company continues to upgrade existing technology on an on-going basis. This enables the company to up-grade existing products and introduce new products to meet changing market needs.

The R&D unit of your company is recognized by the Dept. of Science & Technology, Govt. of India. All the company’s products have been developed by its R&D department. The concerned department on an ongoing basis carries the development work. The expenses and cost of assets are grouped under the respective head. New products added during the year were : Triple SAW Filter Modulator, Field Strength Meter, Demodulator and four-output Optical Node.

### C. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:

Continuous efforts are made with an objective to achieve development of new products/application, improvement in productivity, reduction in product wastage etc. Your company strives to remain abreast of state-of-the-art systems and has used tested, proven and appropriate technology to suit the special needs of its customers. Technical help, especially in software design, was taken from consultants and component vendors. Several tangible and intangible benefits are derived.

### D. FOREIGN EXCHANGE EARNING AND OUTGO:

	<b>As At 31.03.2010 (Rupees)</b>	<b>As At 31.03.2009 (Rupees)</b>
<b>1. Foreign Exchange Inflow :</b>		
a) For Exports & Merchant Trading	<b>76,409,822</b>	82,040,154
b) For Services	<b>2,877,167</b>	2,765,071
<b>2. Foreign Exchange Outflow :</b>		
a) Materials	<b>94,147,137</b>	103,460,970
b) Travelling & other Expenses	<b>2,836,876</b>	2,038,498
c) Salary & other benefits	<b>2,136,769</b>	1,177,219
d) Rent	<b>783,814</b>	498,258

## REPORT ON CORPORATE GOVERNANCE

The Securities and Exchange Board of India (SEBI) has introduced a Code of Corporate Governance by incorporating Clause 49 in the Listing Agreement of the Stock Exchanges. Your company has complied in all matters and a report on the implementation of the Corporate Governance Code of the Listing Agreement by the company is furnished below:

### A. Philosophy on Corporate Governance:

A good corporate governance process aims to achieve the balance between shareholders' interest and corporate goals by- providing long term vision of its business and establishing systems that help the Board in understanding and monitoring risk at every stage of the corporate evolution process to enhance the trust and confidence of the stakeholders without compromising with laws and regulation.

Your company believes in and practices Good Corporate Governance. At Catvison we are committed to the adoption of the best governance practices and its adherence in the true spirit, at all times. The company's philosophy on Corporate Governance is aimed at strengthening confidence among shareholders, customers and employees and ensuring a long-term relationship of trust by maintaining transparency and disclosures. This philosophy is backed by principles of concern, commitment, ethics, excellence and learning in all its acts and relationships with stakeholders, customers and associates. The objective of the company is not only to meet the statutory requirements of the Code of Corporate Governance as prescribed under Clause 49 of the Listing Agreement, but to develop such systems and follow such practices and procedures as would make the management completely transparent and accountable in its interaction with employees, shareholders, lending institutions and its customers, thereby enhancing the shareholders' value and protecting the interest of the shareholders.

The Report on Corporate Governance is divided into four parts: Board of Directors, Committees of the Board of Directors; Shareholders Information and Other Disclosures.

### B. Board of Directors:

#### a. Composition of the Board of Directors:

The composition of the Board of Directors is governed by Companies Act, 1956 and the Listing Agreement. The Board of Directors, comprising of a combination of executive and non-executive Directors. The Board mix provides a combination of professionalism, knowledge, performance review, monitoring of plans and pursuance of policies and procedures. The business of the Company is managed by the Board of Directors. As on 31st March, 2010, there are four Directors on the Board with only two

being Executive Directors. The Directors are specialists in their respective fields and possess required technical and leadership skills. The responsibilities of the Board inter alia include formulation of policies, taking initiatives, performance review, monitoring of plans, pursuing of policies and procedures.

The Brief description of the Directors, along with the companies in which they hold directorship and the membership of the committees of the Board are given hereunder:

#### S. A. Abbas:

Mr. S. A. Abbas is B. Tech. from IIT, Kanpur and MBA from IIM, Kolkata. He is the Managing Director and one of the principal promoters of the Company. He has built a team of professionals who have been given independent charge of various functions in the Company. He is also a member of the Audit Committee and Shareholders/Investors Grievance Committee of the Company. Under his dynamic leadership Catvison has become one of the leading names in the cable TV industry.

#### Sudhir Damodaran:

Mr. Sudhir Damodaran, is a Science graduate from Banglore University. He is the Executive Director and one of the principal promoters of the Company. He is instrumental in building the marketing network and setting up the cable TV and overseas operations of the Company. He is also a member of Remuneration Committee of the Company.

#### Dr. Sunil Anand:

Dr. Sunil Anand is a professionally qualified MBBS and was inducted in the Board of Directors on 15th July, 2005 as an Independent Director. He has been in the business of medical equipment and is having vast experience.

#### Raman Rajiv Misra:

Raman Rajiv Misra is an Economics Honors Graduate from Punjab University and was inducted in the Board of Directors on 31st October, 2002 as an Independent Director. He has been in the business of International Trading.

#### b. Board Meeting:

Dates for the Board meetings in the ensuing year are decided in advance. During the period under review four Board Meetings were held. The dates on which these meeting were held are 30<sup>th</sup> April, 2009; 31<sup>st</sup> July, 2009; 31<sup>st</sup> October, 2009 and 31<sup>st</sup> January, 2010 The maximum time gap between any two meetings was not more than three calendar months. None of the Directors of the Company was a member of more than ten committees nor was the Chairman of more than five

committees across all companies in which he is a Director. The attendance record of all Directors at the

Board Meetings and the last Annual General Meetings is as under:

Name of the Directors	Category	Attendance			No. of other Directorships and Committee Memberships / Chairmanships		
		No. of Board Meetings			Director	Member	Chairman
		Held	Attended	Last AGM			
S. A. Abbas	PD/ED	4	4	Yes	None	1	1
Sudhir Damodaran	PD/ED	4	4	Yes	None	1	None
Dr. Sunil Anand	ID	4	4	Yes	None	3	None
Raman Rajiv Misra	ID	4	4	Yes	1	1	2

**Note:** PD - Promoter Director, ED - Executive Director, ID - Independent Director.

**c. Availability of information supplied to the Board:**

The Board of Directors has complete access to all information with the Company. Inter-alia, the following information is provided to the Board and the agenda papers for the meetings are circulated in advance of each meeting.

- Annual operating plans and budgets and any updates, capital budget and any updates;
- Quarterly results of the company and its operating divisions or business segments;
- Minutes of meeting of audit committee and other committees of the Board;
- Information on recruitment and remuneration of senior officers just below the Board level;
- Materially important show cause, demand, prosecution and penalty notices;
- Fatal or serious accidents or dangerous occurrences;
- Any materially significant effluent or pollution problems;
- Any materially relevant default in financial obligations to and by the company or substantial non-payment for goods sold by the company;
- Any issue, which involves possible public or products liability, claims if substantial in nature, etc.;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions;
- Significant development in the human resources and industrial relations front;
- Sale of material nature, of investments, assets, which is not in the normal course of business;

- Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movement, and
- Non-compliance of any regulatory requirements of statutory nature or listing requirements as well as shareholders services such as non-payment of dividend and delays in share transfer.

The Board has established procedures to enable the Board to periodically review compliance reports of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non-compliance.

**C. COMMITTEES OF THE BOARD OF DIRECTORS:**

Currently, the Board has three committees, the Audit Committee, the Remuneration Committee and the Share Transfer and Investors Grievance Committee. The Board is responsible for constituting, assigning, co-opting and fixing of terms of service for committee members and it delegates powers to these committees.

**a. Audit Committee:**

The Board of Directors has constituted an Audit Committee, comprising of two independent Non-Executive Directors viz. Mr. Raman Rajiv Misra, Chairman (having financial and accounting knowledge), Dr. Sunil Anand and Mr. S. A. Abbas. The constitution and composition of the Audit Committee is in accordance with the provisions of Section 293(A) of the Companies Act, 1956, and the requirements of Clause 49 of the Listing Agreement with Stock Exchanges, except the appointment of Mr. S. A. Abbas who is an Executive Director.

The powers and role of the Committee encompass accounting matters, financial reporting and internal controls. The terms of reference of the Audit Committee are as contained in Clause 49 of the Listing Agreement with stock exchanges and Section 293(A) of the Companies Act 1956. During the year, the Committee has met four times. The statutory Auditors of the Company were also invited to attend the Audit Committee meetings.

Attendance of each Member of the Audit Committee meetings held during the year:-

Name of the Member	Status	No. of Meetings	
		Held	Attended
Mr. Raman Rajiv Misra	Chairman	4	4
Mr. S. A. Abbas	Member	4	4
Dr. Sunil Anand	Member	4	4

The terms of reference specified by the Board to the Audit Committee are in conformity with Clause 49 of the Listing Agreement. The role of the Audit Committee includes the following:

- i. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- ii. Recommending the appointment and removal of external auditors, fixation of audit fee and approval of payment of fees for any other services rendered by the auditors;
- iii. Reviewing with the management the financial statements before submission to the Board, focusing primarily on:
  - Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
  - any change in accounting policies and practice;
  - major accounting entries based on exercise of judgment by management
  - qualification in draft audit report;
  - the going concern assumption;
  - compliance with accounting standards;
  - compliance with Stock Exchanges and legal requirements concerning financial statements;
  - any related party transaction i.e., transactions of the Company of material nature, with the senior management or their relatives, with shareholders with large holding in the company or their subsidiaries etc., that may have potential conflict with the interests of the company at large;
- iv. Reviewing, with the management, the quarterly financial Statements before submission to the Board for approval;
- v. Reviewing with the management, external and internal auditors, and the adequacy of internal control systems;
- vi. Reviewing the adequacy of the internal audit function, including the structure of the internal audit

department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;

- vii. Reviewing reports of internal audit and discussion with internal auditors on any significant finding and follow up thereon;
- viii. Reviewing the findings of any internal investigations by the internal auditors and the executive management's response on matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
- ix. Discussion with the external auditors, before the audit commence, on nature and scope of audit, as well as after conclusion of the audit to ascertain any areas of concern and review their comments contained in their management letter;
- x. Reviewing the company's Financial and Risk Management Policies;
- xi. Looking into the reasons for substantial defaults, if any, in payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xii. Considering such other matters as may be required by the Board;
- xiii. Reviewing any other areas, which may be specified as the role of the Audit Committee under amendments, if any, from time to time, to the Listing Agreement, Companies Act and other Statutes.

Audit Committee meetings are quarterly attended by the Managing Director, Vice-President- Finance and the representative of the statutory Auditors of the Company. The Company Secretary acts as Secretary of the Audit Committee.

**b. Remuneration Committee:**

The Company has constituted the independent Remuneration Committee with an objective of determining on behalf of the Board and Shareholder, the Company's policy on specific remuneration packages for the Managing Director and Executive Director including pension rights and compensation payment. As on 31st March, 2010, the Remuneration Committee comprises of Mr. Raman Rajiv Misra, Dr. Sunil Anand and

Mr. Sudhir Damodaran. The Remuneration Committee is entrusted with responsibility of finalizing the remuneration of Managing Director and Executive Director and to assist the Board of Directors of the Company on the following :

- Review of Human Resource policies and practices of the Company and, in particular, policies regarding remuneration of Executive Directors and Senior Management. .
- In principle approval of compensation philosophy.

c. Induction of New People.

The Company does not pay any remuneration to its Non-Executive Directors except sitting fees for attending the meetings of the Board and committees. The Company pays a sitting fee to its Non-Executive Directors for attending each meeting of the Board Directors and Committee of Directors.

Attendance of each Member of the Remuneration Committee meetings held during the year:-

Name of the Member	Status	No. of Meetings	
		Held	Attended
Mr. Mr. Raman Rajiv Misra	Chairman	1	1
Dr. Sunil Anand	Member	1	1
Mr. Sudhir Damodaran.	Member	1	1

The details of the remuneration and sitting fees paid during the year ended 31<sup>st</sup> March, 2010 is as follows:

Name of the Member	Salary	Perquisites and Other Benefits	Sitting Fee	Total
Mr. S.A.Abbas	1248000	1543560	-	2791560
Mr Sudhir Damodaran	1248000	1508060	-	2756060
Dr. Sunil Anand	-	-	1700	1700
Mr Raman Rajiv Misra	-	-	1700	1700

**c) Share Transfer and Investors' Grievance Committee:**

The Board of Directors of the Company has constituted a Share Transfer and Investors' Grievance Committee, comprising of Mr. Raman Rajiv Misra, Dr. Sunil Anand and Mr. S. A. Abbas. The Committee, inter-alia, oversees and reviews all matters connected with securities transfer.

The Committee also looks into redressal of shareholders' complaints. The Committee also oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement to provide the quality services to its valued investors.

Name of the Member	Status	No. of Meetings	
		Held	Attended
Mr. Raman Rajiv Misra	Chairman	4	4
Dr Sunil Anand	Member	4	4
Mr. S.A.Abbas	Member	4	4

The Board of Directors have delegated the power of approving the transfer of securities to the Transfer Committee which includes the Managing Director, the Company Secretary, the Vice President-Finance and the Compliance Officer. The Board has designated Mr. G. S Butola, Company Secretary, as the Compliance Officer of the Company. All the complaints received and replied to the satisfaction of shareholders during the year under review. Outstanding complaints as on 31<sup>st</sup> March, 2010 were Nil.

**D. CEO/CFO Certification:**

The Managing Director appointed in terms of the Companies Act, 1956 and the Vice President Finance,

heading the finance function do hereby certify to the Board that:

- The Financial Statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2010 have been reviewed and, to the best of their knowledge and belief, are true and present a true & fair view of the Company's affairs.
- To the best of their knowledge and belief, no transactions entered are fraudulent, illegal or violate the company's Code of Conduct.
- They accept the responsibility for establishing and maintaining internal controls, evaluate the

effectiveness, disclosing the deficiencies to the Auditors & the Audit Committee and take steps or proposed to take steps to rectify these deficiencies.

4. They indicate to the Auditors and the Audit Committee:
- Significant changes in Internal Control Processes during the year;
  - Significant changes in Accounting Policies; and
  - Instances of significant fraud of which they have become aware.

**E. SHAREHOLDER INFORMATION:**

**a) Annual General Meeting:**

The 25th Annual General meeting of the Company shall be held on 30th September, 2010 at 11.30 a.m. at Riverside Sports & Recreation Club, Club Avenue, Mayur Vihar, Phase I, New Delhi-110091.

The last three General Meetings of the Company were held as under:

Annual General Meeting	Days, Date and Time	Special Resolution Passed Thereat
24th	Wed. 30th Sept., 09 at 10.00 a.m	3
23rd	Tue. 30th Sept.,08 at 10.30 a.m	None
22nd	Sat. 29th Sept. 07 at 10.30 a.m	None

**b) Financial Calendar:**

For each calendar quarter, the financial results are reviewed and taken on record by the Board during the last week of the month subsequent to the quarter ending. The audited annual accounts as at 31<sup>st</sup> March, 2010 are approved by the Board, after a review thereof by the Audit Committee. The Annual General Meeting to consider such annual accounts is held in the second quarter of the financial year.

**c) Listing on Stock Exchanges:**

The Equity Shares of the Company are presently listed at The Bombay Stock Exchange. The annual fee for 2009-10 has been paid to the stock exchanges where the shares of the Company are listed.

Pursuant to Clause 5 of the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003, the company, in the month of March, 2004, applied for voluntary delisting of its Equity Shares The Calcutta Stock Exchange Limited but the delisting approval from The Calcutta Stock Exchange Limited is still awaited. Company has been continuously following it with them.

**d) Stock Code:**

Trading Symbol at The Stock Exchange, Mumbai is 531158

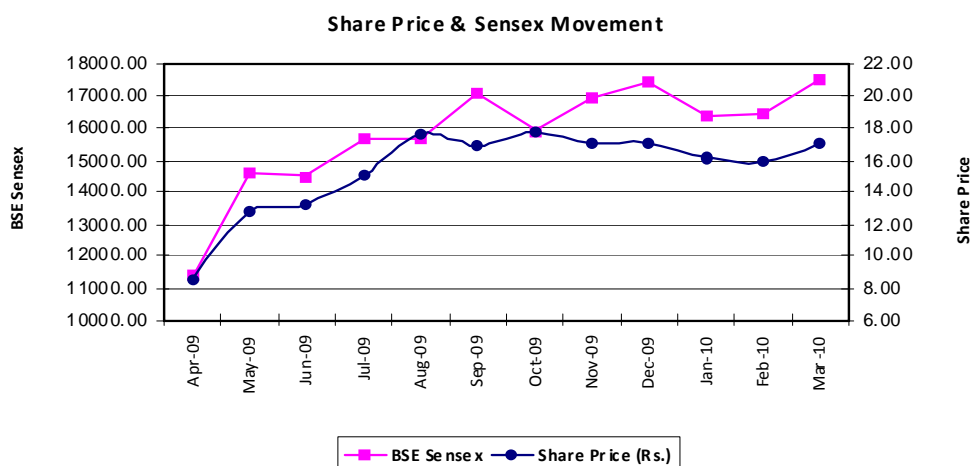
The ISIN Number in NSDL & CDSL is INE 660B01011.

**e) Market Price Data relating to shares listed in India:**

The monthly high and low prices and volume of Equity Shares traded on The Bombay Stock Exchange, during the period April, 2009 to 31st March, 2010 are as under:

Months	Month's High (Rs.)	Month's Low (Rs.)	Volume of Shares Traded (Nos.)
April- 2009	08.95	07.04	27006
May- 2009	13.30	07.74	46031
June- 2009	16.00	11.96	59208
July- 2009	17.00	11.10	75356
August- 2009	19.45	13.90	192678
September- 2009	19.50	14.5	41785
October- 2009	18.40	13.60	146211
November- 2009	22.00	14.65	109783
December- 2009	22.00	14.65	82815
January- 2010	19.75	13.10	87617
February- 2010	17.45	13.35	39113
March- 2010	20.00	13.60	60566

f. Relative performance of the share price of the Company in comparison to the BSE Sensex :



**g) Share Transfer System:**

Application for transfer, transmission and transposition are received by the Company at its Registered Office or Head Office or at the office of its Registrar & Share Transfer Agent. As the shares of the Company are in dematerialized form, the transfer is duly processed by NSDL/CDSL in electronic form through the respective depository participant. Shares, which are in physical form, are processed by the Registrar & Share Transfer Agent on a regular basis and the certificates are dispatched

directly to the investors. The Share Transfer and Transactions Committee of the Board of Directors of the Company is empowered to approve transfer transmission, etc. Such approvals are generally accorded on fixed dates, two times every month and, thereafter, transfers are registered and duly endorsed certificates are sent to the shareholders.

**h) Distribution of Shareholding:**

i) The distribution of shareholding by size class as at 31<sup>st</sup> March, 2010 is as follows :

Shareholding of Value (Rs.)	Folios		Shares	
	Numbers	% age	Numbers	% age
00000-5000	2446	82.36	518425	11.14
05001-10000	271	9.12	238915	5.13
10001-20000	113	3.80	176591	3.79
20001-30000	37	1.25	96188	2.07
30001-40000	16	0.54	56912	1.22
40001-50000	15	0.51	71088	1.53
50001-100000	30	1.01	227595	4.89
100001 and above	42	1.41	3267886	70.22
<b>Total</b>	<b>3166</b>	<b>100.00</b>	<b>4653600</b>	<b>100.00</b>

ii) The Distribution of shareholding, by ownership, as at 31<sup>st</sup> March, 2010 is as follows:

Category	No. of Shares Held	Percentage of Shares
Financial Institution / Bank	16900	0.36
Promoters	171900	3.69
- Bodies Corporate		
- Individual	1340149	28.80
General Public :		
- Individuals/ Trust	1585791	34.07
- Bodies Corporates	1359241	29.21
- NRI	179611	3.87
<b>Total</b>	<b>4653600</b>	<b>100.00</b>

**i) Dematerialisation of Shares:**

Over 80.12% of Company's paid up Equity Share capital has been dematerialised up to 31<sup>st</sup> March 2010. Trading in Equity Shares of the Company is permitted only in dematerialised form as per notification issued by Securities and Exchange Board of India (SEBI). In order to enable the shareholders to hold their shares in electronic form and to facilitate scrip less trading, the Company has enlisted its shares with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).

**j) Means of Communication:**

The Company has been disclosing its corporate financial results quarterly, half-yearly and annually. The quarterly and half-yearly un-audited financial results of the Company were sent to all the stock exchanges where its Equity Shares are listed. The results are normally published in the main editions of The Financial Express, Veer Arjun, Business Standard etc. Annual results are sent to each shareholder. The detailed information about its products is displayed on its website [www.catvisionindia.com](http://www.catvisionindia.com).

No presentations were made to institutional investors and analysts during the year under review. The Management Discussion and Analysis forms part of the Directors' Report in the Annual Report:

**k) Other Information:**

- 1) Date of Incorporation : 28th June, 1985
- 2) Registration No. : 21374
- 3) Registered Office : 1515, First Floor,  
Bhisham Pitamah Marg,  
Kotla Mubarakpur,  
Near South Extension,  
New Delhi-11003
- 4) Location of Plants : E-14 & 15, Sector-8,  
Noida, Distt. Gautam Budh  
Nagar, U.P.  
: F-87, Selaqui Industrial  
Area, Dehradun  
(Uttarakhand)
- 5) Head Office : E-14 & 15, Sector-8,  
Noida, Distt. Gautam Budh  
Nagar, U.P. 201301.  
Ph. No. 0120-3914100-101
- 6) Overseas Office : No.707, Juma Al Majid  
Tower, Near Sahara Centre,  
Al Nahda, Sharjah- UAE
- 7) Website : [www.catvisioninida.com](http://www.catvisioninida.com)
- 8) E-mail : [catvision@catvisionindia.com](mailto:catvision@catvisionindia.com)
- 9) Registrar & Share  
Transfer Agent : RCMC Share Registry  
Pvt Ltd.

B-106, Sector-2,  
Noida, U.P. - 201 301  
Ph. : 0120-4015880  
E-mail: [shares@rcmcdelhi.com](mailto:shares@rcmcdelhi.com)

**l) Secretarial Audit:**

The Secretarial Audit Report confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL, is placed before the Board on a quarterly basis. A Copy of the Audit Report is submitted to the Bombay Stock Exchange where the securities of the Company are listed.

**F. OTHER DISCLOSURES:**

**a) Appointment & Re-appointment of Director:** Mr. Syed Athar Abbas retires by rotation and being eligible, offers himself for re-appointment. His candidature for appointment will be proposed to shareholders at the Annual General Meeting in accordance with the provisions of the Companies Act, 1956.

**b) Management Discussion and Analysis Report:**

**Business Overview:** The total revenue of the company declined marginally in 2009-10 mainly due to the company's exit from 2 businesses: Operation of the Cable TV network at Jamshedpur and supply of dish antennas to DTH operators. In the case of Jamshedpur, unrelenting pressure from the pay channels to increase payouts to them combined with the company's inability to correspondingly raise subscription rates, made the operation unviable. The commoditization of the dish antenna business prompted the company to look elsewhere to make better use of its working capital resources.

**Industry Structure & Development:** About 95% of the cable TV networks in India are run on analogue technology, which suffers from 2 severe limitations: poor quality picture and an inability to run more than 100 television channels. Digital TV solves both these problems. DTH is digital and has gained widespread popularity. As a result, while DTH grows at almost 50% per year, cable drags along at about 15%. However, this may change soon. TRAI, the regulatory body, has sent comprehensive recommendations to the government, laying out a roadmap for digitalization of cable TV in India. The sunset date it has set is December 31, 2013, by which date all cable networks in India must offer the channels in digital format. It is expected the government will accept these recommendations within the current fiscal. That development alone shall trigger a massive dose of investment in cable TV infrastructure by all the large operators. To facilitate this TRAI has also recommended increase of FDI in MSOs to 75% from the current 49%. Your company will be a big participant in the digitalization process since it offers several products, a strong brand and 25 years of experience in the industry.



**CATV Products:** Sales of the company's products to cable operators, both big and small, continued to do well. Almost all networks have shifted to HFC (Hybrid Fibre Coax) which distributes the television signals on a mix of fibre optic and coaxial cable. Due to the enormous advantage of fibre over coax, operators are moving the fibre closer and closer to the home. Catvision is a major supplier of fibre optic transmitters and nodes that are required for this purpose. This "fiberization" of cable networks is expected to continue for years until fibre reaches the home. The next big opportunity will come once the government accepts TRAI's recommendations.

A new product was added to the company's CATV Division – LED Display Boards. The company was successful at winning a prestigious order for installation of 2 LED video boards, each 40 sq. m in size, at the Major Dhyan Chand stadium at New Delhi. These boards were used as scoreboards at the Hockey World Cup in Feb 2010 held at the MDC stadium, and shall also be used in the Commonwealth Games in October this year. With this initial success the company looks forward to additional growth from this product line.

**Hotel Systems & Services:** The hospitality sector has recovered from the recession. Several new properties are on the anvil. The digital bug has bitten the hotel segment too especially since they are installing the latest high definition LCD or plasma TV sets in the rooms. Serving these TVs with an analogue signal is a mismatch, so some hotels have started to install digital cable systems on their properties. Your company is a leader in these systems and the last year saw several installations. In addition, existing properties are looking to upgrade their networks from analogue to digital.

The Company's energy management systems, which reduce room energy consumption in hotels, have gained wide acceptance after several installations in EIH and ITC hotels. Your company is a clear market leader in these products.

CCTV systems did not fare well mainly due to the restructuring of operations of the company's UK collaborator following the global recession. The company is considering an exit from this business.

**Strengths & Opportunities:** This year the company completed 25 years, of which for 24 years it has been in the satellite & cable TV business in India – longer than any other Company. This experience and the skills the Company has acquired over the years is its key strength. The Company has also been able to maintain a leadership position in the market segments that it addresses.

Several opportunities are available to the company in the foreseeable future. In CATV the biggest opportunity is the digitalization of cable networks – both in the residential as well as hospitality sectors. Energy

management systems, is the other big opportunity since hotels are looking to reducing their energy footprint and, as a consequence, the energy cost. The company's foray into LED Display boards, too look promising. It is based on the revolutionary LED technology. The prestigious installation at the MDC stadium is expected to open several doors. Exports of the company's CATV products have met with immediate success in the last year. This business too looks promising.

**Threats & Challenges:** A major threat would be if the government drags its feet on giving a go-ahead to TRAI's recommendations. However, the likelihood of that happening is small. The biggest challenge for the company is to manage the growth of its various businesses and maintain a leadership position. To do so, the company has to be able to attract and retain talented employees, who are the real strength of the company. Towards this end the company is planning to start a Graduate Engineer Trainee and Management Trainee scheme from the next year wherein the company will take in fresh graduates from good engineering and management institutes.

**Segment performance:** (Rupees)

	Current Year	Previous Year
Products	206,323,669	209,055,231
Services	33,566,156	47,314,835

**c. Risks and Concerns:**

The major risks, which prevail in the industry, are uncertainty of Government policy, technological obsolescence and competition from the global players. The company is taking due care by adopting new technology and continuous in-house research and development. The company is also focusing on niche segments in the market to avoid head-on competition with global players.

**d. Internal Control Systems:**

The Company has instituted adequate internal control procedures commensurate with the nature of its business and the size of its operations. An audit committee is in place. Internal audit is conducted at regular intervals and covers the key areas of operation. All significant audit observations and follow-up actions thereon are reported to the Audit Committee.

**e. Human Resources/Industrial Relations, including number of people employed:**

Your company's industrial relations continued to be harmonious during the year under review. Your company conducts regular in-house training programs for employees at all levels. The focus is on maintaining employee motivation at a high level with stress on leadership development.

**f. Cautionary Statement:**

Estimation and expectation made in this Management Discussion and Analysis may differ from actual performance due to various factors. The important factors that could make a difference to your company's

operations include economic conditions affecting demand/supply, price conditions in the domestic and international markets, and changes in Government regulations, tax laws, other statutes and other incidental factors.

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**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

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To: The members of  
**Catvision Products Limited**  
New Delhi

We have examined the compliance of the conditions of Corporate Governance by Catvision Products Limited for the year ended on 31st March 2010, as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management:

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as on 31st March 2010, there were no investor grievances remaining unattended/pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

for **GAUR & ASSOCIATES**  
Chartered Accountants

**R. K. Gaur**  
Partner

Place : Noida, U.P.  
Date : 31st August, 2010

Membership No. 72146  
Firm Regn. No. : 005354C

## AUDITORS' REPORT

To,  
The Members of **Catvision Products Limited**  
New Delhi

1. We have audited the attached Balance Sheet of CATVISION PRODUCTS LIMITED, NEW DELHI as at 31st March, 2010 and the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express our opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. 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 (Auditors' Report) Order, 2003 as amended by the Companies (Auditors' Report) (Amendment) Order, 2004 {hereinafter referred to as order} issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of these books;
  - c. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - e. On the basis of written representation received from the Directors as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - f. In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
    - ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
    - iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

for **GAUR & ASSOCIATES**  
Chartered Accountants

**R. K. Gaur**  
Partner

Place : Noida, U.P.  
Date : 31st August, 2010

Membership No. 72146  
Firm Regn. No. : 005354C

**ANNEXURE TO THE AUDITORS' REPORT**

**(REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF CATVISION PRODUCTS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2010)**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Physical verification of the major fixed assets was conducted by the management during the year, which in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets and no material discrepancies were noticed in respect of those assets which were physically verified.
- (c) During the year, the Company has not disposed off any substantial part of its fixed assets. In our opinion the disposal of such fixed assets during the year does not affect the going concern status of the Company.
- (ii) (a) The inventory of the Company has been physically verified by the management at reasonable intervals during the year.
- (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion the company is maintaining proper records of inventory. The discrepancies noticed on such physical verification as compared to the book records were not material having regard to the size and nature of the operations of the Company and the same have been properly dealt with in the books of accounts.
- (iii) (a) The Company has not granted any loans, secured or unsecured during the year to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- (b) The Company has taken loans from parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 79 lacs and the balances of loans taken from such parties were Nil as at 31st March, 2010.
- (c) In our opinion and explanations given to us the rate of interest and other terms and conditions of such loan taken by the Company are not prima facie prejudicial to the interest of the Company.
- (d) The repayment of principal amount and payment of interest are made regularly.
- (e) There is no overdue amount which is more than rupees one lac overdue during the period.
- (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 nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit no major weakness has been noticed in the internal controls.
- (v) (a) Based on the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the particulars or arrangement referred to in Section 301 of the Companies Act, 1956 have been entered in the register maintained under that Section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangement entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5 Lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices of the relevant time.
- (vi) The Company has not accepted any deposits from the public to which the provisions of Section 58 (A) and 58 (AA) of the Companies Act, 1956 and the rules framed thereunder apply.
- (vii) In our opinion the Company has an adequate internal audit system commensurate with the size of the Company and nature of its business.
- (viii) To the best of our knowledge and according to the information given to us the Central Government has not prescribed maintenance of cost records under section 209 (I) (d) of the Companies Act, 1956 in respect of the company's products.
- (ix) (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in accordance with the generally accepted auditing practices in India, in our opinion the company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Customs Duty, cess and other material statutory dues as applicable to it with the appropriate authorities.
- (b) According to the Information and explanations given to us, there were no undisputed amount payable in

respect of Income Tax, Sale Tax, wealth Tax, Customs Duty and Excise Duty outstanding, as at 31st March, 2010 for a period of more than six months from the date they became payable.

- (c) According to the information and explanations given to us, following are the details of disputed statutory dues of Sales Tax which have not been paid to the concerned authorities:

The Asst. Trade Tax Commissioner, Noida has raised a demand of a penalty of Rs.27000/- against the Company which it defended before the Hon'ble Trade Tax Tribunal, Ghaziabad, U.P. and the decision was awarded in the favour of the Company. But the Commissioner Trade Tax, UP has moved against this order to the Hon'ble High Court, Allahabad.

- (x) The Company has neither accumulated losses in the current year nor in the immediately preceding financial year. It has neither incurred cash losses in the financial year under report nor in the immediately preceding financial year.
- (xi) According to the records of the Company examined by us and as per the information and explanations given to us and as per our opinion, the company has not defaulted in repayment of dues to financial institution or bank or to debenture holders during the year.
- (xii) The Company has not granted any loan and advances on the basis of security by way of pledge of shares, debentures and other securities during the year.
- (xiii) In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
- (xiv) In our opinion the Company is not a dealer or trader in shares, securities, debentures and other Investments.

(xv) According to the information and explanations given to us, in our opinion, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

- (xvi) (a) According to the information and explanations given to us, the loans have been applied for the purpose for which they were obtained.
- (b) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.

(xvii) The Company has not made preferential allotment to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.

(xviii) The Company has not issued any debentures during the year.

(xix) The Company has not raised any money by public issue during the year.

(xx) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

for **GAUR & ASSOCIATES**  
Chartered Accountants

**R. K. Gaur**  
Partner

Place : Noida, U.P.  
Date : 31st August, 2010

Membership No. 72146  
Firm Regn. No. : 005354C

**BALANCE SHEET AS AT 31ST MARCH, 2010**

	Schedule	As At 31.03.2010 (Rupees)	As At 31.03.2009 (Rupees)
<b>I. SOURCES OF FUNDS</b>			
<b>A) Shareholders' Funds :</b>			
Share Capital	1	46,536,000	46,536,000
Reserve & Surplus	2	43,749,477	35,386,715
<b>B) Loan Funds :</b>			
Secured Loans	3	25,759,542	27,257,473
<b>C) Deferred Tax Liability :</b>			
		8,755,202	7,892,877
<b>TOTAL (A to C)</b>		<b>124,800,221</b>	<b>117,073,065</b>
<b>II. APPLICATION OF FUNDS</b>			
<b>A) Fixed Assets :</b>			
Gross Block	4	101,459,685	97,443,496
Less : Depreciation		54,080,628	49,081,653
Net Block		47,379,057	48,361,843
<b>B) Investments :</b>			
	5	34,980	34,980
<b>C) Current Assets Loans and Advances :</b>			
Inventory	6	36,653,549	28,604,272
Receivables	7	39,699,719	34,889,478
Cash & Bank Balance	8	24,684,719	28,792,064
Loans & Advances	9	17,222,531	14,529,128
<b>Sub-total</b>		<b>118,260,518</b>	<b>106,814,942</b>
Less: Current Liabilities and Provisions :			
Current Liabilities	10	34,443,623	32,507,767
Provision	11	6,430,711	5,630,933
<b>Sub-Total</b>		<b>40,874,334</b>	<b>38,138,700</b>
Net Current Assest		77,386,184	68,676,242
<b>TOTAL (A to C)</b>		<b>124,800,221</b>	<b>117,073,065</b>
<b>Significant Accounting Policies and Notes to the Accounts 18</b>			

Schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date.

for **GAUR & ASSOCIATES**  
Chartered Accountants

For and on behalf of the Board

**R. K. Gaur**  
Partner  
Membership No. 72146  
Firm Regn. No. 005354C

**G. S. Butola**  
Company Secretary

**S. A Abbas** Managing Director

**S. Damodaran** Executive Director

**Dr. Sunil Anand** Director

**Raman Rajiv Misra** Director

Place : Noida, U.P.  
Date : 31st August, 2010

**Vinod Rawat**  
Vice President - Finance

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010**

	Schedule	Year Ended 31.03.2010 (Rupees)	Year Ended 31.03.2009 (Rupees)
<b>I. INCOME</b>			
Gross Operating Revenue	12	239,607,580	255,841,324
Miscellaneous Income	13	634,609	1,000,241
<b>TOTAL</b>		<b>240,242,189</b>	<b>256,841,565</b>
<b>II. EXPENDITURE</b>			
Material and other Manufacturing Expenses	14	142,531,039	153,287,567
Employees Remuneration and Benefits	15	30,205,471	26,422,814
Administrative & Selling Expenses	16	49,034,795	54,807,421
Finance Cost	17	2,100,202	3,015,907
Depreciation		5,097,924	4,868,344
<b>TOTAL</b>		<b>228,969,431</b>	<b>242,402,053</b>
<b>III. PROFIT BEFORE TAX</b>		<b>11,272,758</b>	<b>14,439,512</b>
Provision for Taxation			
– Current Tax		(1,741,641)	(1,635,997)
– Fringe Benefits Tax		—	(539,425)
– Deferred Tax Liability		(862,325)	(5,359,693)
<b>IV. PROFIT AFTER TAXATION</b>		<b>8,668,792</b>	<b>6,904,397</b>
Surplus brought forward from previous year		18,623,989	11,719,592
<b>V. PROFIT AVAILABLE FOR APPROPRIATION</b>		<b>27,292,781</b>	<b>18,623,989</b>
<b>VI. APPROPRIATIONS</b>			
Balance carried to Balance Sheet		27,292,781	18,623,989
Basic/ Diluted Earning Per Share (Face value of Rs. 10/- each)		1.86	1.48
No. of Shares		4,653,600	4,653,600
<b>Significant Accounting Policies and Notes to the Accounts 18</b>			

Schedules referred to above form an integral part of the Profit & Loss Account.

As per our report of even date.

for **GAUR & ASSOCIATES**  
Chartered Accountants

For and on behalf of the Board

**R. K. Gaur**  
Partner  
Membership No. 72146  
Firm Regn. No. 005354C

**G. S. Butola**  
Company Secretary

**S. A Abbas** Managing Director

**S. Damodaran** Executive Director

**Dr. Sunil Anand** Director

**Raman Rajiv Misra** Director

Place: Noida, U.P.  
Date : 31st August, 2010

**Vinod Rawat**  
Vice President - Finance

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2010**

	Year Ended 31.03.2010 (Rupees)	Year Ended 31.03.2009 (Rupees)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	<b>11,272,758</b>	14,439,512
Adjustment for :		
Depreciation	5,097,924	4,868,344
Interest Expenses	2,100,202	3,015,907
Loss on sale of Fixed Assets	163,851	41,501
Interest earned & other Income	(634,609)	(1,000,241)
Exchange difference on translation of foreign operations	(306,030)	149,726
<b>Operating Profit Before Working Capital Changes</b>	<b>17,694,096</b>	21,514,749
Adjustment for Changes in working Capital :		
Trade & other Receivables	(4,810,241)	215,796
Inventories	(8,049,277)	(2,620,423)
Loans & Advances (Net of prior period adjustments)	(2,693,403)	3,555,619
Trade Payable & Provisions	3,169,415	4,502,256
	<b>(12,383,506)</b>	5,653,248
<b>Cash Generated from Operations</b>	<b>5,310,590</b>	27,167,997
Interest paid	(2,100,202)	(3,015,907)
Taxes paid	(2,175,422)	(1,184,205)
<b>Net Cash from Operating Activities</b>	<b>1,034,966</b>	22,967,885
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(4,426,989)	(7,489,200)
(Addition) / Deletion in Capital Work in Progress	-	674,747
Sale of Fixed Assets	148,000	31,700
Interest & Miscellaneous Income Earned	634,609	1,000,241
<b>Net Cash Used in Investing Activities</b>	<b>(3,644,380)</b>	(5,782,512)
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
Increase/ (Decrease) in Long Term Borrowing	1,335,689	(597,374)
Increase/ (Decrease) in Working Capital Borrowing	(2,833,620)	7,853,627
<b>Net Cash from Financial Activities</b>	<b>(1,497,931)</b>	7,256,253
<b>Net Increase / (Decrease) in Cash (A+B+C)</b>	<b>(4,107,345)</b>	24,441,626
Opening Cash and Cash Equivalents	28,792,064	4,350,438
Closing Cash and Cash Equivalents	24,684,719	28,792,064

**Note:** Figures in brackets represent Cash outflows, except interest earned & other income.

As per our report of even date.

for **GAUR & ASSOCIATES**

Chartered Accountants

For and on behalf of the Board

**R. K. Gaur**

Partner

Membership No. 72146

Firm Regn. No. 005354C

Place : Noida, U.P.

Date : 31st August, 2010

**G. S. Butola**

Company Secretary

**Vinod Rawat**

Vice President - Finance

**S. A Abbas**

Managing Director

**S. Damodaran**

Executive Director

**Dr. Sunil Anand**

Director

**Raman Rajiv Misra**

Director



**SCHDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010**

	As At 31.03.2010 (Rupees)	As At 31.03.2009 (Rupees)
<b>SCHEDULE 1 : SHARE CAPITAL</b>		
<b>Authorised</b> 6,500,000 Equity Shares of Rs. 10 each (Previous Year 6,500,000 Equity Shares of Rs. 10 each)	<b>65,000,000</b>	65,000,000
<b>Issued , Subscribed &amp; Paid- Up Capital</b> 4,653,600 Equity Shares of Rs.10 each (Previous Year 4,653,600 Equity Shares of Rs.10 each)	<b>46,536,000</b>	46,536,000
	<b>46,536,000</b>	46,536,000
<b>SCHEDULE 2 : RESERVE AND SURPLUS</b>		
Share Premium Reserve	<b>16,613,000</b>	16,613,000
Foreign Currency Translation Reserve	<b>(156,304)</b>	149,726
Surplus in Profit and Loss Account	<b>27,292,781</b>	18,623,989
	<b>43,749,477</b>	35,386,715
<b>SCHEDULE 3 : SECURED LOANS</b>		
From Banks For Working Capital	<b>22,477,597</b>	25,311,217
Miscellaneous Under Hire Purchase Agreements	<b>3,281,945</b>	1,946,256
	<b>25,759,542</b>	27,257,473

**Notes :**

- Working Capital Loans :** The Company has availed working capital facilities from Axis Bank Ltd, B2- B3, Sector-16, Noida, U. P. These working capital facilities are secured by first legal mortgage on land, building and plant & machinery of the Company situated at Noida and Dehradun and hypothecation of Stock, Book Debts and personal guarantees of promoter Directors.
- Hire Purchase Agreements :** Loan availed under Hire Purchase agreements are secured against hypothecation of vehicles and assets financed under respective Hire Purchase Agreements.

**SCHEDULE - 4 : FIXED ASSETS**

(Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As At 01/04/2009	Additions	Deletions	As At 31/03/2010	As At 01/04/2009	For the period	Deletions	As At 31/03/2010	As At 31/03/2010	As At 31/03/2009	
Land	1,056,904	-	-	1,056,904	-	-	-	-	1,056,904	1,056,904	
Building	11,548,663	-	-	11,548,663	2,238,642	385,726	-	2,624,368	8,924,295	9,310,021	
Plant & Machinery	13,496,452	1,090,475	410,800	14,176,127	7,108,137	643,121	98,949	7,652,309	6,523,818	6,388,315	
Electrical Fittings	2,029,717	97,291	-	2,127,008	454,847	100,641	-	555,488	1,571,520	1,574,870	
Office Equipments	3,324,414	427,751	-	3,752,165	956,819	171,631	-	1,128,450	2,623,715	2,367,595	
Furniture & Fixtures	4,722,889	81,422	-	4,804,311	2,707,315	279,306	-	2,986,621	1,817,690	2,015,574	
Computers	3,666,766	164,031	-	3,830,797	2,881,791	277,046	-	3,158,837	671,960	784,975	
Vehicles	4,866,109	2,378,107	-	7,244,216	2,046,996	454,654	-	2,501,650	4,742,566	2,819,113	
Cable TV Networks	52,731,582	187,912	-	52,919,494	30,687,106	2,785,799	-	33,472,905	19,446,589	22,044,476	
<b>TOTAL</b>	<b>97,443,496</b>	<b>4,426,989</b>	<b>410,800</b>	<b>101,459,685</b>	<b>49,081,653</b>	<b>5,097,924</b>	<b>98,949</b>	<b>54,080,628</b>	<b>47,379,057</b>	<b>48,361,843</b>	
Previous Year	90,061,126	7,489,200	106,830	97,443,496	44,246,936	4,868,344	33,627	49,081,653	48,361,843	45,814,190	

	As At 31.03.2010 (Rupees)	As At 31.03.2009 (Rupees)
<b>SCHEDULE 5 : INVESTMENTS</b>		
<b>Long Term :</b>		
Non-Trade Investments :		
– Bombay Mercantile Co-op. Bank Ltd	4,980	4,980
Other Investments :		
– Fidelity India Mutual Fund- units	30,000	30,000
	<b>34,980</b>	<b>34,980</b>
<b>SCHEDULE 6 : INVENTORIES</b>		
(As taken, valued, and certified by the management)		
Finished Goods	10,758,289	8,531,986
Trade Goods	10,286,703	8,042,466
Raw Materials & Components	13,708,814	10,268,588
Stores and Spares	133,685	138,723
Semi- Finished Goods	1,766,058	1,622,509
	<b>36,653,549</b>	<b>28,604,272</b>
<b>SCHEDULE 7 : SUNDRY DEBTORS</b>		
(Unsecured, considered good)		
– Debts outstanding for a period exceeding six months	12,733,725	11,423,749
– Other Debts	26,965,994	23,465,729
	<b>39,699,719</b>	<b>34,889,478</b>
<b>SCHEDULE 8 : CASH AND BANK BALANCES</b>		
Cash in hand	31,499	2,753
Balance with Scheduled Banks:		
– In Current Accounts	8,748,809	19,520,030
– In Fixed Deposit Accounts	15,904,411	9,269,281
	<b>24,684,719</b>	<b>28,792,064</b>
<b>SCHEDULE 9 : LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Security Deposits	2,963,668	1,488,624
Advance recoverable in cash or in kind for the value to be received	9,132,756	7,336,963
Prepaid Expenses	848,998	701,328
Advance Tax including tax deducted at source	2,686,359	3,972,959
Balance of VAT with Sales Tax Department	35,249	23,990
Balance with Service Tax Department	166,689	2,129
Claim for Refunds of Additional Duty of Customs	1,388,812	909,516
Other Current Assets	-	93,619
	<b>17,222,531</b>	<b>14,529,128</b>
<b>SCHEDULE 10 : CURRENT LIABILITIES</b>		
Sundry Creditors	17,326,966	17,363,245
Other Liabilities	6,174,043	6,563,208
Advance from Customers	10,942,614	8,581,314
	<b>34,443,623</b>	<b>32,507,767</b>

	As At 31.03.2010 (Rupees)	As At 31.03.2009 (Rupees)
<b>SCHEDULE 11 : PROVISIONS</b>		
Taxation	1,741,641	1,635,997
Fringe Benefit Tax	-	539,425
Provision for Bills awaited	999,006	491,668
Employees Retirement Benefits	3,690,064	2,963,843
	<b>6,430,711</b>	<b>5,630,933</b>

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

	Year Ended 31.03.2010 (Rupees)	Year Ended 31.03.2009 (Rupees)
<b>SCHEDULE 12 : GROSS OPERATING REVENUE</b>		
Sales of Products	206,323,669	209,055,230
Servicing Income	32,950,578	36,704,803
Other Operating Income	333,333	10,081,291
	<b>239,607,580</b>	<b>255,841,324</b>
<b>SCHEDULE 13 : MISCELLANEOUS INCOME</b>		
Interest Earned [ Includes TDS Rs. 8400/- previous year Rs. 27399/-]	352,364	241,361
Miscellaneous Income	282,245	758,880
	<b>634,609</b>	<b>1,000,241</b>
<b>SCHEDULE 14 : MATERIAL AND OTHER MANUFACTURING EXPENSES</b>		
<b>A. Material Cost :</b>		
Opening Stock	18,311,054	17,256,459
Add : Purchases	147,825,247	152,698,172
Less: Closing Stock	23,995,517	18,311,054
<b>Sub Total- A</b>	<b>142,140,784</b>	<b>151,643,577</b>
<b>B. (Increase) /Decrease in Stock</b>		
<b>Opening Stocks</b>		
Finished Goods	8,531,986	6,690,357
Semi-Finished Goods	1,622,509	1,979,902
	<b>(i)</b>	<b>8,670,259</b>
<b>Closing Stocks</b>		
Finished Goods	10,758,289	8,531,986
Semi-Finished Goods	1,766,058	1,622,509
	<b>(ii)</b>	<b>10,154,495</b>
<b>Sub-total</b>	<b>(ii)</b>	<b>10,154,495</b>
<b>Sub Total-B</b>	<b>(i) - (ii)</b>	<b>(1,484,236)</b>
<b>C. Other Manufacturing Expenses</b>		
Store and Spares Consumed	821,445	662,775
Power and Fuel	260,748	231,382
Other Manufacturing Expenses	1,677,914	2,234,069
<b>Sub Total- C</b>	<b>2,760,107</b>	<b>3,128,226</b>
<b>Grand Total (A+B+C)</b>	<b>142,531,039</b>	<b>153,287,567</b>

	Year Ended 31.03.2010 (Rupees)	Year Ended 31.03.2009 (Rupees)
<b>SCHEDULE 15 : EMPLOYEES REMUNERATION AND BENEFITS</b>		
Salary, Wages and Other Benefits	28,176,981	24,425,079
Staff Welfare Expenses	277,591	288,920
Contribution to Provident Fund and other Funds	1,750,899	1,708,815
	<b>30,205,471</b>	<b>26,422,814</b>
<b>SCHEDULE 16 : ADMINISTRATIVE AND SELLING EXPENSES</b>		
Insurance	310,737	319,762
Rent and Hire Charges	3,918,354	3,609,357
Travelling and Conveyance	10,410,212	7,176,425
Vehicles Running and Maintenance	458,146	421,496
Advertisement, Selling and Distribution	320,094	78,617
Loss on Sale of Fixed Assets	163,851	41,501
Freight and Handling Charges	78,532	2,030,975
Trade and Business Discount	189,400	187,266
Business Promotion	403,477	588,050
Postage and Telephone	1,844,967	1,903,470
Project Execution Expenses	1,795,366	989,084
Sales Incentives	1,662,397	1,436,736
Miscellaneous Expenses	3,314,779	2,864,332
Meetings and Celebration	280,084	310,961
Security Services	553,608	340,801
Legal and Professional Charges	2,377,536	1,508,228
Software Charges to Broadcasters*	17,026,920	26,278,085
Fee and Subscription Expenses	387,278	228,007
Water and Electricity Expenses	780,598	881,172
Printing & Stationery	221,185	273,438
Loss on account of Foreign Currency Fluctuation	21,613	255,867
Auditors' Remuneration		
– Audit Fee	93,755	106,231
– Taxation Matters	16,545	16,545
– Management Consultancy	16,545	16,545
Repair & Maintenance:		
– Building	472,475	826,755
– Plant & Machinery	78,951	248,375
– Others	1,837,390	1,869,340
	<b>49,034,795</b>	<b>54,807,421</b>
*Excluding Service Tax		
<b>SCHEDULE 17 : INTEREST &amp; FINANCIAL CHARGES</b>		
Interest on :		
– Working Capital	870,753	998,594
– Other Loans	351,359	361,449
Bank Charges	878,090	1,655,864
	<b>2,100,202</b>	<b>3,015,907</b>

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## **SCHEDULE 18: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**

(Forming part of the Accounts for the year ended 31st March, 2010).

### **A. NATURE OF OPERATION :**

The Company offers wide range of CATV products to cable operators and broadcasters, CATV/ SMATV and energy saving equipments to hotels and security solutions to hotels, shopping malls and big commercial centers.

### **B. SIGNIFICANT ACCOUNTING POLICIES :**

#### **1. ACCOUNTING CONVENTIONS:**

The financial statements of the Company are prepared under historical cost convention and in accordance with applicable accounting standards issued by the Institute of Chartered Accountants of India, except where otherwise stated.

#### **2. REVENUE RECOGNITION:**

- a) Domestic sales are recognised when the risk and rewards of the ownership are passed on the customer which is generally on dispatch of goods. Sales are net of sales tax and sales return.
- b) Export sales are recognised at the time of handing over of export consignment to authorities for clearance.
- c) Income from services is distributed over the period of service and recognized accordingly.
- d) Interest is recognized to the extent of actual credit by the bank.

#### **3. FIXED ASSETS AND DEPRECIATION:**

Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Expenditure for addition, improvement and renewal are capitalized and expenditure for repairs and maintenance are charged to Profit and Loss Account. Depreciation other than on land and capital work in progress is charged pro-rata on straight-line method, in accordance with the rates prescribed in Schedule XIV of the Companies Act, 1956 on all fixed assets. Depreciation on the amount of addition made to fixed assets due to up-gradation is provided at the rate applied to the existing assets.

#### **4. INVENTORY VALUATION:**

- a. Raw materials, components, stores and packing materials are valued at cost. Cost for this purpose is calculated, on a weighted average method.
- b. Semi-finished goods is valued at estimated cost.
- c. Finished goods are valued at cost or market value whichever is less.
- d. The cost of Semi-finished goods and finished goods include cost of conversion and other cost incurred in bringing the inventories to their present condition and location.

#### **5. FOREIGN CURRENCY TRANSACTIONS:**

##### **I. INDIA OPERATIONS :**

- a. **Initial Recognition :** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the realization.
- b. **Exchange Differences:** Monetary assets and liabilities related to foreign currency remaining unsettled at the end of the year are translated at the exchange rate prevailing on the date on which transaction is recorded. Exchange differences arising on the settlement of monetary items or on restatement of monetary items at rates different from those at which they were initially recorded or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.
- c. **Forward Exchange Contract:** In respect of forward exchange contracts entered into by the Company, the difference between the contracted rate and the rate at date of transaction is recognized as gain or loss over the period of contract except for difference in respect if liabilities incurred for acquiring fixed assets from a country outside India in which case such difference is adjusted in the carrying amount of the respective fixed assets. Exchange difference on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expenses for the year.

**II. FOREIGN BRANCH OFFICE OPERATIONS :**

- a) The assets and liabilities, both monetary and non-monetary, of the overseas operations are translated at the exchange rate prevailing on the balance sheet date.
- b) Sales and Cost of material of the overseas operations are translated by applying monthly average exchange rate, Administrative expenses of the foreign operations are translated by applying quarterly average exchange rates.
- c) All resulting exchange differences are accumulated in Foreign Currency Translation Reserve.

**6. FEE FOR TECHNICAL SERVICES:**

Fee for technical services are charged to the profit and loss account over the period of the agreement for technical services.

**7. RETIREMENT AND OTHER EMPLOYEE BENEFITS:**

- a. **Defined Contribution Plan :** The Company has defined contribution plan for post employment benefits in the form of provident fund for all employees which are administrated by Regional Provident Fund Commissioner. Provident fund is classified as defined contribution plan as the Company has no further obligation beyond making the contribution. The Company's contribution to defined contribution plans are charged to Profit and Loss Account as and when incurred.
- b. **Defined benefits plan :** The Company has defined benefits plan for post employment benefits in the form of Gratuity. Liability for defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary.
- c. Other employee benefits like leave travel assistance, medical reimbursement are accounted for on accrual basis.

**8. PROVISIONS :**

- a. The Company does not make provision for doubtful debts and follows the practice of writing off bad debts as and when determined.
- b. A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not disclosed to its present value and are determined based on best management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

**9. PROVISION FOR TAXATION:**

Tax expense comprises both current and deferred taxes. Current Income is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred Income Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. However as a matter of prudence deferred tax assets have been recognized only to the extent there is a deferred tax liability.

**10. LEASED ASETS:**

The Company leased some equipments to M/S BMK Hospitality Services Pvt. Ltd. under operating lease agreement. The particulars of the lease are as under:

Value of Assets	:	1,87,912.00
Margin paid by the Lessee	:	NIL
Lease Value	:	9,60,000.00
Lease Tenure	:	48 month
Monthly Lease Rent	:	Rs. 20,000.00 per month
Depreciation Eligibility	:	Lessor

**11. EARNIG PER SHARE (EPS):**

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholder ( after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating Diluted Earning Per Share, the net profit or loss for the year attributable to equity shareholder and the weighted average number of shares outstanding during he year are adjusted for the effects of all dilative potential Equity Shares.

**12. ALLOCATION OF OVERHEADS AMONG THE UNITS/SEGMENT:**

- a. Expenses related for the operations of cable TV Network has been directly appropriated against the revenue of cable TV Operations only.
- b. The direct expenses related to services being provided by the Company has been directly appropriated against the revenue of such services.
- c. Direct Expenses related to the manufacturing units has been directly accounted for in the respective units.
- d. Common overheads have been allocated among units/branches in the ratio of the gross operating revenue of the respective units/branches.

**13. IMPAIRMENT:**

At each balance sheet date, the management reviews the carrying amounts of its assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of net selling price of an asset and value in use determined by discounting the estimated future cash flow expected from continuing use assets to their present value.

**14. INVESTMENT:**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of such investments.

**C. NOTES TO THE ACCOUNTS**

**1. Contingent Liabilities :**

	<b>As At 31.03.2010 (Rupees)</b>	<b>As At 31.03.2009 (Rupees)</b>
i) Unexpired Bank Guarantees	<b>2,616,521</b>	70,000
ii) Claim against the company not acknowledged as debits	<b>5,850,053</b>	5,850,053
iii) Unexpired Letter of Credits	<b>1,025,355</b>	11,036,432

**Note :** Based on the favorable decisions in similar cases/legal opinions taken by the company/discussions with its legal advisors etc. the Company believes that it has good cases in respect of the item no. (ii) and hence no provision there against is considered necessary.

**2. Employees Benefit :**

- a) The Company has adopted the revised Accounting Standard (AS) 15, 'Employee Benefits' issued by the Institute of Chartered Accountants of India w.e.f. 1st April 2007.
- b) **Contribution to Provident Fund :** Amount of Rs. 1610050/- (Previous year Rs. 1536928/- ) is recognised as an expense and included in Employees Remuneration and benefits (Refer Schedule 15) in the Profit & Loss Account for the year ended 31st March 2010.

- c) **Gratuity** : The following table sets out the status of the Defined Benefits Plan as at 31st March 2010 which is based on the report submitted by an Independent Actuary :

	Year Ended 31.03.2010 (Rupees)	Year Ended 31.03.2009 (Rupees)
<b>Amount recognised in Balance Sheet</b>		
Present value of the obligation at the end of the year	3,775,685	2,963,843
Fair value of plan assets	85,621	—
Net Liability recognised in Balance Sheet	3,690,064	2,963,843
<b>Expenses recognised in Profit &amp; Loss Account</b>		
Current Service Cost	373,938	386,044
Interest Cost	236,458	165,110
Net actuarial (gain) / loss recognised	595,571	191,731
Expenses recognised in Profit & Loss Account	1,198,028	742,885
<b>Changes in Defined Benefit Obligation</b>		
Present Value of obligation at the beginning of the year	2,963,843	2,365,189
Interest Cost	236,458	165,110
Current Service Cost	373,938	386,044
Benefits Paid	(394,125)	(144,231)
Actuarial (gain) / loss on obligation	595,571	191,731
Present Value of obligation at the end of the year	3,775,685	2,963,843
<b>Actuarial (Gain) / Loss recognised</b>		
Actuarial (Gain) / Loss on obligation	595,571	191,731
Actuarial (Gain) / Loss on plan assets	—	—
Total Actuarial (Gain) / Loss	595,571	191,731
Actuarial (Gain) / Loss recognised	595,571	191,731
Outstanding Actuarial (Gain) / Loss at the end of the year	—	—
<b>Assumptions used in accounting for gratuity plan</b>		
Discount Rate (p.a.)	8.00%	7.00%
Salary Escalation Rate	5.00%	5.00%
Average outstanding service of employees upto retirement	23 Years	24 Years

3. The Company has initiated the process of obtaining confirmation from suppliers who have registered themselves under Micro and Small Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Based on the information available with the Company, the balance due Micro and Small Medium Enterprises as defined under the MSMSED Act, 2006 is Nil. Further no interest during the year has been paid or payable under the terms of the MSMED Act, 2006.
4. Some of the customers and suppliers accounts are pending confirmation/reconciliation and the same have been taken as the balances appearing in the books. Any differences arising on account of such reconciliation, which are not likely to be material, will be accounted for as and when these reconciliations are completed.
5. **Related Party Disclosure :**  
As per Accounting Standard (AS- 18) issued by the Institute of Chartered Accountants of India, information in terms of the said Standard, are disclosed below :
  - i. The Company does not have any related party transaction, where control exists.
  - ii. Related Parties with whom transactions have taken place during the year ended 31st March, 2010 :
    - a) **Key Managerial Personnel :**  
Mr. S. A. Abbas  
Mr. Sudhir Damodaran
    - b) **Relatives of Key Managerial Personnel :**  
Mrs. Hina Abbas  
Mrs. A. C. Damodaran



iii. Transactions with Related parties during the year ended 31st March, 2010 :

	Key Managerial Personnel	Relatives of Key Managerial Personnel
Interest	170,526	—
Remuneration	5,547,620	1,311,509
Rent	—	76,000

6. In the opinion of the Board of Directors, Current Assets, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business.

7. **Earning Per Share (EPS) :**

	Year Ended 31.03.2010 (Rupees)	Year Ended 31.03.2009 (Rupees)
i. Profit after provision of Tax	8,668,792	6,904,397
ii. Weighted Average No. of Equity Shares of Rs. 10 each	4,653,600	4,653,600
iii. Nominal Value of Equity Shares	10	10
iv. Basic and diluted Earning Per Share (EPS)	1.86	1.48

8. **Deferred Tax :**

Deferred tax has been provided in accordance with Accounting Standard- 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. The computation of Deferred Tax Assets/ Deferred Tax Liabilities as on 31st March 2010 is as follows:

	Deferred Tax Liability as at 31.03.2010 (Rupees)	Deferred Tax Liability as at 31.03.2009 (Rupees)
<b>Deferred Tax Liability arising on account of timing difference:</b> Difference between Book & Tax Depreciation	8,755,202	8,515,463
<b>Sub Total - (A)</b>	8,755,202	8,515,463
<b>Deferred Tax Assets arising on Account of timing difference:</b> Unabsorbed Depreciation	—	622,586
<b>Sub Total - (B)</b>	—	622,586
<b>Net Deferred Tax Liability (A-B)</b>	8,755,202	7,892,877

9. **Managerial Remuneration :**

	Year Ended 31.03.2010 (Rupees)	Year Ended 31.03.2009 (Rupees)
<b>i) Managing Director and other whole time Directors:</b>		
a) Salary	2,496,000	2,496,000
b) Contribution to Provident Fund	299,520	299,520
c) Allowances and Perquisites	2,752,100	2,137,182
	5,547,620	4,932,702
<b>ii) Non- whole time Directors:</b>		
Sitting fee	3,400	3,400
	3,400	3,400

**Notes:** The above figures do not include provision for gratuity as separate actuarial valuation is not available for whole time directors.

## 10. Segment Reporting Policies:

- a) **Primary Segment:** Based on the guiding principle given in the Accounting Standard - 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company has identified two business segments as primary segments. The reportable business segments are "Products" and "Operations & Services". These segments have been identified considering the nature of the products and the internal financial reporting systems.

Revenue and expenses have been accounted for based on the basis of their relationship to the operating activities of the segments. Revenue and expenses, which relate to the enterprise as whole and are not allocable to segments on a reasonable basis, have been included under Unallocable Revenue and Expenses. Assets and Liabilities, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under Unallocable Assets/Liabilities.

(Rupees)

PARTICULARS	Products		Operations & Services		TOTAL	
	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
<b>1. REVENUE :</b>						
Segment Revenue	206,323,669	209,055,230	33,566,156	47,314,836	239,889,825	256,370,066
Total Revenue	206,323,669	209,055,230	33,566,156	47,314,836	239,889,825	256,370,066
<b>2. RESULTS :</b>						
Segment Result	34,092,364	29,738,804	1,452,416	5,479,410	35,544,780	35,218,214
Less: Unallocable Expenses						
Interest	-	-	-	-	1,586,379	2,277,847
Other Unallocable Expenses	-	-	-	-	23,038,007	18,972,355
Add: Unallocable Income	-	-	-	-	352,364	471,500
Less: Provision for Tax including FBT & Deferred Tax	-	-	-	-	2,603,966	7,535,115
Net Profit after Tax	34,092,364	29,738,804	1,452,416	5,479,410	8,668,792	6,904,397
<b>3. OTHER INFORMATION :</b>						
Segment Assets	91,298,219	82,690,974	22,212,520	26,397,005	113,510,739	109,087,979
Unallocable Corporate Assets	-	-	-	-	52,163,817	46,123,786
Total Assets	91,298,219	82,690,974	22,212,520	26,397,005	165,674,556	155,211,765
Segment Liabilities	25,868,142	23,709,271	9,322,725	7,543,767	35,190,867	31,253,038
Unallocable Corporate Liabilities	-	-	-	-	31,443,009	42,036,012
Total Liabilities	25,868,142	23,709,271	9,322,725	7,543,767	66,633,876	73,289,050
Capital Expenditure	-	-	-	-	-	-
Depreciation	965,515	935,465	2,820,721	2,820,721	3,786,236	3,756,186
Unallocable Depreciation	-	-	-	-	1,311,688	1,112,158

## b) Secondary Segment :

The following is the distribution of company's consolidated revenue by geographic market, regardless of where the goods were produced / procured.

	Year Ended 31.03.2010 (Rupees)	Year Ended 31.03.2009 (Rupees)
<b>Geographic Segment :</b>		
Revenue from Domestic Market	160,602,836	171,564,841
Revenue from Overseas Market	79,286,989	84,805,225
	<b>239,889,825</b>	256,370,066

**11. Additional information pursuant to the provisions of Paragraph 3, 4B, 4C, & 4D of Part-II of Schedule VI to the Companies Act, 1956 :**

**A) PARTICULARS IN RESPECT OF TURNOVER (GROSS) :**

(Qty of sales are net of Sales Returns, Goods given as free samples etc.)

Class of goods	Year Ended 31.03.2010			Year Ended 31.03.2009		
	Unit	Qty.	Amount	Unit	Qty.	Amount
Modulators	Nos	7,631	18,684,206	Nos	6,357	16,819,811
Amplifiers	Nos	26,693	19,742,301	Nos	29,734	23,242,708
Power Supplies	Nos	1,638	1,732,467	Nos	1,334	1,258,125
Optical Node & Transmitters	Nos	11,311	42,870,512	Nos	6,714	29,527,147
Tap-Off/ Splitters	Nos	165,274	5,548,991	Nos	127,343	4,502,045
Digital Satellite Receiver & Set						
Top Boxes	Nos	2,044	5,141,726	Nos	8,574	23,180,406
Dish Antenna & other equipments	Nos	211	1,449,166	Nos	43,569	21,012,238
CATV, ITV & MATV Systems & Equipments	Lots	-	30,509,603	Lots	-	7,959,904
Cables	Mtrs	136,126	8,611,130	Mtrs	140,041	4,046,014
CCTV Management & Monitoring Equipments	Nos	6,799	5,503,590	Nos	10,147	8,460,496
LED Pannel, Parts & Accessories	Nos	524	24,702,415	Nos	-	-
Energy Control System & Equipments	Nos	11,884	32,480,367	Nos	17,147	49,458,021
Other Miscellaneous Items	Lots	-	9,347,195	Lots	-	19,588,315
<b>Total</b>			<b>206,323,669</b>			<b>209,055,230</b>

**B) PARTICULARS IN RESPECT OF RAW MATERIAL & PACKING MATERIAL CONSUMED :**

(For production and products got manufactured from Vendors)

Integrated Circuits (Ics)	Nos.	164,419	16,121,370	Nos.	20,154	14,695,631
Transistors	Nos.	140,327	898,342	Nos.	65,498	564,196
Transformers	Nos.	51,105	6,696,484	Nos.	40,778	4,778,514
Crystals	Nos.	7,961	66,440	Nos.	4,537	46,788
Printed Circuit Boards	Nos.	152,081	2,536,661	Nos.	119,039	2,502,061
Diodes	Nos.	494,512	481,920	Nos.	351,201	316,233
Attenuators	Nos.	88,192	830,695	Nos.	73,219	708,185
Housings	Nos.	298,650	7,799,227	Nos.	173,804	5,757,073
Connectors	Nos	320,407	740,397	Nos	379,163	672,703
SMPS	Nos	1,003	296,143	Nos	746	176,389
Others	Lots	-	8,823,371	Lots	-	9,745,359
Packing material	Lots	-	2,117,846	Lots	-	2,153,890
<b>Total</b>			<b>47,408,896</b>			<b>42,117,022</b>

**C) PARTICULARS IN RESPECT OF OPENING & CLOSING STOCK OF FINISHED GOODS :**

Class of goods	As At 31.03.2010			As At 31.03.2009		
	Unit	Qty.	Amount	Unit	Qty.	Amount
<b>Opening stock</b>						
Modulators	Nos	950	1,181,739	Nos	801	795,110
Amplifiers	Nos	5,588	2,914,096	Nos	4,129	2,109,511
Power Supplies	Nos	404	177,997	Nos	87	57,756
Optical Node & Transmitters	Nos	1,690	3,317,272	Nos	1,160	2,291,053
Tap-Off/ Splitters	Nos	28,863	726,283	Nos	17,983	421,705
Digital Satellite Receiver & Set						
Top Boxes	Nos	129	132,258	Nos	1,819	932,697
Dish Antenna & other equipments	Lots	20	82,341	Lots	20	82,525
<b>Total</b>			<b>8,531,986</b>			<b>6,690,357</b>

Class of goods	As At 31.03.2010			As At 31.03.2009		
	Unit	Qty.	Amount	Unit	Qty.	Amount
<b>Closing Stock:</b>						
Modulators	Nos	1,175	1,428,366	Nos	950	1,181,739
Amplifiers	Nos	7,139	3,452,740	Nos	5,588	2,914,096
Power Supplies	Nos	378	232,896	Nos	404	177,997
Optical Node & Transmitters	Nos	2,334	4,351,494	Nos	1,690	3,317,272
Tap-Off/ Splitters	Nos	42,724	1,066,548	Nos	28,863	726,283
Digital Satellite Receiver & Set						
Top Boxes	Nos	129	132,258	Nos	129	132,258
Dish Antenna & other equipments	Lots	40	93,987	Lots	20	82,341
<b>Total</b>			<b>10,758,289</b>			<b>8,531,986</b>

**D) PARTICULARS OF PURCHASE AND STOCKS IN RESPECT OF TRADED GOODS :**

Segment	Unit	Purchase during the year 2009-2010		Opening Stock As At 01.04.2009		Closing Stock As At 31.03.2010	
		Quantity	Amount	Quantity	Amount	Quantity	Amount
Modulators	Nos	4,128	7,241,175	504	950,452	1,506	2,542,213
Amplifiers	Nos	255	244,907	166	151,844	195	172,545
Power Supplies	Nos	12	39,505	19	21,422	11	19,244
Optical Node & Transmitters	Nos	495	3,037,231	234	1,255,114	352	1,218,455
Tap-Off/ Splitters	Nos	75	10,710	6,607	198,533	6,559	191,845
Digital Satellite Receiver & Set Top Boxes	Nos	1,691	3,383,136	947	1,383,219	594	839,932
Dish Antenna & other equipments	Lots	76	863,860	641	343,527	587	327,995
CATV, ITV & MATV Systems & Equipments	Lots	-	24,833,926	-	971,844	-	1,000,669
Cables	Mtrs	146,791	7,838,316	8,003	190,611	18,668	1,694,512
CCTV Camras & Monitoring Equipments	Nos	5,826	3,679,296	4,564	480,932	3,591	543,456
LED Pannel, Parts & Accessories	Nos	564	15,441,880	-	-	40	20
Energy Management System & Equipments	Nos	11,884	24,446,710	-	-	-	-
Other Miscellaneous Items	Lots	-	6,593,368	-	2,094,968	-	1,735,817
<b>Total</b>		<b>171,797</b>	<b>97,654,020</b>	<b>21,685</b>	<b>8,042,466</b>	<b>32,103</b>	<b>10,286,703</b>

**E) PARTICULARS IN RESPECT OF LICENSED CAPACITY, INSTALLED CAPACITY AND GOODS RECEIVED FROM JOB WORK VENDORS & OTHERS :**

Class of goods	Year Ended 31.03.2010		Year Ended 31.03.2009	
	Unit	Quantity	Unit	Quantity
<b>A. Licensed Capacity</b>	NA	NA	NA	NA
<b>B. Installed Capacity</b>	NA	NA	NA	NA
<b>C. Production</b>				
Modulators	Nos	4,730	Nos	3,563
Amplifiers	Nos	28,018	Nos	30,935
Power Supplies	Nos	1,592	Nos	1,525
Optical Nodes & Transmitters	Nos	11,578	Nos	6,598
Tap-Off/ Splitters	Nos	179,012	Nos	135,793

**F) CONSUMPTION OF IMPORTED & INDIGENOUS RAW MATERIALS AND PERCENTAGE OF EACH TO CONSUMPTION :**

	Year Ended 31.03.2010		Year Ended 31.03.2009	
	% of Total Consumption	Value (Rupees)	% of Total Consumption	Value (Rupees)
Imported	29%	13,576,862	21%	9,001,343
Indigenous	71%	33,832,033	79%	33,115,679
<b>Total</b>	<b>100%</b>	<b>47,408,895</b>	<b>100%</b>	<b>42,117,022</b>

**G) CIF VALUE OF IMPORTS :**

	2009-2010 (Rupees)	2008-2009 (Rupees)
Raw Materials & Traded Goods	94,147,137	103,460,970

**H) EXPENDITURE IN FOREIGN CURRENCY :**

	2009-2010 (Rupees)	2008-2009 (Rupees)
Travelling & Other Administrative Expenses	2,836,876	2,038,498
Salary & Other Benefits	2,136,769	1,177,219
Rent	783,814	498,258
<b>Total</b>	<b>5,757,459</b>	<b>3,713,975</b>

**I) EARNING IN FOREIGN CURRENCY**

	2009-2010 (Rupees)	2008-2009 (Rupees)
FOB Value of Exports	8,398,181	2,104,750
Overseas Merchant Trade Sale	68,011,641	79,935,404
Channel Marketing & others	2,877,167	2,765,071
<b>Total</b>	<b>79,286,989</b>	<b>84,805,225</b>

12. Figures of the previous year have been regrouped/ reclassified wherever necessary.

13. The figures have been rounded off to the nearest Rupee.

for **GAUR & ASSOCIATES**  
Chartered Accountants

For and on behalf of the Board

**R. K. Gaur**  
Partner  
Membership No. 72146  
Firm Regn. No. 005354C

**G. S. Butola**  
Company Secretary

**S. A Abbas** Managing Director  
**S. Damodaran** Executive Director

Place: Noida, U.P.  
Date : 31st August, 2010

**Vinod Rawat**  
Vice President - Finance

**Dr. Sunil Anand** Director  
**Raman Rajiv Misra** Director

**Additional information as required under Part IV of Schedule VI to the Companies Act, 1956  
BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE**

**I. REGISTRATION DETAILS**

Registration No.  State Code   
Balance Sheet Date

**II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)**

Public Issue  Right Issue   
Bonus Issue  Private Placement

**III. POSITION OF MOBLISATION & DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS)**

Total Liabilities  Total Assets   
**Sources of Funds**  
Paid up Capital  Reserves and Surplus   
Secured Loans  Deferred Tax Liability   
**Application of Funds**  
Net Fixed Assets  Investments   
Net Current Assets  Misc. Expenditure

**IV. PERFORMANCE OF THE COMPANY (AMOUNT IN RS. THOUSANDS)**

Turnover  Total Expenditure   
Profit before tax  Profit after tax   
Earning Per share  
(Weighted Average)

**V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/ SERVICES OF COMPANY (AS PER MONETARY TERMS)**

Product Description	Item Code No. (ITC Code)
Modulator	854389
Amplifier	85438909
Optical Node	85291002
Cable TV Operation	N.A.

for **GAUR & ASSOCIATES**  
Chartered Accountants

For and on behalf of the Board

**R. K. Gaur**  
Partner  
Membership No. 72146  
Firm Regn. No. 005354C

**G. S. Butola**  
Company Secretary

**S. A Abbas** Managing Director  
**S. Damodaran** Executive Director

Place: Noida, U.P.  
Date : 31st August, 2010

**Vinod Rawat**  
Vice President - Finance

**Dr. Sunil Anand** Director  
**Raman Rajiv Misra** Director



# CATVISION PRODUCTS LIMITED

Regd. Office : 1515, Bhashampitamah Marg, Kotla Mubarakpur, New Delhi - 110 003

## PROXY FORM ANNUAL GENERAL MEETING

I/We.....  
of.....in the district of.....being member/  
members of the above named company, hereby appoint.....  
.....of.....in district of.....  
.....or failing him.....of.....  
.....as my/our proxy to attend and vote for me/us on my/our behalf at the  
Annual General Meeting of the Company to be held on Thursday the 30th September, 2010

Signed this.....day of.....2010

Folio/Client ID No. : .....

DP ID No. : .....

100 Paise  
Revenue  
Stamp

Signature : .....

Address : .....

Note : The proxy form duly signed across the Revenue Stamp of 100 Paise should reach the company's Registered Office at least 48 hours before the time of the meeting.



SUCCESSFUL YEARS



# CATVISION PRODUCTS LIMITED

Regd. Office : 1515, Bhashampitamah Marg, Kotla Mubarakpur, New Delhi - 110 003

## ATTENDANCE SLIP

I hereby record my presence at the 25th ANNUAL GENERAL MEETING of the Company at "Riverside Sports & Recreation Club", Club Avenue, Mayur Vihar, Phase-I Extn., New Delhi - 110 091, at 11.30 A.M. on Thursday, the 30th September, 2010

Full Name of the Shareholder : .....  
(in block letters) Signature

Folio/Client ID No. : .....

DP ID No. : .....

Full Name of Proxy .....  
(in block letters) Signature

Note : Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.



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**BOARD OF DIRECTORS**

Raman Rajiv Misra	Independent Director
Dr. Sunil Anand	Independent Director
Sudhir Damodaran	Executive Director
S.A. Abbas	Managing Director

**AUDITORS**

Gaur & Associates  
Chartered Accountants  
F-7/204, Aditya Complex,  
Preet Vihar Community Centre,  
Preet Vihar, Delhi - 110 092

**COMPANY SECRETARY**

G.S. Butola

**BANKERS**

Axis Bank Ltd.  
ICICI Bank Ltd.  
State Bank of Hyderabad  
Canara Bank  
Standard Chartered Bank - Dubai

**REGISTERED OFFICE**

1515, Bhasham Pitamah Marg,  
Kotla Mubarakpur, Near South Extension,  
New Delhi - 110 003

**CORPORATE OFFICE**

E-14 &15, Sector-8, Noida - 201 301 (U.P.)  
Ph. : (120) 3014100/01  
Fax : (120) 3914125  
E-mail : [catvision@catvisionindia.com](mailto:catvision@catvisionindia.com)  
Website : [www.catvisionindia.com](http://www.catvisionindia.com)

**OVERSEAS OFFICE**

No. 707, Juma AL Majid Tower,  
Near Sahara Centre, AL Nahda, Sharjah - UAE

**PLANT**

F-87, UPSIDC Industrial Area,  
Selaqui, Dehradun - 248 001 (Uttarakhand)  
Ph. : 0135-2699054/55

**REGISTRAR & SHARE TRANSFER AGENT**

RCMC Share Registry Pvt. Ltd.  
B-106, Sector-2, Noida, UP - 201 301  
Ph. : 0120-4015880  
E-mail : [shares@rcmcdelhi.com](mailto:shares@rcmcdelhi.com)