

KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED.

16TH AUDITED ANNUAL REPORT  
FOR THE YEAR 2009-10

COMPANY REGISTRATION NO: 04-024284

CIN NO: L92199GJ1995PLC024284

Registered with Registrar of Companies, Gujarat State

KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED

Regd.Office: 100, Chinubhai Towers, Opp: Handloom House,  
Ashram Road, Navrangpura, Ahmedabad: 380 009.

**KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED**

**FIFTEENTH ANNUAL GENERAL MEETING - PROGRAMME.**

DATE : 30<sup>TH</sup> SEPTEMBER, 2010  
DAY : THURSDAY  
TIME : 04.00 P.M.  
VENUE : REGISTERED OFFICE OF THE  
COMPANY AT :  
100, Chinubhai Towers, Opp: Handloom House  
Ashram Road, Navrangpura,  
Ahmedabad: 380 009.

**NOTE TO SHAREHOLDERS:**

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

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## **BOARD OF DIRECTORS**

Shri Kartik J. Patel	Chairman & Managing Director
Shri Jashubhai M. Patel	Whole-Time Director
Shri Kiritbhai C. Patel	Director
Smt. Rao Kamalkant	Director
Shri Praful Agrawal	Director
Shri Arvindkumar Prajapati	Director

## **ACTING IN ADVISORY NATURE ONLY TO VARIOUS COMMITTEES OF CORPORATE GOVERNANCE**

### **Secretarial and Corporate Legal Matters**

Shri Kamlesh. M. Shah  
(Practicing Company Secretary)

### **Finance, Audit and Taxation Matters**

M/s. Khandhar & Parikh.  
Chartered Accountants

## **BANKERS OF THE COMPANY**

Punjab National Bank, Relief Road Branch, Ahmedabad – 380001.  
The Sabarmati Co-op. Bank Ltd., Vadaj Branch, Ahmedabad – 380014.  
HDFC Bank Limited, Navrangpura Branch, Ahmedabad: 380 009.

## **REGISTRAR AND SHARE TRANSFER AGENT**

Sharepro Services  
Satam Industrial Estate,  
3<sup>rd</sup> Floor, Above Bank of Baroda,  
Chakala, Andheri (East),  
Mumbai

### **Auditors**

D J N V & CO.  
Chartered Accountants  
Ahmedabad

### **Company Law Consultants**

M/s. Kamlesh M Shah & Co.,  
Practicing Company Secretary  
Ahmedabad

## **REGD. OFFICE**

101, Chinubhai Towers,  
Opp. Handloom House,  
Ashram Road, Navrangpura,  
Ahmedabad: 380 009.

## **INVESTORS GRIEVANCE AND COMPLIANCE OFFICER:**

Kartik. J. Patel,  
Chairman And Managing Director  
100, Chinubhai Towers, Opp: Handloom House,  
Ashram Road, Navrangpura,  
Ahmedabad: 380 009.

## **NOTICE**

NOTICE is hereby given to the Members of Khyati Multimedia Entertainment Limited that **16<sup>th</sup> Annual General Meeting** of the Members of the Company will be held on Thursday the 30<sup>th</sup> September, 2010 at 04.00 P.M. at the Registered Office of the Company at 100, Chinubhai Towers, Opp: Handloom House, Ashram Road, Navrangpura, Ahmedabad: 380 009 to transact the following Business.

### **ORDINARY BUSINESS :**

1. To Receive, Consider, Approve and Adopt the Audited Statement of Account i.e. The Audited Balance Sheet as at 31/03/2010, the Profit & Loss Account for the Year ended on that date and the report of the Auditors and Directors thereon.
2. To Appoint a Director in place of Mr. Rao Kamalkant, who retires by rotation and being eligible offers himself for reappointment.
3. To Appoint a Director in place of Mr Arvindkumar Prajapati, who retires by rotation and being eligible offers himself for reappointment.
4. To Appoint M/s. D J N V & CO., Chartered Accountants, as the Statutory Auditors for the next Financial Year to hold the office as such from the conclusion of this Annual General Meeting up to the date of next Annual General Meeting and to fix their remuneration.

### **ORDINARY RESOLUTION**

#### **NOTES**

- i) A Member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of him and that a Proxy need not be a member of the Company.
- ii) Proxies in order to be effective should be duly completed in the prescribed form stamped and signed and must be deposited at the Registered office of the company no less than 48 hours before the time fixed for the meeting.
- iii) Members desiring any information as regards account are requested to write to the company at least 7 days before the meeting to enable the management to keep the information ready.
- iv) Members are requested to intimate any change in their registered addresses if any directly at the Registered Office of the Company at their address mentioned elsewhere in this report.
- v) The Register of members and share transfer books of the company shall remain closed on 25/09/2010 to 30/09/2010. For the purpose of Annual General Meeting as per requirements of section 154 of the Companies Act 1956 and in compliance to Listing Agreement with stock exchanges.

DATE: 25<sup>th</sup> AUGUST 2010.  
PLACE: Ahmedabad.

By Order of the Board of Directors  
Of Khyati Multimedia Entertainment Limited  
Sd/-  
(Kartik J. Patel)  
Chairman And Managing Director.

## DIRECTORS' REPORT

To,  
The Members,  
KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED

Dear Shareholders,

Your Directors have pleasure in presenting herewith the Fifteenth Audited Annual report of your Company for the financial year ended on 31st March 2010.

### **FINANCIAL HIGHLIGHTS:**

During the year under review the financial performance of the Company is as under:

Particulars.	(Amount in Rupees)	
	For the Year Ended on 31/03/2010	For the Year Ended on 31/03/2009
Gross Income	9,28,190	31,48,710
Total Expenses	15,56,240	22,06,740
Profit /(Loss) Before Depreciation & Tax	(6,28,050)	9,41,970
Provision for Depreciation	3,27,135	3,26,991
Profit Before Tax	(9,55,185)	(1,23,521)
Provision for Tax	0	0
Adjustment of I. tax Of Earlier years	1,52,537	0
Provision for FBT	0	0
Net Profit / (Loss) for the Year	(11,07,722)	(1,23,521)
Deferred Tax Assets (Previous year liabilities)	99,095	1,16,055
Net Loss for the Year.	(10,08,628)	(7,466)
Previous year Balance B/f.	(7,466)	1,16,055
Total Loss Transferred to Balance Sheet.	(10,08,628)	(7,466)

### **DIVIDEND**

As your company has incurred a net loss during the year under review and due to making provision for deferred tax liability the accumulated losses does not permit your directors to declare any amount as dividend to be paid.

### **UNPAID/UNCLAIMED DIVIDEND**

The Company does not have any outstanding unpaid/unclaimed dividend which is required to be transferred to the Investors Education and Protection funds as per the provision of Section 205C of the Companies Act, 1956. The Company does not have any outstanding liability on account of Interest and Principal on Deposits, Debentures or Share Application Money.

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### **SHARE CAPITAL STRUCTURE**

There was no change in Authorized Capital, Issued Capital, Subscribed and Paid-up Capital of the Company during the year.

## **BUY BACK OF EQUITY SHARES**

The Company had not made any Buy Back of its paid up equity shares during the year in terms of section 77A, 77AA and 77B of the Companies Act 1956. Hence no specific disclosure is required to be made in this report.

## **YEAR UNDER REVIEW**

However it has earned a Total income of Rs.9,28,190 (Previous year it was Rs 31,48,710/-). After all Administrative Expenditure and Depreciation of Rs 18,83,375 (Previous year Rs. 25,33,731/-) the company has suffered a gross operational loss of Rs. 11,07,722 /- (Previous year gross loss of Rs. 1,23,521/-). After making necessary adjustments for Deffered Tax, Fring Benefit Your Company had a Net loss for the year transferred to balance sheet is Rs.10,08,628 /- (Previous year loss of Rs. 7466/-).

## **SETTLEMENT/ LIQUIDATION OF FINANCIAL LIABILITIES**

The company has reached the stage of loss of pick net worth by more than 50%. It is a sick company as per audited balance sheet for the current year. The company has sold its entire real estate i.e. fixed assets, with the consent of its bankers, financial institutions in order to liquidate their dues which are cleared with their consent during the year. The company have Accumulated losses at the end of the financial year.

## **FUTURE BUSINESS PLANS**

During the year Company is planning to find Business Opportunities to enable it to carry on the business of real estate developers. For the purpose company has acquired, land blocks in the city of Ahmedabad for development of multiplex theatre and shopping complex.

## **INSPECTION UNDER SECTION 209**

During the year there was inspection carried out by the Deputy Director (Inspection) from the office of the Regional Director of Ministry of Corporate Affairs under section 209 of the Companies Act, 1956. Inspecting officer had observed some violations of the Act. The Alleged offences/violations are compoundable in nature under companies Act. The Company and its Directors/ officers in default have made application For Compounding to Company Law Board/Regional Director.

## **DEMATERIALIZATION OF SECURITIES**

Your Company's equity shares are already admitted in the System of Dematerialization by both the Depositories namely NSDL and CDSL. The Company has already signed tripartite Agreement through Registrar and Share Transfer Agent M/s. Sharepro Services. The Investors are advised to take advantage of timely dematerialization of their securities. The ISIN allotted to your Company is INE 593B01014. The total shares dematerialised upto 30/06/2010 are 86, 62,558. The share holders who have not demated are requested to demat their shares immediately.

## **COMPLIANCE TO CODE OF CORPORATE GOVERNANCE**

The Complete Report on Corporate Governance is given separately after this report.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management's discussion and perceptions on existing business, future out look of the industry, future expansion and diversification plans of the Company and future course of action for the development of the Company are fully explained in a separate Para in Corporate Governance Report in Annexure-A forming part of this report and also report on Corporate Governance.

### **DEPOSITS**

During the year under review your company has neither invited nor accepted any public deposit or deposits from the public as defined under Section 58A of the Companies Act-1956. The Deposits were accepted from the Directors are exempt as per the provisions of Section 58A of the Companies Act 1956.

### **DIRECTORS**

During the year under review Shri Rao Kamalkant and Shri Arvindkumar Prajapati shall retire by rotation at the ensuing Annual General Meeting as provisions of Law. They are eligible for reappointment as director and has offered themselves for directorship of the company. Hence, your directors recommend reappointing them by passing resolutions.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provision contained in Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm:

- (A) That in the preparation of the annual accounts, the applicable accounting standards has been followed and no material departure has been made from the same;
- (B) That they 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 affair of the company at the end of the financial year and of the profit or loss of the company for that period;
- (C) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company for preventing and detecting fraud and other irregularities;
- (D) That they have prepared the annual accounts on a going concern basis.

### **STATUTORY AUDITORS**

M/s. Khandhar & Parikh., present Statutory Auditors of the company have given their letter of consent and confirmation under section 224(1B) the Companies Act 1956 for reappointment as Statutory Auditors of the Company. Necessary Resolution making their appointment as the Statutory Auditors and fixing their remuneration is proposed to be passed at the Annual General Meeting.

### **INTERNAL AUDITORS**

In order to make proper compliance with the provisions of Corporate Governance the company has established in house internal Audit Department which is functioning under the close

supervision and direction of the Audit Committee and also taking expert guidance/ advise of the statutory Auditors M/s. Khandhar And Parikh, Chartered Accountants from to time to time.

### **AUDITORS OBSERVATION**

Auditor observed that the Company has not deposited the Provident fund amounting to Rs 200750/- in the respective account for which it was clarified that the matter is under dispute and after the final satisfaction of the dispute it was be deposited. There are no other observations made by the Auditors in their report. However notes to the Accounts itself are clarificatory and self explanatory in the nature.

### **FORMATION OF AUDIT COMMITTEE**

In compliance to the Provisions of Section 292A of the Companies Act 1956 and clause 49 of the Listing Agreement on Corporate Governance in part, your directors have already formed an Audit Committee within the organization consisting of 3 independent directors, an advisor (Chartered Accountants) to internal audit Department and Practicing Company Secretary as advisors to the company. The area of operations and functional responsibilities assigned to the committee are as per the guidelines provided in Clause 49 of the Listing Agreement for implementation of code of corporate governance. The committee meets at least once in a quarter and gives its report of each meeting to the Board for its approval, record and information purpose.

### **EMPLOYEES**

There are no employees of the company who were in receipt of the remuneration of Rs.24,00,000/- in the aggregate if employed for the year and in receipt of the monthly remuneration of Rs. 2,00,000/- in the aggregate if employed for a part of the year under review. Hence the information required under Section 217 (2A) of the Companies Act, 1956 being not applicable are not given in this report.

### **STATUTORY INFORMATION**

The Information required to be disclosed in the report of the Board of Directors as per the provisions of Section 217 (1)(e) of the Companies Act-1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 regarding the conservation of energy, technology absorption, foreign exchange earnings and outgo, as the company was totally non operational for its main business activities of water park resort and multimedia operations, the same data are not applicable to the company for the current year hence are not given herewith.

### **MATERIAL CHANGES**

Except the information given in this report there are no material changes have taken place after completion of the financial year up to the date of this report which may have substantial effect on business and finances of the company.

### **APPRECIATION**

Your Directors take this opportunity to acknowledge the trust reposed in your company by its Shareholders, Bankers and Clients. Your Directors also keenly appreciate the dedication & commitment of all our employees, without which the continuing progress of the company would not have been possible.



**DATE : 25<sup>th</sup> August, 2010**  
**PLACE: Ahmedabad.**

**On Behalf of the Board of Directors**  
**Of Khyati Multimedia Entertainment Limited**  
**Sd/-**

**(Kartik J. Patel)**  
**Chairman And Managing Director**

# REPORT ON CORPORATE GOVERNANCE

## MANAGEMENT PERCEPTION ON CORPORATE GOVERNANCE

The company believes that good Corporate Governance practices enable the Board to direct and control the affairs of the company in an efficient manner. As such, the company steps to put in place the system of Corporate Governance as per the guidelines provided in Clause 49 of the Listing Agreement. Further with the formation of the various committees within the organizations, the company also complies with various provisions of the Companies Act, 1956 as well as SEBI and Stock Exchange requirements. Hence, as per the norms prescribed under Listing Agreement being applicable to the company and in compliance to Section 292A of the Companies Act, 1956, the company had duly complied with the code of corporate governance on 31<sup>st</sup> March 2010.

## BOARD COMPOSITION

Name of the Director	Designation	Type	Executive / Non Executive
Mr. Kartik J. Patel	Chairman & Managing Director	Promoter & Exec Dir.	Executive
Mr. Jashubhai M. Patel	Executive Director	Promoter & Exec Dir.	Executive
Mr. Praful Agarwal	Director	Independent Director	Non Executive
Mr. Kiritbhai C. Patel	Director	Independent Director	Non Executive
Mrs. Jignaben K. Patel	Director	Independent Director	Non Executive

## COMPOSITION OF COMMITTEES

### A. AUDIT COMMITTEE

	Name	Type
1	Shri Jashubhai M. Patel	Chairman
2	Shri Kiritbhai C. Patel	Member
3	Smt Jignaben K. Patel	Member
4	Shri Alpesh. K. Patel*	Finance Controller
5	Shri Kamlesh M. Shah*	Company Secretary to act as secretary to committee

### INVESTOR GRIEVANCE COMMITTEE

	Name	Type
1	Shri Jashubhai M. Patel	Chairman
2	Shri Kiritbhai C. Patel	Member
3	Smt Jignaben K. Patel	Member
4	Shri Kamlesh M. Shah *	Company Secretary to act as Secretary
5	Shri Raju. D. Patel*	Advocate

\*(In the Advisory capacity only)

**NO. OF BOARD AND COMMITTEE MEETINGS HELD DURING THE YEAR:**

Name of the Committee	No. of Meetings held
Board	6
Audit Committee of Board	4
Investor Grievance Committee	12

**ATTENDANCE OF THE DIRECTORS IN VARIOUS MEETINGS:**

	Name of the Director	Board Meeting	ACB Meeting	IGCB Meeting
1	Mr.Kartik J. Patel	6	-	-
2	Mr. Jashubhai M. Patel	6	4	12
3	Mr. Kiritbhai C. Patel	6	4	12
4	Mrs. Jignaben K. Patel	6	4	12
5	Mr. Praful Agarwal	6	-	-

**DIRECTORS PRESENT AT THE LAST ANNUAL GENERAL MEETING DATED 30TH SEPTEMBER 2008**

1	Shri Kartik J. Patel	Chairman & Managing Dir.
2	Mr. Jashubhai M. Patel	Executive Director
3	Shri Kirit C. Patel	Director

**DETAILS OF ANNUAL GENERAL MEETINGS HELD DURING THE LAST 5 FINANCIAL YEARS**

2. October 31, 2005 Khyati Resorts, Vill – Baliasan, Near Nirma Mandali – II, Ahmedabad – Mehsana Highway, Dist – Mehsana.
3. September 30, 2006 Khyati Resorts, Vill – Baliasan, Near Nirma Mandali – II, Ahmedabad – Mehsana Highway, Dist – Mehsana.
4. September 29, 2007 101, Chinubhai Towers, Opp: Handloom House, Ashram Road, Navrangpura, Ahmedabad: 380 009
5. September 30, 2008 101, Chinubhai Towers, Opp: Handloom House, Ashram Road, Navrangpura, Ahmedabad: 380 009
6. September 30, 2009 101, Chinubhai Towers, Opp: Handloom House, Ashram Road, Navrangpura, Ahmedabad: 380 009

**FUNCTIONS OF AUDIT COMMITTEE:**

The Audit Committee is headed by Shri Jashubhai M. Patel as Chairman and includes other director namely Shri Kirit C. Patel and Smt. Jignaben K. Patel. The Committee is regularly giving feed back on daily financial and accounting position of the company to the Board. In addition thereto the company has also appointed Mr. Alpesh. K. Patel, Finance Controller of the Company to see the execution of the entire accounts, finance functions of the company He also seek advice

of independent professional persons as advisors on the committee i.e. Ms. D J N V & CO. and Mr. Kamlesh M. Shah a Practicing Company Secretary from time to time. The role of professional advisors has been of an Advisory nature. They do not take part in the proceedings of the committee. However they are giving their expert guidance on making compliance with the Accounting Standards, Financial transactions and accounting and Taxation matters, Company Law and other Corporate Legal Matters etc.

The Committee meets at least once in every quarter and prepare its minutes on the proceedings and business discussed, transacted. All committee Reports and minutes are placed before the Board in all its meetings for information, guidance, directions and taking the same on record.

Other functions, powers, duties etc. of the committee are defined taking in to account the legal provisions of the Listing Agreement and the same are kept flexible to be decided by the Board from time to time.

### **ESTABLISHMENT OF THE INTERNAL AUDIT SYSTEM**

The company has already established the Internal Audit System under the Chairmanship of the Audit Committee. The Managing Director and the Chief Financial Officer of the company both are jointly responsible for giving full accounts to the committee including to carry out any suggestions of the committee. The audit system ensures proper financial control and accounting of the transactions as per the established accounting standards.

### **FUNCTIONS OF INVESTORS SERVICES COMMITTEE**

This Committee looks in to all aspects and business related to Shares and retail investors. The Committee also looks after the Dematerialization process of equity shares.

The Committee is also empowered to keep complete records of Shareholders, Statutory Registers relating to Shares and Securities, maintaining of the complete records of Share Demated, Investors Grievances and complaints received from investors and also from various agencies. The Committee has also appointed Mr. Raju. D. Patel, Advocate, to look after the legal cases and problems relating to the investors, shares etc.

The Committee meets every month to approve all the cases of shares demate, transfer, issue of duplicate and resolution of investors complaints, submission of information to various statutory authorities like NSDL/CDSL, SEBI, Stock Exchanges, Registrar of Companies periodically and from time to time.

Other functions, roles, duties, powers etc. have been clearly defined in line with the Clause 49 of the Listing Agreement and are kept flexible for modification by the Board from time to time.

### **PASSING OF THE RESOLUTIONS BY POSTAL BALLOT SYSTEM**

The Company had not passed any resolution by means of Postal Ballot at the last Annual General Meeting. The Company had during the financial year not passed any resolutions by means of Postal Ballot system.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **(a) PRESENT STRENGTH OF THE COMPANY**

The company has made extensive efforts in developing various products used in multimedia and entertainment sectors. The company has strong fixed assets base in the form of land, resort building, developed garden and Water Park, restaurant area for use as resort, hotel business by tourism industry.

### **(b) FUTURE OUT LOOK**

During the year company has altered its main object clause so as to enable it to carry on the business of real estate developers. For the purpose company has acquired, land blocks in the city of Ahmedabad for development of multiplex theatre and shopping complex.

### **(c) COMPANY'S ACTION PLAN**

The management of your company is trying to identify and explore all the available possibilities for smooth marketing of the products of multimedia and entertainment sectors with best available remunerative prices and also provide after sales service. The company after liquidation of its financial liabilities will renovate and modernize its resort facilities to make the same of international standards so that time-share marketing concept business can well be developed for the company.

The management is also in process of exploring the possibilities of having suitable tie up for Business Process Out sourcing with the Overseas Bodies and generates good remunerative earnings.

## **WHILSTEL BLOWER POLICY**

### **A. OVER COMING BARRIERS OF CURRENT OPERATIONS**

This system is established under the chairmanship of Shri Kartik J. Patel (Managing Director) and he will be further assisted by chief operational officer ( COO) and chief financial officer (CFO) Mr. Alpesh. K. Patel. The company's operational department ensures whistle blower upon failure / shut down or breaks down of manufacturing, supply systems and service utilities of its resort project division. Upon such intimation the company has established the UPS systems for overcoming power failure problems, has established data back up systems on CDs, and is also in the process of hiring the data warehouse for retrieval of the information.

The CFO blows the whistle upon any possible financial crunch or over/extensive financial liabilities. The short term financial management system ensures overcoming any unforeseen liabilities through overdrafts on deposits or temporary borrowing on Inter Corporate deposits basis. The long term financial planning ensures productive use of long term financial funds. The company as far as possible ensures making separation in usage of short term and long term funds.

### **B. POSSIBLE THREATS TO FINANCIAL SYSTEMS**

The company operates in a multimedia and entertainment industry wherein the company is required to make heavy financial investment in products, high cost of manpower which are basically in the nature of revenue (Short Term) but the product being generated is of long term usage and can be marketed over the years which generates revenue in years. Further

the company also faces threats of possible shortage of short term funds due to non completion of final products or delay in completion of the final products.

### **C. MANAGEMENT'S ACTION PLANS (TO OVERCOME POSSIBLE SYSTEM FAILURES)**

These are the areas which are difficult for any management to overcome and control. Even though the company's HRD and technical department ensures performance appraisal of manpower which to some extent help in eliminating this risk.

### **DISCLOSURES**

#### **A) MATERIALLY RELATED PARTY TRANSACTIONS:**

Name of the Related party & description of the relationship

A. Khyati Finance

B. Jignaben Patel.

Name of the related party	Nature of relationship	Nature of Transaction	Year ended 2010
Jignaben Patel	Director	Rent Paid	114000

#### **B) DETAILS OF NON-COMPLIANCE**

No penalties imposed on the company or any of its directors by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### **MEANS OF COMMUNICATIONS**

#### **A] ESTABLISHMENT OF INTERNAL MANAGEMENT INFORMATION SYSTEMS**

The company has established the Management Information System (MIS) whereby each and every functional department submits their performance reports and any type, nature, description of problems to their Functional heads. The functional heads have autonomy for redressal of problems and HRD problems or functional problems at their own level. Any problems requiring policy decisions are being intimated to Audit Committee for redressal or amendments in the policy and procedures. The progress reports are being regularly on monthly basis intimated to the Audit Committee through the Financial Officer of the company who in turn put the same to Audit Committee meetings. All the Investors' grievances or share department related queries are addressed to the Compliance Officer who in turn put the same before the Investors' Grievances Committee.

#### **B] INFORMATION SYSTEM BETWEEN COMMITTEES AND THE BOARD**

Both Audit Committee and Investors' Grievances Committees receive periodical regular information from the concerned functional heads, after resolutions of all the problems communicate back the same to functional heads for further communications. The progress report and minutes of all meetings held of both the committees are being placed before the Board for information and taking the same on records.

## **C] INFORMATION SYSTEM BETWEEN THE COMPANY AND INVESTORS**

The company is regularly taking on record the unaudited financial results on quarterly basis as per requirements of the Clause 41 of the Listing Agreement and the same are published in English and Gujarati newspapers in time. Further these original paper cuttings are also being submitted to Stock Exchanges in time. The material information relating to the business of the company are being intimated to the Stock Exchange who in turn publish the same in their daily official bulletin. The Audited Financial Balance Sheet is being dispatched to all shareholders in time at their registered addresses.

## **STATUTORY COMPLIANCES MADE AND RETURNS ETC. FILED**

The company has duly complied with the provisions of the Companies Act 1956, all the provisions of the Listing Agreement. The company has also filed various unaudited Financial Results, Balance Sheets, Income Tax returns and other statutory returns with all the authorities in time. There are no defaults as on date in any such compliances and no legal action of any nature has been taken against the company or its officers / directors.

## **OTHER DETAILS**

<b>REGISTERED OFFICE</b>	:	101, Chinubhai Towers, Opp: Handloom House, Ashram Road, Navrangpura, Ahmedabad: 380 009.
<b>BOOK CLOSURE DATES</b>	:	SEPT.21, 2010 to SEPT.30, 2010.
<b>REGISTRAR AND SHARE TRANSFER AGENT</b>	:	Sharepro Services (India) Pvt.Ltd. Satam Industrial Estate, 3 <sup>rd</sup> Floor, Above Bank of Baroda, Chakala, Andheri (East), Mumbai. 400 099
<b>ISIN NUMBER OF THE COMPANY:</b>		INE 593 B01014

## **FINANCIAL CALENDAR**

Unaudited Results for the Quarter :

Ending on 30th June, 2009	:	Last week of July, 2009
Ending on 30th September, 2009	:	Last Week of October, 2009
Ending on 31st December, 2009	:	Last week of January, 2010
Ending on 31st March, 2010	:	Last week of April, 2010

## **DETAILED PROGRAMME OF THE 15TH ANNUAL GENERAL MEETING**

DATE 30<sup>TH</sup> SEPTEMBER 2010  
DAY THURSDAY  
TIME 04.00 P.M.  
VENUE REGISTERED OFFICE OF THE COMPANY AT

100, Chinubhai Towers,  
Opp: Handloom House,  
Ashram Road, Navrangpura,  
Ahmedabad: 380 009.

### **Listing Details**

Equity Shares of the company are listed and traded on  
The Stock Exchange, Ahmedabad  
The Stock Exchange, Mumbai

**Stock Exchange Code** ASE Code : 030376  
BSE Code : 531692



**Market Quotations and Number of Shares Traded during the Financial Year ended on 31/03/2010**

**Scrip Code:**531692 **Company::**KHYA MULT EN **For the Period:**April 2009 to March 2010

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	* Spread (Rs.)	
								H-L	C-O
Apr 09	1.32	1.99	1.17	1.99	3,80,483	437	6,43,830	0.82	0.67
May 09	2.08	2.13	1.41	2.09	1,44,339	271	2,65,897	0.72	0.01
Jun 09	2.19	2.77	1.82	2.00	3,70,852	578	8,92,849	0.95	-0.19
Jul 09	2.10	2.71	1.91	2.55	1,84,328	479	4,37,205	0.80	0.45
Aug 09	2.60	2.65	2.06	2.26	1,47,271	373	3,36,432	0.59	-0.34
Sep 09	2.16	2.43	1.82	1.86	2,58,004	660	5,47,121	0.61	-0.30
Oct 09	1.99	2.09	1.56	1.80	2,64,884	423	4,75,099	0.53	-0.19
Nov 09	1.88	2.00	1.51	1.72	1,15,625	283	1,92,139	0.49	-0.16
Dec 09	1.85	2.29	1.62	2.10	1,89,379	428	3,68,144	0.67	0.25
Jan 10	2.39	2.65	1.90	2.17	2,75,699	606	6,37,794	0.75	-0.22
Feb 10	2.40	2.77	1.71	1.97	89,731	302	1,91,521	1.06	-0.43
Mar 10	1.75	2.14	1.41	1.61	1,80,972	562	3,17,730	0.73	-0.14
Apr 10	1.60	2.15	1.59	1.68	2,13,668	410	3,75,990	0.56	0.08
May 10	1.52	1.89	1.30	1.41	2,16,247	450	3,40,066	0.59	-0.11
Jun 10	1.67	1.75	1.36	1.42	1,35,540	449	2,06,052	0.39	-0.25
Jul 10	1.56	1.87	1.41	1.52	1,82,802	445	2,80,646	0.46	-0.04
Aug 10	1.50	1.99	1.43	1.60	1,31,054	518	2,04,096	0.56	0.10
Sep 10	1.45	1.84	1.23	1.50	2,54,396	696	4,09,729	0.61	0.05
Oct 10	1.31	1.80	1.24	1.54	77,307	256	1,21,955	0.56	0.23

Share Holding Patterns as on 30/06/2010 as per the clause 35 of the listing Agreement Are Attached with this Report

DATE : 25th August, 2010  
PLACE: Ahmedabad.

On Behalf of the Board of Directors  
Of Khyati Multimedia Entertainment Limited  
Sd/-

(Kartik J. Patel)  
Chairman And Managing Director

**AUDITORS' REPORT ON WITH CORPORATE GOVERNANCE**

To  
The Members of  
KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED

We have examined the relevant records for the year ended March 31, 2010 relating to the Compliance with the requirement of corporate Governance as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges.

On the basis of our review and according to the information and explanations given to us by the company, we state that in our opinion and to the best of our knowledge, the Company has complied with the mandatory requirements as contained in the Listing Agreement with the Stock Exchanges and as per Section 292A of the Companies Act 1956.

Date: 25<sup>th</sup> August, 2010

For Khandhar And Parikh  
Chartered Accountants,

Place: Ahmedabad.

SD/-  
(Vasant L. Patel)  
Partner  
Membership No: 44612

**ATTENDANCE SLIP**

I Shri/Smt. \_\_\_\_\_ of \_\_\_\_\_

being a member/ proxy of KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED do hereby record my presence at the 16th Annual General Meeting of the members of the Company to be held on Thursday the 30th September, 2010, at 04.00 P.M. at 101, Chinubhai Towers, Opp: Handloom House, Ashram Road, Navrangpura, Ahmedabad: 380 009.

Name of Shareholder

Ledger Folio No

D.P. NAME:

D.P. I.D.:

CLIENT I.D.:

Number of Shares Held

Date:

Place: Ahmedabad.

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(Signature of the Member/  
Proxy attending the meeting)

**PROXY FORM**

Name of Shareholder

Ledger Folio No

D.P. NAME:

D.P. I.D.:

CLIENT I.D.:

Number of Shares Held

I Shri/Smt. \_\_\_\_\_ being a member of KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED, holding \_\_\_\_\_ Shares in the company do hereby appoint Shri \_\_\_\_\_ of \_\_\_\_\_ or failing him Shri \_\_\_\_\_ of \_\_\_\_\_ or failing him Shri \_\_\_\_\_ of \_\_\_\_\_ to remain present at the 16th Annual General Meeting of the members of the Company to be held on Thursday the 30th September, 2010, at 04.00 P.M. at 101, Chinubhai Towers, Opp: Handloom House, Ashram Road, Navrangpura, Ahmedabad: 380 009 or at any adjournment thereof and to vote for and on my behalf if poll is granted.

Affix Rs 1/- revenue stamp
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Date:

Place:

\_\_\_\_\_  
(Signature of the member  
Appointing a Proxy)