

**20<sup>TH</sup> ANNUAL REPORT  
2010-2011**



**REGISTERED OFFICE**

102, Panorama Complex,  
R. C. Dutt Road,  
Vadodara - 390007.

# KALEIDOSCOPE FILMS LIMITED

## 20TH ANNUAL REPORT

### **BOARD OF DIRECTORS**

Mr. Prakash Biharilal Dhebar  
Ms. Smita Pandya  
Mr. Lokanath Mishra

### **AUDITORS**

M/s. Rakesh J. Gandhi & Co.  
Chartered Accountants  
520, Centre Point, 5th Floor  
R. C. Dutt Road, Alkapuri  
Vadodara - 390 005

### **REGISTERED OFFICE**

1st Floor, Panorama Complex  
R. C. Dutt Road, Alkapuri,  
Vadodara - 390 007

### **BANKERS**

Axis Bank Limited  
Cosmos Co. Op. Bank Limited

### **REGISTRAR & TRANSFER AGENT**

MCS Limited  
Neelam Apartment,  
88, Sampatrao Colony,  
Behind Federation Building,  
Alkapuri, Vadodara.

**EMAIL: - [kale.films@yahoo.com](mailto:kale.films@yahoo.com)**

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**NOTICE**

**NOTICE** is hereby given that the **20<sup>TH</sup> ANNUAL GENERAL MEETING** of the members of **KALEIDOSCOPE FILMS LIMITED** will be held on Friday, the 30<sup>th</sup> September, 2011 at 3.00 P. M. at, 1<sup>st</sup> Floor, Panorama Complex, R.C. Dutt Road, Alkapuri, Vadodara - 390 007 to transact the following business :

**ORDINARY BUSINESS :-**

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2011, Profit & Loss Account, Cash Flow Statement as at that date, the Report of the Board of Directors and Auditor's Report thereon.
2. To appoint a Director in place of Smt. Smita Pandya, who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint Rakesh J. Gandhi & Co., Chartered Accountants, Vadodara as Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS :-**

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

**"RESOLVED THAT** Shri Lokanath Mishra, who was appointed as Additional Director of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom a notice has been received from a Member of the Company in terms of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company."

By Order of the Board  
**For KALEIDOSCOPE FILMS LIMITED**

PRAKASH DHEBAR  
**MANAGING DIRECTOR**

Date : 05/09/2011  
Place : Vadodara

## KALEIDOSCOPE FILMS LIMITED

### NOTES :-

1. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is given below and forms part of the Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. Pursuant to Section 154 of the Companies Act, 1956, the Register of Members and the Share Transfer Books of the Company will remain closed from 28th September, 2011 to 30th September, 2011 (both days inclusive).
4. Member/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
5. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company at least 10 days before the Annual General Meeting so that the same can be suitably replied.
6. The Members who hold shares in dematerialize form are requested to write their Client ID and DP ID No. and those who hold shares in physical form are requested to write their folio no. in the attendance slip for attending the meeting.
7. The Company, consequent upon the introduction of the Depository System (DS) entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). Members therefore, have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL.
8. In case of joint holder attending the meeting only such joint holder who is first named in order of names will be entitled to vote.
9. Share holders are requested to make all correspondence for the share transfer and other purpose at the registered office of the company or to M/s MCS Limited, Vadodara. Members holding shares in dematerialized form are requested to notify their respective depository participant about any change of address and their bank particulars.
10. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with M/s. MCS Limited.

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11. Information required to be furnished under Clause 49 of the Listing Agreement for directors seeking appointment / reappointment in forthcoming Annual General Meeting :

(i)	Name of Director	Smita Pandya
	Date of Birth	30/08/1956
	Date of Appointment	03/03/2004
	Expertise	Advertisement and Genreal Business Administration
	Qualification	Science Graduate
	Other Directorship	1) Pranjali Services Private Limited 2) Pranjali (India) Private Limited 3) Pranjali Infrastructure Private Limited 4) Interactive Impact Private Limited 5) Indo-US Services Limited
	Chairman/Members of the Committee in other Companies	NIL
	No. of Shares held in the Company	NIL

(i)	Name of Director	Lokanath Mishra
	Date of Birth	17/05/1972
	Date of Appointment	30/05/2011
	Expertise	Secretarial & Legal
	Qualification	B.com
	Other Directorship	1) Sumita Management Consultancy Private Limited 2) Risa International Limited
	Chairman/Members of the Committee in other Companies	NIL
	No. of Shares held in the Company	NIL

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF COMPANIES ACT, 1956

#### ITEM NO. 4

Shri Lokanath Mishra was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956, effective from May 30, 2011 and holds office as director only upto the date of ensuing AGM. The Company has received a Notice from a Member in terms of Section 257 of the Companies Act, 1956 proposing the candidature of Shri Lokanath Mishra as a Director of the Company.

None of the directors, except Shri Lokanath Mishra himself, is concerned or interested in the proposed resolution.

By Order of the Board  
For KALEIDOSCOPE FILMS LIMITED

**Prakash Dhebar**  
**MANAGING DIRECTOR**

Date : 05/09/2011  
Place : Vadodara

## KALEIDOSCOPE FILMS LIMITED

### DIRECTORS' REPORT

To

**The Members**

Kaleidoscope Films Limited  
1st Floor, Panorama Complex,  
R. C. Dutt Road, Alkapuri,  
Vadodara - 390 007.

Your directors are pleased to present the 20<sup>th</sup> Annual Report together with Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2011.

**FINANCIAL RESULTS**

The highlights of the Financial Results are as under:

(Rupees in Lakhs)

PARTICULARS	Year ended 31/03/2011	Year ended 31/03/2010
Income from Sales	2432.16	-
Other Income	56.52	0.97
Total	2488.68	0.97
Less : Total Expenditures	2466.50	6.59
Less : Depreciation	0.79	1.10
Profit Before Tax	21.39	(6.72)
Less : Tax Provision	0.07	-
Profit After Tax	<b>21.32</b>	<b>(6.72)</b>
Balance brought forward from Previous Year	(112.35)	(105.63)
<b>Balance Carried to the Balance Sheet</b>	(91.03)	(112.35)

**FINANCIAL HIGHLIGHTS**

During the financial year ended 31<sup>st</sup> March, 2011 the total revenue of the Company increased to Rs. 2488.68 Lakhs as compared to Rs.0.97 Lakhs in the previous year. The Net Profit after tax increased substantially from Rs. (6.71) Lakhs in the previous year to Rs. 21.32 Lakhs.

**DIVIDEND**

The Board of Directors expresses its inability to recommend any dividend and have decided to skip the dividend for this year.

**DIRECTORS**

Pursuant to the provisions of Section 256 of the Companies Act, 1956, Smt. Smita Pandya, retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment. Resolution for her reappointment shall be moved at the AGM for approval of members.

Mr. Lokanath Mishra was appointed as additional director in the board meeting held on May 30, 2011. The Company has received notice from a Member of the Company proposing the name of Shri Lokanath Mishra for appointment as Director of the Company.

Mr. Sarju Parekh resigned as director of the company w.e.f. 02nd November, 2010.

Mr. Sandeep Bhartia, who were appointed as Additional Director resigned from directorship with effect from May 23, 2011.

Mr. Abinandan Jain, who were appointed as Additional Director resigned from directorship with effect from May 31, 2011.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirmed that:

- a) The financial statements are in conformity with the requirements of the Companies Act, 1956 and applicable accounting standards have been followed along-with proper explanation relating to material departure.
- b) That they have selected such accounting policies, applied them consistently, made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company for the period under review;
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for preventing and detecting fraud and other irregularities;
- d) That they have prepared the annual accounts on a going concern basis.

**ISSUE OF SHARES ON PREFERENTIAL BASIS**

The Company has raised an amount of Rs. 19.628 Crores by issue and allotment of 1,40,20,000 equity shares of Re. 1/- each at a premium on preferential basis to non-promoters and Corporate Bodies to meet the long term requirements and for expansion purpose.

**CORPORATE GOVERNANCE**

A separate section titled "Corporate Governance" including a certificate from the Auditors of the company confirming compliance of the conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement is annexed hereto and forms a part of the Report

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review as required under Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, is given as a separate statement in the Annual Report.

## **KALEIDOSCOPE FILMS LIMITED**

### **PARTICULARS OF EMPLOYEES**

As required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of the Employees) Rules 1975, are not applicable since, none of the employee of the company is drawing more than Rs.60,00,000/- p.a. or Rs.5,00,000/- p.m. for the part of the year, during the year under review.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company do not have any manufacturing operations and therefore provisions of Section 217(1)(e) of the Companies Act, 1956 relating to conversation of Energy and Technology Absorption are not applicable.

### **PUBLIC DEPOSITS:**

The Company has not invited nor accepted any fixed deposits from the public during the year under review.

### **AUDITORS**

Members are requested to appoint Auditors M/s. Rakesh J. Gandhi & Co. to hold office until the conclusion of the next Annual General Meeting and fix their remuneration. The Company has received a letter from them to the effect that their appointment, if made, will be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

### **ACKNOWLEDGEMENTS**

Your Directors appreciates the high degree of professionalism, commitment and dedication displayed by all the employees, constituents and its suppliers, technology partners, associates and partners at all levels. The Directors also place on record their gratitude to the members for their continued support and confidence.

By Order of the Board of Directors

**KALEIDOSCOPE FILMS LIMITED**

Place : 05/09/2011

Date : Vadodara

**Prakash Dhebar**  
**(Managing Director)**

**Smita Pandya**  
**(Director)**



## MANAGEMENT DISCUSSION AND ANALYSIS

### OPPORTUNITIES

As per report of PricewaterhouseCoopers the Media Industry in India is expected to grow by 10.5 % in 2013. The Film Entertainment business has managed to stem recession trends and the last year has seen bigger blockbuster hits than ever. Movie revenues continue to grow and newer technologies have allowed audiences to experience movies in a more pleasurable, more experiential environment. 3D has been a big growth driver for Hollywood films and now the Indian movie Industry is also waking to this new way to get film audiences. All of this has resulted in the growth of multiplexes and digital cinema which has given most screens the ability to play movies day and date across the country. An increased ticket price has allowed revenues to grow from the theatrical business. Additional revenue streams like internet, mobile and 3G will be the growth drivers enabling the industry to get incremental revenue from the same content.

### RISKS AND CONCERNS

As for the film business, the risk lies mainly in paucity of male stars as Indian cinema is still being driven by the power of stardom rather than story concept and the presentation of the same. For the television software business the concern is continuous trade off between the cost of content and its revenue potential. This is forcing television channels to withdraw the content on first fear of drop of TRPs even though the software producers would have invested large amount of uniform of certain fixed costs. As for the publication business, the hyper competition is becoming increasingly challenging to have a share of wallet of the consumers to whom the different medium of entertainment like television, music, films, games are available; some even free of cost. Typically print and publication business is a long gestation business as the volumes and ad-revenue rates built up on a very long period.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

A system of internal control is in place. The Company is having adequate Internal Control Systems with respect to effectively handling the operations and maintaining the accounts. The Audit Committee reviews the accounting systems and procedures and suggest remedial actions where required.

### FINANCIAL PERFORMANCE

Income from sales and other income for the year ended 31st March, 2011 amounted to Rs. 24,88,68,255 as compared to Rs. 97,315 for the last financial year and profit after tax for the year increased to Rs. 21,31,749 as against a Loss of Rs. 6,71,468 during the previous financial year.

### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS

The Company recognizes the importance and contribution made by its employees to the growth and development of the Company. The Company has cordial relations with employees and staff.

### CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis, describing the Company's growth, prospects, are forward looking statements. The actual results may vary, depending upon economic conditions, government policies, regulations and other incidental factors.

## KALEIDOSCOPE FILMS LIMITED

### CORPORATE GOVERNANCE REPORT

#### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The basic objective of Corporate Governance Policies adopted by company is to attain the highest levels of transparency, accountability and integrity. The Company believes that good Corporate Governance is essential in achieving long term corporate goals and for enhancing stakeholders' value. All employees are bound by a Code of Conduct that sets forth Company's policies on important issues, including our relationship with consumers, shareholders and Government.

#### BOARD OF DIRECTORS

The Board of Directors as on 31st March, 2011 consisted of 4 Directors out of which 3(Three) are Independent Directors. The Chairman of the Company is Executive Director. The composition of Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

Name	Category	No. of Outside Directorship(s) held in Public and Private Limited		No. of Board Committee position held in other Public Limited Companies	
		Private	Public	Chairman	Member
Prakash Dhebar	Managing Director	-	2	-	-
Smita Pandya	Independent Director	4	1	-	-
Abhinandan Jain	Independent Director	3	-	-	-
Sandeep Bhartia	Independent Director	2	-	-	-

#### BOARD MEETINGS

The Board held 5 (Five) Meetings during the year 2010 - 2011 on 30th May, 2011, 30th July, 2010, 2nd November, 2011, 11th January, 2011, 14th February, 2011.

Attendance of Directors at Board Meetings and at the Annual General Meeting

Name of the Director	No. of Board Meetings Attended	Whether Attended the Last AGM
Shri Prakash Dhebar	5	YES
Smt Smita Pandya	3	YES
Shri Sarju Parikh	4	YES
Shri Sandeep Bhartia	2	NO
Shri Abhinandan Jain	2	NO

The Board ensures compliance of all laws applicable to the Company and takes steps to rectify non-compliance, if any

**AUDIT COMMITTEE**

The Audit Committee has been constituted as per the provision of section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

The terms of reference of the Audit Committee are broadly as under:

- Overseeing the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending the appointment/re-appointment of external/internal auditors, tax auditors, fixation of audit fees, etc.
- Review of annual financial statements.
- Review of quarterly / half-yearly un-audited financial results.
- Review of adequacy of internal control systems
- Reviewing the company's financial and risk management policies.

**COMPOSITION AND ATTENDANCE :**

Name of the Member	Category	No. of Meeting Attended
Smita Pandya (Chairperson)	Independent Directors	3
Prakash Dhebar	Managing Director	2
Sarju Parikh*	Independent Director	2

\* Resigned w.e.f. 2nd November 2010.

During the financial year 2010-11 the Audit Committee met 4(Four) times on 30th May, 2010, 30th July, 2010, 2nd November, 2010, 14th February, 2011.

**SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE**

The Shareholders Grievance Committee facilitate prompt and the effective redressal of the complaints of the shareholders and reporting the same to the Board periodically. The Shareholders Grievance Committee of the company was constituted comprising of the following directors:

Smita Pandya - Chairman  
Prakash Dhebar - Member

Details of Complaints received during the year are as follows:

No. of Complaints Received	26
No. of Complaints Cleared	26
No. of Complaints Pending	NIL

Name of the Compliance Officer: Sarju Parikh

**DISCLOSURES**

There are no materially significant related party transactions i.e. transactions, material in nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. having potential conflict with the interest of the company at large, except as disclosed in the notes to the accounts, Schedule forming part of the Balance Sheet.

**CEO/CFO CERTIFICATION**

A certificate from the Chief Executive Officer and the Chief Financial Officer on the financial statements of the Company was placed before the Board.

## KALEIDOSCOPE FILMS LIMITED

### GENERAL BODY MEETINGS

Location and time where General Meetings held in the last three years is given below:

Year	Location	Date	Time
2007-2008	466/B, GIDC, POR, Dist: Vadodara	30.09.2008	1.00 P.M.
2008-2009	466/B, GIDC, POR, Dist: Vadodara	29.09.2009	1.00 P.M.
2009-2010	466/B, GIDC, POR, Dist: Vadodara	30.09.2010	3.00 P.M.

### Postal Ballot

During the year ended 31st March 2011, no resolution was passed by Company's shareholders requiring voting by Postal Ballot. At the ensuing Annual General Meeting also, there is no resolution proposed to be passed through Postal Ballot.

### MEANS OF COMMUNICATION

- The quarterly / annual results are communicated to the Bombay Stock Exchange Limited where the Company's shares are listed and published in Indain Express (English) and Vadodara Samachar (Gujarati).
- The quarterly / half yearly financial results are being sent to all the Stock Exchanges, where the shares of the Company are listed for putting in their own website.
- The Company has not made any presentation to any institutional investors or to analysts during the year.
- All items required to be covered in the Management Discussion and Analysis Report have been included.

### GENERAL BODY MEETINGS

<b>AGM : Date and Time Venue</b>	30th September, 2011 at 3.00 pm 102, Panorama, R C Dutt Road, Vadodara - 390 007
<b>Financial Calendar</b>	April 1 - 31st March
<b>Date of Book Closure</b>	28th September, 2011 - 30th September, 2011
<b>Dividend Payment Date</b>	Not Applicable
<b>Listing on Stock Exchange</b>	Bombay Stock Exchange
<b>Scrip Code</b>	523810
<b>Market price Data : High, Low during each month in the financial year 2010 - 2011</b>	See Table No. 1 below
<b>Registrar and Share Transfer Agent</b>	MCS Limited Neelam Apartment, 88, Sampatrao Colony, Behind Federation Building, Alkapuri, Vadodara - 390 007.
<b>Share Transfer System</b>	Share Transfers are processed and share certificates are returned within a period of 30 days from the date of receipt, if the documents are clear in all respects.
<b>Summary of Shareholding Pattern</b>	See Table No. 2 below
<b>Demat ISIN Numbers in NSDL and CDSL for Equity Shares</b>	<b>ISIN No.</b> INE611B01022
<b>De-materialization of shares and liquidity</b>	As on 31 <sup>st</sup> March, 2011, 99.34% of the Company's equity shares were held in dematerialized form
<b>Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity</b>	There were no such outstanding instruments as on 31 <sup>st</sup> March, 2011
<b>Address for Communication</b>	1 <sup>st</sup> Floor, Panorama Complex, R. C. Dutt Road, Alkapuri, Vadodara - 390 007

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**Table 1 - Stock Market Price Data**

High and Low of market price of the Company's Shares traded on Bombay Stock Exchange Limited, during the Financial Year - 2010 - 2011

Month	Opening Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (RS.)	Spread (Rs.)	
								H-L	C-O
April - 10	5.60	9.40	5.41	8.94	2241758	1573	18408828	3.99	3.34
May - 10	9.10	9.30	6.73	7.00	641132	843	5239744	2.57	-2.10
June - 10	7.01	9.55	6.33	9.55	832812	840	6629074	3.22	2.54
July - 10	9.60	17.02	9.37	15.53	2498774	3039	32492197	7.65	5.93
Aug - 10	15.40	17.50	11.55	11.55	1994377	1836	30496639	5.95	-3.85
Sept - 10	11.00	16.37	11.00	12.95	720335	1172	10301515	5.37	1.95
Oct - 10	12.95	15.25	12.95	14.04	1326682	864	18766542	2.30	1.09
Nov - 10	14.10	19.91	13.98	19.04	4791113	2448	86869840	5.93	4.94
Dec - 10	19.05	20.00	16.20	18.85	3298600	1718	61640343	3.80	-0.20
Jan - 11	19.30	29.50	19.00	26.75	4743876	4404	116721659	10.50	7.45
Feb - 11	25.45	30.45	23.20	27.10	3380209	2255	91799650	7.25	1.65
March - 11	27.35	31.25	24.50	29.65	8210903	4491	228702470	6.75	2.30

**Table 2 - Summary of Shareholding Pattern as on 31st March, 2011**

Category	No. of Shares Held	Percentage of Shareholding
Promoters	445000	0.66
Mutual Funds and UTI	-	-
Corporate Bodies	6502586	9.72
Indian Public	59949415	89.59
NRI	22999	0.03
<b>Total</b>	<b>66920000</b>	<b>100</b>

## **KALEIDOSCOPE FILMS LIMITED**

### **INVESTORS CORRESPONDENCE / COMPLAINTS TO BE ADDRESSED TO**

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address or any other relating to shares, please write to:

Mr. Sarju Parikh,  
COO & Compliance Officer  
1st Floor, Panorama Complex  
R. C. Dutt Road, Alkapuri,  
Vadodara - 390 007  
e-mail : kale.films@yahoo.com

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### **CODE OF CONDUCT DECLARATION**

Pursuant to Clause 49I(D) of the Listing Agreement entered into with the Stock Exchange, I hereby declare that all the board members and senior management personnel of the company have affirmed compliances with Code of Conduct for the year ended on 31st March, 2011.

By Order of the Board  
**For Kaleidoscope Films Limited**  
Sd/-  
Prakash Dhebar  
Managing Director

Place : 05/09/2011  
Date : Vadodara

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

**To,  
The Members  
Kaleidoscope Films Limited.  
Vadodara**

We have examined the compliance of Corporate Governance by M/s. Kaleidoscope Films Limited, for the year ended March 31, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an express 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 the representations made by the Directors and the Management, we certify that the Company has complied with conditions of Corporate Governance as stipulated in 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 the as per the records maintained by the Company, there were no investor grievances remaining unattended/ pending for more than 30 days.

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

**For Subhash Shah & Co.  
Chartered Accountants  
(Rakesh Gandhi)**

**(Partner)**  
**M. No: 101972**  
FRN: 128932W

Place : Vadodara  
Date : 30.05.2011

## **KALEIDOSCOPE FILMS LIMITED**

### **AUDITORS REPORT**

To,

**The Members**

**KALEIDOSCOPE FILMS LTD**

We have audited the attached Balance Sheet of **KALEIDOSCOPE FILMS LTD**, as at 31st March, 2011 and also the Profit and Loss Account for the Year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentations. We believe that our audit provides a reasonable basis for our opinion.

As required by the companies (Auditors Report) Order, 2003 as amended by the companies (Auditor's Report) (Amendment) Order 2004 (together the 'order') issued by the central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
- (iii) The Balance Sheet and Profit & Loss Account and Cash Flow dealt with by this Report are in agreement with the Books of Accounts;
- (iv) In our opinion, the Balance Sheet and the Profit & 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;



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- (v) On the basis of written representation received from Directors, as on 31st March, 2011, and taken on record by the Board of Directors, we, report that none of the directors are disqualified as on 31 March, 2011 from being appointed as Director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to and read together with the notes there on in schedule '7' 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 :-
- (a) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2011, and
- (b) In the case of Profit & Loss Account, of the Profit of the Company for the year ended on that date.

**For Subhash Shah & Co.**  
Chartered Accountants  
FRN: 128932W

**CA. Rakesh Gandhi**  
Partner  
Membership No. 101972

Place : Vadodara  
Date : 30.05.2011

## KALEIDOSCOPE FILMS LIMITED

### ANNEXTURE TO THE AUDITOR'S REPORT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2011

Referred to in our paragraph 3 of our report of even date.

- (i) (a) The company has maintained proper records showing full particulars, including quantities details and situation of assets.
- (b) The management has carried out physical verification of most of its assets during the year, the frequency of verification is reasonable having regard to the nature of fixed assets. No material discrepancies were noticed on such physical verification.
- (c) During the year, the company has not disposed off substantial part of its fixed assets and the going concern status of the Company is not affected.
- (ii) In respect of inventories:  
The Company has maintained proper records of Inventories. The inventories have not been physically verified during the year. The company is not holding stock at the end of year.
- (iii) (a) The company has not granted any loan, secured or unsecured to companies, firm or other parties covered in the register maintained under Section 301 of the companies Act, 1956. Accordingly, paragraph 4(iii) (b) (c) & (d) of the Order is not applicable.
- (b) The Company has not taken any loan from a companies, firm or other parties covered in the register maintained under Section 301 of the companies Act, 1956. Accordingly, paragraph 4(iii) (b) (c) & (d) of the Order is not applicable
- (iv) In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size and nature of its business.
- (v) According to the information and explanation given to us, during the year there were no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Accordingly the paragraph (v) (a) & (b) of the Order are not applicable.
- (vi) In our opinion and according to the information and explanation given to us, the company has not accepted deposit from public within the meaning of section 58-A of the Companies Act and the rules framed there under.
- (vii) In our opinion the Company needs to strengthen the internal Audit commensurate with the size and nature of the business.
- (viii) According to the information and explanation given to us the Central government of India has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies act, 1956, for any product of the Company.
- (ix) The company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth-tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities. There is no undisputed statutory demand is outstanding for more than six months from the date they became payable.

## 20TH ANNUAL REPORT 2010-2011

- (x) The company has accumulated loss of Rs.91.03 Lacs which is less than 50% of net worth of the Company. The Company has not incurred cash loss during the year. The company has incurred cash profit of Rs.28.82 Lacs during the year.
- (xi) The Company has not borrowed from financial institution, bank or issued debenture and hence this clause not applicable to the Company.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and hence company is not required to maintain documents and records.
- (xiii) In our opinion, the company is not a Chit fund or a nidhi fund or a mutual benefit fund/society. Accordingly, paragraph 4(xiii) (a), (b), (c), (d) of the order are not applicable to the Company.
- (xiv) The company is not dealing in Shares and security and hence not required maintained records of such transactions.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company has applied loan for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance sheet of the Company, we are of the opinion that there are no funds raised on short term basis have been used for long term investment.
- (xviii) The company has preferential allotment of Equity shares of Rs.1,40,20,000 to the parties covered in the Register maintained under section 301 of the Companies Act, 1956 during the year. The price at which shares have been issued is not prejudicial to the interest of the company.
- (xix) During the year company has not issued debentures so no security or charge created during the year.
- (xx) The company has not raised money through public issue during the year.
- (xxi) According to the information and explanations given by the management, no material fraud on or by the company has been noticed or reported during the year.

**For Subhash Shah & Co.**  
Chartered Accountants  
FRN: 128932W

**CA Rakesh Gandhi**  
**Partner**  
**M. No. 101972**

Place : Vadodara  
Date : 30<sup>th</sup> May, 2011

**KALEIDOSCOPE FILMS LIMITED**

**BALANCE SHEET AS ON 31/3/2011**

	SCHEDULE	AS AT 31/3/2011	AS AT 31/3/2010
<b><u>SOURCES OF FUNDS</u></b>			
Share Capital	1	66,920,000	52,900,000
Reserves & Surplus		182,260,000	-
<b><u>LOAN FUND</u></b>			
Secured Loan	2	-	-
Unsecured Loan		1,875,624	1,641,181
<b>Total</b>		<b><u>251,055,624</u></b>	<b><u>54,541,181</u></b>
<b><u>APPLICATION OF FUNDS</u></b>			
<b><u>FIXED ASSETS</u></b>			
3			
Gross Block		3,604,191	2,022,642
Depreciation		1,845,833	1,766,250
Net Block		<b><u>1,758,358</u></b>	<b><u>256,392</u></b>
<b><u>INVESTMENTS (AT COST)</u></b>			
	4	30,675,300	30,000,000
<b><u>CURRENT ASSETS, LOANS &amp; ADVANCES</u></b>			
5			
Sundry Debtors		7,669,397	2,225,710
Cash & Bank Balances		159,637,873	3,219,356
Loans & Advances		195,756,972	8,447,315
		<b><u>363,064,243</u></b>	<b><u>13,892,381</u></b>
Less:			
<b><u>CURRENT LIABILITIES AND PROVISIONS</u></b>			
	6	153,545,180	842,246
<b><u>NET CURRENT ASSETS</u></b>			
		<b><u>209,519,062</u></b>	<b><u>13,050,136</u></b>
<b><u>MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF</u></b>			
		9,102,904	11,234,653
<b>Total</b>		<b><u>251,055,624</u></b>	<b><u>54,541,181</u></b>

Notes to the accounts

9

Schedules 1 to 8 and schedule no. 9 (Notes on A/c) form an integral part of the accounts as per report on even date.

**For Subhash Shah & Co  
Chartered Accountants**

For and on behalf of the Board  
**KALEIDOSCOPE FILMS LIMITED**

**CA. Rakesh Gandhi**  
Partner  
M. No. 101972  
FRN: 128932W

**(Prakash Dhebar)**  
Managing Director

**(Smita Pandya)**  
Director

Date : 30.05.2011  
Place : Vadodara

**20TH ANNUAL REPORT 2010-2011**

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2011**

	SCHEDULE	AS AT 31/3/2011	AS AT 31/3/2010
<b>INCOME</b>			
Income from Sale of Goods		243,216,480	-
Other Income		5,651,775	97,315
	<b>Total</b>	<b>248,868,255</b>	<b>97,315</b>
<b>EXPENDITURES:</b>			
Purchase Cost		243,176,130	-
Personnel Expenses	7	165,470	182,587
Administration Expenses	8	2,565,545	476,602
Other Expenses		742,778	-
Depreciation		79,583	109,594
	<b>Total</b>	<b>246,729,506</b>	<b>768,783</b>
<b>Profit/Loss for the year</b>		<b>2,138,749</b>	<b>(671,468)</b>
Less : Provision for Taxation		7,000	-
<b>Profit/(Loss) for the year</b>		<b>2,131,749</b>	<b>(671,468)</b>
Profit/(-) Loss brought forward from the last year		(11,234,653)	(10,563,185)
Profit/(-) Loss Carried to Balance Sheet		<b>(9,102,904)</b>	<b>(11,234,653)</b>

Notes to the accounts

9

Schedules 1 to 8 and schedule no. 9 (Notes on A/c) form an integral part of the accounts as per report on even date.

**For Subhash Shah & Co**  
**Chartered Accountants**

For and on behalf of the Board  
**KALEIDOSCOPE FILMS LIMITED**

**CA. Rakesh Gandhi**  
Partner  
M. No. 101972  
FRN: 128932W

**(Prakash Dhebar)**  
**Managing Director**

**(Smita Pandya)**  
**Director**

Date : 30.05.2011  
Place : Vadodara

**KALEIDOSCOPE FILMS LIMITED**

**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2011**

	MARCH 31, 2011 RUPEES	MARCH 31, 2010 RUPEES
<b>SCHEDULE - 1</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
200,00,000 Equity Shares of Rs.1/- each	200,000,000	60,000,000
<b>ISSUED &amp; SUBSCRIBED :</b>		
5,29,00,000 Equity shares of Rs. 1/- each. (1,40,20,000 Equity Shares of Rs. 1/- each issued during the year)	66,920,000	52,900,000
<b>TOTAL</b>	<b><u>66,920,000</u></b>	<b><u>52,900,000</u></b>

**SCHEDULE - 2**

**Unsecured Loans:**

Unsecured loan from Companies	1,103,200	968,200
Unsecured Loan from Director	772,424	672,981
	<b><u>1,875,624</u></b>	<b><u>1,641,181</u></b>

**SCHEDULE -3 FIXED ASSETS**

Particulars	Gross Block				Depreciation			Net Block	
	As on 01.04.2010	Addition during Year	Sales/Adj. during Year	Total As on 31.03.2011	Depreciation 01.04.2010	Depreciation for the year	Total 31.03.2011	As on 31.03.2011	As on 31.03.2010
Computer Equipments	129,965	309,219	-	439,184	129,965	12,538	142,503	296,681	-
Miscellaneous Assets	207,978	78,260	-	286,238	153,611	8,942	162,553	123,685	54,367
Furniture Office Equipment	1,643,996	1,194,070	-	2,838,066	1,450,847	56,869	1,507,716	1,330,350	193,149
	40,703	-	-	40,703	31,827	1,234	33,061	7,642	8,876
	<b>2,022,642</b>	<b>1,581,549</b>	<b>-</b>	<b>3,604,191</b>	<b>1,766,250</b>	<b>79,583</b>	<b>1,845,833</b>	<b>1,758,358</b>	<b>256,392</b>

**SCHEDULE - 4**

**Investments at Cost:**

Long term:Unquoted:Other In 3,00,000 Fully Paid Equity Shares of Rs. 10/- each of ABP Realtors Pvt.Ltd. Vantage Entertainment Media Inc (1,50,000 Shares Acquired during the year)	30,000,000	30,000,000
	675,300	-
	<b><u>30,675,300</u></b>	<b><u>30,000,000</u></b>

**20TH ANNUAL REPORT 2010-2011**

**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2011**

	MARCH 31,2011 RUPEES	MARCH 31,2010 RUPEES
<b>SCHEDULE - 5</b>		
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
Cash in Hand	109,000	35,642
Balance in Bank	7,560,397	2,190,068
	<u>7,669,397</u>	<u>2,225,710</u>
Sundry Debtors(Unsecured, Considered good) :		
More then Six Months	3,219,356	3,219,356
Others	156,418,517	-
	<u>159,637,873</u>	<u>3,219,356</u>
Loans and Advances:		
Deposits	1,430,700	-
Loans to Companies	181,664,227	-
Advances to be received in cash or kind	12,000,000	8,350,000
Tax Deducted at Source - 2010-11	599,123	-
Tax Deducted at Source - 2009-10	19,463	19,463
Interest Receivable	-	77,852
Vat Receivable	43,459	-
<b>TOTAL</b>	<u>195,756,972</u>	<u>8,447,315</u>
<b>SCHEDULE - 6</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
Sundry Creditors	153,040,360	842,246
(Amount payable to SSI units over 30 days - Nil)		
	<u>153,040,360</u>	<u>842,246</u>
Duties & Taxes:		
TDS Payable	63,028	-
Service Tax	369,324	-
VMC - Taxes Payable	53,471	53,471
	<u>485,823</u>	<u>53,471</u>
<b>Provisions:</b>		
Provsion for Taxation	7,000	-
Provsion for Expenses	11,998	-
	<u>18,998</u>	<u>-</u>
<b>TOTAL</b>	<u>153,545,180</u>	<u>895,717</u>

**KALEIDOSCOPE FILMS LIMITED**

**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2011**

	MARCH 31,2011 RUPEES	MARCH 31,2010 RUPEES
<b>SCHEDULE - 7</b>		
<b>MANPOWER EXPENSES</b>		
Staff Salary & Wages	165,470	182,587
<b>TOTAL</b>	<b><u>165,470</u></b>	<b><u>182,587</u></b>
<b>SCHEDULE - 8</b>		
<b>ADMINISTRATION EXPENSES</b>		
Operating Expenses	-	117,819
Bank Charges	9,104	-
Auditors Remunerations	60,000	19,500
Share Transfer & Demat Exp.	10,000	35,000
Municipal Tax	-	23,589
Conveyance Exp	8,344	-
Electricity Exp.	21,100	14,201
Legal Expenses	1,016	136,415
Professional fees	69,000	85,000
Printing & Stationery Charges	12,728	10,450
Depository Charges	44,123	-
Interest on TDS	263	-
Professional Tax	2,500	-
Listing, Filing & Registration fees	114,226	-
Stamp Duty	1,330,764	-
Office Rent	715,350	-
Office Exp.	56,813	-
Membership Fees	7,500	-
Miscellaneous Exp	7,371	-
Repair & Maintenance Charges	1,780	-
Telephone Expenses	15,710	19,178
Sundry Balance written off	77,852	-
Travelling Expenses	-	15,450
<b>TOTAL</b>	<b><u>2,565,545</u></b>	<b><u>476,602</u></b>



**SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2011**

**SCHEDULE : 9**

**NOTES TO ACCOUNTS:**

- 1) Accounting Policies:
  - (a) Accounting Conventions  
These accounts are prepared on under historical cost convention and accrual basis and are in conformity with mandatory accounting standards and relevant provisions of the Companies Act, 1956.
  - (b) Fixed Assets:  
Fixed Assets are recorded at cost of acquisition less depreciation.
  - (c) Depreciation:  
Depreciation on fixed Assets is provided on Straight Line Method at the rates specified in Schedule XVI of the companies Act, 1956.
  - (d) Investments:  
Investments are classified in to Current and long term. Long term investments are stated at cost less provision, if any, for decline other than temporary in their value.
  - (e) Income from operations:  
Income from operations are recognized on sale, transfer of rights to broadcast and goods.
  - (f) Retirement benefits:  
As provisions of Provident Fund Act and Employees state Insurance scheme are not applicable to Company and hence no accounting policy decided by the company. There is no scheme for leave encashment to employee.
  - (g) The Company provides for Income tax on estimated taxable income and based on expected out come of assessment appeals, in accordance with the provisions of Income Tax Act, 1961 and rules framed there under. Consequent to the issuance of the Accounting Standard 22-"Accounting for Taxes on Income "by Institute of Chartered Accountants of India which states that deferred tax should be recognized based on timing differences between the accounting income and estimated income for the year and quantify the same using the tax rates and law enacted or substantively enacted as at the balance sheet date. As in the opinion of management there is no virtual certainty, deferred tax assets are not recognized and carried forward.
- 2) The schedules referred to in the balance sheet and Profit and loss Account form an integral part of accounts.
- 3) In the opinion of the Board and to the best of their knowledge and belief, the value on realization of Loans and Advances and Current Assets, in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.
- 4) Debtors, Creditors, Loans to companies, Advances and Unsecured Loans are subject to confirmation and Investments are subject to verification.
- 5) Provision for Income Tax has been made for Rs.7,000/- (Previous Year - NIL).
- 6) In the opinion of management, there is no virtual certainty and hence deferred tax assets not created.
- 7) The Company does not owe any amount to Small Scale Industries as on Balance Sheet.
- 8) Contingent Liabilities not provided for Income Tax amounting to Rs. 42.87 (Previous Year Rs. 29.59 Lacs). As the matter is pending before Tribunal. In the opinion of the Management, there is no contingent liabilities except stated above.

## KALEIDOSCOPE FILMS LIMITED

9) Auditors' Remuneration:

As Audit Fees Rs. 40,000/- (Previous Year Rs.19,500/-)

Tax audit fees Rs. 20,000/- (Previous Year Rs.Nil)

10) Managerial Remuneration Rs. NIL (Previous Year Rs.NIL)

11) The Company has not entered into any transaction with related parties during the year.

12) Disclosure of Earning per share (EPS) computation as per Accounting Standard - 20 of the institute of Chartered Accountants of India :

<b>Particulars</b>	<b>2010-11</b>	<b>2009-10</b>
	<b>Rs.</b>	<b>Rs.</b>
Net Profit after Tax available for the Equity Shareholders.	21,31,449	(6,71,468)
Weighted average number of Equity Shares	66,92,000	52,90,000
Nominal Face Value of Equity Shares (Rs.)	1	1
Basic and Diluted Earnings per Share (Rs.)	0.32	NIL

14) CIF Value of Imports Rs. NIL (Previous Year Rs. NIL) and Earnings in Foreign Exchange Rs. Nil (Previous Year Rs. Nil)

15) The company's business activity falls within a single primary business segment.

16) The Company is engaged in the business of Media and Entertainment. The production and sale cannot be express in generic terms and hence it is not possible to give quantitative details in terms under paragraph 3 and 4C of Part II of Schedule VI of the Companies Act, 1956.

17) Previous Year's figures have been regrouped, rearranged and recast to correspond with the figures of the current year.

For **Subhash Shah & Co.**

Chartered Accountants

FRN: 128932W

**CA. Rakesh Gandhi**

Partner

M. No. 101972

Place : Vadodara

Date : 30.05.2011

**20TH ANNUAL REPORT 2010-2011**

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2011**

		As on 31.03.2011 (Rs.)		As on 31.03.2010 (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before Tax and extra Ordinary Items:		2,138,749		(671,468)
Add / Less: Adjustment For -				
Depreciation	-	79,583		109594
Provision for Taxation	-	7,000	-	
Operating Profit/(Loss) before change in Working Capital		2,211,332		(561,874)
Add / (Less): Adjustment For changes in working Capital			21621199	
Add/(Less):(Increase)/Decrease in Trade & other receivables	156,418,517		10,004,363	
Add/(Less):(Increase)/Decrease in Loans and Advances	187,309,657		635,000	
Add/(Less):Increase/(Decrease) in current liability & provisions	-152,702,934	191,025,240	416,292	32,676,854
<b>Net Cash Flow/(Out flow) from Operations</b>		188,813,907		32,114,980
<b>B. CASH OUT FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	1,581,549			
Purchase of Investments	675,300			
Net Cash used in Investing Activities		2,256,849	30,000,000	30,000,000
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Increase in Equity Share Capital	14,020,000			
Share Premium Account	182,260,000			
Increase/(Decrease) in Unsecured Loan	234,443		0	
Net cash flow from financing Activity		196,514,443		0
Net Cash Inflow / (Outflow) A + B + C		<b>(5,443,688)</b>		<b>2,114,979</b>
<b>Opening Cash &amp; Cash Equivalents</b>		2,225,710		110,731
<b>Closing Cash &amp; Cash Equivalents</b>		7,669,398		2,225,710
<b>Net Cash Inflow</b>		<b>(5,443,688)</b>		<b>(2,114,979)</b>

**For Subhash Shah & Co**  
**Chartered Accountants**

For and on behalf of the Board  
**KALEIDOSCOPE FILMS LIMITED**

**CA. Rakesh Gandhi**  
Partner  
M. No. 101972  
FRN: 128932W

**(Prakash Dhebar)**  
Managing Director

**(Smita Pandya)**  
Director

Date : 30.05.2011  
Place : Vadodara

**KALEIDOSCOPE FILMS LIMITED**

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. REGISTRATION DETAILS**

Registration No.	016644	State Code	04
Balance Sheet Date	31.03.2011		

**II CAPITAL RAISED DURING THE YEAR  
(Amount in Rs. Thousand)**

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	14020

**III POSITION OF MOBILISATION & DEPLOYMENT OF FUNDS  
(Amount in Rs. Thousand)**

Total Liabilities	251056	Total Assets	251056
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**SOURCES OF FUNDS**

Paid-up capital	66920	Reserves & Surplus	182260
Secured Loans	Nil	Unsecured Loans	1876

**APPLICATIONS OF FUNDS**

Net Fixed Assets	1758	Investment	30675
Net Current Assets	209519	Misc. Expenditure	Nil
Accumulated Losses	9103		

**IV PERFORMANCE OF THE COMPANY**

(Amount in Rs. Thousand)

Turnover	248868	Total Expenditure	246730
Profit	2138		
Earnings Per Share	0.32	Dividend Rate %	Nil

**V GENERIC NAMES OF PRINCIPAL PRODUCTS SERVICE OF THE COMPANY**

Item Code No. (ITC Code)	Product Description	Media and Entertainment
--------------------------	---------------------	-------------------------

Note: Company has Dealt in one product during the year, the information is given for one product only.

For and on behalf of the Board  
**KALEIDOSCOPE FILMS LIMITED**

Date : 30/05/2011  
Place : Vadodara

**(Prakash Dhebar)**  
Managing Director

**(Smita Pandya)**  
Director

## KALEIDOSCOPE FILMS LIMITED

Regd. Office: 102, Panorama Complex, R. C. Dutt Road, Vadodara - 390007.

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies vide its circular no. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 after considering certain provisions of the Information Technology Act, 2000, permitted the companies to send the notices / annual reports etc. through email to its members. To support this green initiative of the MCA whole heartedly, members who have not yet registered their email address, are requested to register their e-mail address with the Depository through their concerned Depository Participant and members who hold shares in physical mode are requested to intimate their e-mail address at which they would like to receive the above documents electronically, either to the company or to its Registrar and Share Transfer Agent. Shareholders are requested to fill the consent form below and send it to the Registrar and Share Transfer Agent, MCS Limited or to the company

### CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE

(Pursuant to circulars no. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011)

To,  
MCS Limited,  
Neelam Apartment,  
88, Sampatrao Colony,  
Behind Federation Building,  
Alkapuri, Vadodara - 390007

Dear Sir,

I/We shareholder (s) of Kaleidoscope Films Limited, agree to receive all notices and documents including the Annual Report, Notice for General Meetings and other Shareholders Communication in electronic mode (through email).

I/We request you to kindly register my / our below mentioned email id in the Company's records for sending such communication through email.

Folio No...../DP ID No.\*.....and Client ID .\*.....

\*Applicable for members holding shares in electronic form.

Name of the Sole / First Shareholder : \_\_\_\_\_

Name of the Joint Shareholders (if any) : \_\_\_\_\_

No. of Shares held : \_\_\_\_\_

E-mail id for receipt of documents in Electronic mode : \_\_\_\_\_

Date :

Place:

Signature:\_\_\_\_\_

(Sole / First Shareholder)

Note:

1. Shareholders are requested to inform the Company's Registrar and Share Transfer Agents as and when there is change in their registered email-id.
2. for shares held in demat form, shareholders are also requested to inform /update their email-ids to their respective Depository Participants.

**KALEIDOSCOPE FILMS LIMITED**

Regd. Office: 102, Panorama Complex, R. C. Dutt Road, Vadodara - 390007.

**PROXY FORM**

No. of Shares.....

DP. Id.:.....

Client ID / Folio No.....

I/We.....  
of..... in the district of.....  
being a Member/Members of the above-named Company, hereby appoint.....  
of..... in the district of.....  
or failing him/her..... of.....  
in the district of..... as my/our Proxy to attend and vote for me/us and on my/our behalf  
at the 20th Annual General Meeting of the Company to be held at the Registered Office of the Company at 1st  
Floor, Panorama Complex, R. C. Dutt Road, Alkapuri, Vadodara - 390 007 on Friday, 30th September, 2011 at  
3.00 P.M. and any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011

Affix  
1 Rupee  
Revenue  
Stamp

NOTE: The Proxy Form duly completed must be deposited at the Registered office of the Company not less than 48 hours before the meeting

**ATTENDANCE SLIP**

Please fill in the Attendance Slip and hand it over at the entrance of the Meeting Hall.  
Joint shareholder may obtain additional slip on request.

D. P. ID..... Folio No.....

Client ID..... No. of Share(s) held.....

Name of the Shareholder.....

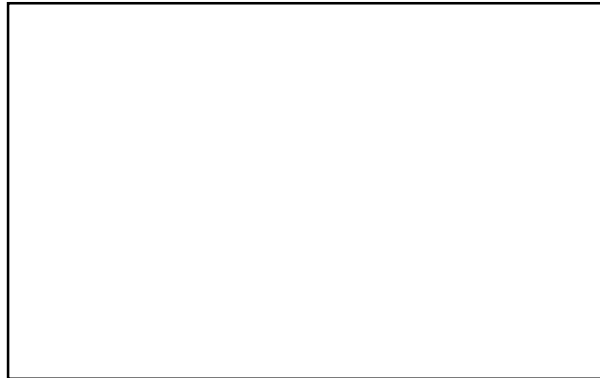
Name of the Proxy: .....

I hereby record my presence at the 20th Annual General Meeting of the Company to be held at the Registered Office of the Company at 1st Floor, Panorama Complex, R. C. Dutt Road, Alkapuri, Vadodara - 390 007 on Friday, 30th September, 2011 at 3.00 P.M. and any adjournment thereof.

Signature of the Attending Member/Proxy:.....

**BOOK-POST  
(Printed Matter)**

**To,**



*If undelivered, please return to :*

**KALEIDOSCOPE FILMS LIMITED**

102, Panorama Complex, R. C. Dutt Road,  
Vadodara - 390007.