

EDUEXEL INFOTAINMENT LIMITED

TWENTY-FIRST ANNUAL REPORT

2011 - 2012

EDUEXEL INFOTAINMENT LIMITED

CORPORATE INFORMATION

Board of Directors

C Vasan
Soumo Ganguly
Mehool Parekh
S. Sivakumar
Prabir K Sarkar
Shreyas Shah
Rajendra Jain

Auditors

M/s R. Pugalia & Company
Chartered Accountants
Rajeev Kumar Pugalia (Proprietor)
20 E Lake Road
Kolkata – 700 029
Ph. 9831142799

Bankers

HDFC Bank, Andheri West, Mumbai

Bank of Maharashtra, Chowringhee, Kolkata

Registered Office

Taas Mahal, 2nd Floor,
No. 10, Montieth Road, Egmore
Chennai 600 008

Share Transfer Agents (RTA)

R & D Infotech Private Limited,
No. 7A, Beltala Road, 1st Floor
Kolkata – 700 026
Ph. 033 2419 2641

EDUEXEL INFOTAINMENT LIMITED

Registered Office: Taas Mahal, 2nd Floor, 10 Montieth Road, Egmore, Chennai 600008

NOTICE

Notice is hereby given that the Twenty-first Annual General Meeting of the Shareholders of the Company will be held on Friday, the 28th day of December, 2012 at 12.30 p.m. at the Asha Niwas, No.9, Rutland Gate, 5th Street, Chennai – 600 006 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012, Profit and Loss Account for the year ended on that date and Reports of Auditors and Directors thereon.
2. To appoint Directors in place of M/s. Prabir Kumar Sarkar and S Sivakumar who retires by rotation and being eligible offer themselves for reappointment.
3. To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration. M/s R. Pugalia & Co. appointed as statutory auditors in the EGM dated 19/11/2012 are eligible for reappointment.

In this connection, to consider and if thought fit, pass the following resolution, with or without modification :

“Resolved that M/s R Pugalia & Company (Registration no. 318188E) be and hereby appointed as the Statutory Auditors of the Company, to hold office from conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution:

“Resolved that Mr. Rajendra Jain, who was appointed as an Additional Director on 25/10/2012 pursuant to section 260 of the Companies Act, 1956 and the Article of Association of the company, holds the office upto the date of AGM and in respect of whom the company has received a notice in writing u/s 257 of the Companies Act, 1956 from a member signifying his intention to propose Mr. Rajendra Jain as a candidate for the office of a Director of the Company, be and hereby is appointed a Director of the company liable to retire by rotation.”

“Further resolved that the Board of Directors of the Compant be and hereby authorised to do all acts, deeds and things which may be necessary to give effect to the above resolution”

NOTES

5. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY FORM DULY COMPLETED MUST BE SENT SO AS TO REACH AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS PRIOR TO THE COMMENCEMENT OF THE MEETING.

6. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 24th December, 2012 to Thursday, 28th December, 2012 (both days inclusive).
7. Members are requested to intimate immediately, change in their address to the Registrar and Share Transfer Agent M/s R & D Infotech Pvt. Ltd. 1st Floor, 7A Beltala Road, Kolkata – 700026.
8. The details of the Directors seeking reappointment in terms of Clause 49 of the Listing Agreement, is annexed hereto and forms part of the Notice.

Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956

Item No. 4.

Mr. Rajendra Jain was appointed as an Additional Director by the Board of Directors of the Company at their meeting held on 25/10/2012 in terms of section 260 of the Companies Act and Articles of Association of the Company and who holds the office only up to the date of ensuing Annual General Meeting. The company has received a notice in writing from a member under section 257 of the Companies Act, 1956 signifying his intention to propose Mr. Rajendra Jain as a candidate for the Office of director. The Board has decided to appoint him as Director who is liable to retire by rotation with effect from 25/10/2012 subject to approval of members. Therefore the resolution item no.4 is being placed before the shareholders for their approval.

None of the Directors are interested in the above resolution except Mr. Rajendra Jain.

Details of the Directors seeking reappointment

Prabir Kumar Sarkar

A professional Accountant having 35+ years of experience in the field of Finance management, statutory compliance requirement As professional advisor/consultant, he has been associated with acquisitions, merger, IPO of a number of companies. His experience will be very helpful.

S. Sivakumar

Mr. S. Sivakumar has been a director of the company since 1999. He is a science graduate from Chennai. He has worked in many multi nationals in the administration department and in the Shares division. He was also actively involved in the share transfer division and was the interface between the RTA and the company and the shareholders.

For and on behalf of the Board

Date : 04/12/2012
Place : Chennai

Mehool Parekh
Director

EDUEXEL INFOTAINMENT LIMITED

DIRECTORS' REPORT

Your Directors present the 21st Annual Report together with the Audited Accounts for the financial year ended 31st March, 2012.

FINANCIAL RESULTS

The Financial results of your Company for the year under review are as below:

Particulars	2011-12 (in Lakhs)	2010-11 (in Lakhs)
Total Revenue	4494.25	4601.54
Profit/ (Loss) before Depreciation & Tax	5.57	100.20
Less: Depreciation	0.53	0.60
Profit/ (Loss) before Tax	5.03	99.60
Less: Provision for Taxation	1.60	30.78
Profit/ (Loss) after Tax	3.43	68.82

FINANCIAL PERFORMANCE

During the year under review the company generated a revenue of Rs. 4494.25 lakhs primarily from Trading activity – procurement and distribution of content. Margins were squeezed due unfavourable market conditions where only big budget and reputed star cast films hit the box office. Significant increase in overhead costs also contributed to lower profit compared to the previous year.

REVIEW OF OPERATIONS

During the year 2011-12 the company commenced the production of the film "ANWAR" but due to commercial and production reasons beyond the control of the company the film has been postponed to next fiscal. The company continued its Trading activity of marketing and distribution of IPRs procured from the market.

The company is looking forward for a co-production opportunity with some of the Producers for production of films and also enter into distribution of films world wide in joint venture with one of the leading film distribution company. The company's plan to raise resources for business expansion was kept on hold due very tight and volatile financial market. The board decided to wait for more favourable money market condition to raise resources.

The Board also decided to shelve the Merger proposal to merge the company with M/s Moxie Entertainment Pvt. Ltd.

DIVIDEND

In view of inadequacy of revenue from the operation, your Directors do not recommend payment of dividend.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Article of Association Messers P. K. Sarkar and S. Shivakumar retire by rotation and being eligible offer themselves for reappointment, which the Board recommends.

Mr. Rajendra Jain who was appointed as Additional Director holds the office upto the date of AGM and in respect of whom the company has received a notice in writing u/s 257 of the Companies Act, 1956 from a member signifying his intention to propose Mr. Rajendra Jain as a candidate for the office of a Director of the Company. The Board recommends his appointment.

Based on confirmations received, none of the directors are disqualified as per provisions of the Companies Act, 1956.

PUBLIC DEPOSITS

The company has not accepted any deposits during the year under review.

LISTING

The shares of your company are listed on Madras Stock Exchange and Bombay Stock Exchange.

CEO/CFO CERTIFICATE

The CEO/CFO certificate on the financial statements of the Company as required under clause 49 of the Listing Agreement forms part of the Annual Report.

SECRETARIAL COMPLIANCE CERTIFICATE

As required under the provisions of Section 383A of the Companies Act, 1956, the Company has obtained a certificate of compliance from Mrs. Sweety Kapoor, a practicing Company Secretary, for the year ended 31st March 2012. .

CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under clause 49 of the Listing Agreement along with the Auditors' certificate for its due compliance forms part of the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, to the best of their knowledge and belief confirm that:

- In the preparation of the Profit & Loss Account for the financial year ended 31st March, 2012 and the Balance Sheet as at that date all applicable accounting standards have been followed.
- Appropriate accounting policies have been selected and applied consistently and such judgments and estimates that are reasonable and prudent have been made so as to give a

true and fair view of the state affairs of the Company as at the end of the financial year and of the Profit & Loss of the Company for that period.

- Proper and sufficient care has been taken 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.
- The financial statements have been prepared on a going concern basis.

PARTICULARS OF EMPLOYEES

There were no employees in receipt of remuneration in excess of the limits as stipulated under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 during the financial year.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The Company has no activity relating to consumption of energy and technology absorption. Hence, there are no particulars required to be furnished under Section 217(1)(e) of the Companies Act, 1956.

There was no Foreign Exchange earnings and outgo during the period on account of foreign travel was Rs. 2,23,600/-.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Report on Management Discussion and Analysis forms part of the Annual Report. .

ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere gratitude to the shareholders, bankers, regulatory bodies and other business constituents for their continued support and faith in the Company.

Your Directors also place on record their appreciation for whole-hearted co-operation, commitment and contribution made by the employees and look forward to their continued support.

On behalf of the Board
For Eduxel Infotainment Limited

Mehool Parekh
Director

Place : Chennai
Date : 04/12/2012

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY AND STRUCTURE

Entertainment Industry in India has been growing very steadily. With the introduction of many electronic gadgets like I-pod etc the industry has spread its wing far and wide. Demand for entertainment thru Film media has always been quite high particularly in villages and C class towns in the country. The films in regional languages have done well. The growth is expected to continue in foreseeable future

OUTLOOK, OPPORTUNITIES, THREATS, RISK AND CONCERN

The media sector is becoming attractive because of growing opportunities in the industry. Your company concentrated in the marketing of entertainment and educational content. It is exploring the possibility of getting into world- wide distribution in a joint venture basis. Company's effort to raise fund for film production was not successful due uncertain and volatile money market. In the distribution sector margin is being squeezed which reflected in the bottom line.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Management has overall responsibility for the Company's internal control system to safeguard the assets, usage of resources, compliance with applicable laws & regulations and to ensure reliability of financial records. The internal auditors and the statutory auditors and the audit committee review all financial statements and ensure adequacy of internal control systems.

DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The company has not produced any film during the year. As mentioned before it concentrated in marketing and distribution of contents. While the business volume was maintained as last year's level but the profit was significantly lower due lower margin in distribution sector and increased overhead. .

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

In view of merger not taking place man-power plan was reviewed and it was decided not to add more employees at this juncture.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statement" within the meaning of the applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

**On behalf of the Board
For EDUEXEL INFOTAINMENT LIMITED**

**Date : 04/12/2012
Place : Chennai**

**Prabir K Sarkar
Director**

**Mehool Parekh
Director**

EDUEXEL INFOTAINMENT LIMITED

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

Corporate Governance specifies the principle and manner in which affairs of the Company is directed. It also specifies the manner in which the company operates under the prevailing law, customary practice, rules and regulations framed by the government and the company. It ensures that the corporate affairs are carried out in the best interest of the company and its stakeholders.

Company's Philosophy on Code of Corporate Governance

Your Company has implemented and continuously strives to improve the Corporate Governance practices which attempt to enhance shareholder's value, maintain transparency, gain credibility and trust, comply with statutory regulations and maintains steady growth.

I. Board of Directors

(A) Composition and Category of Directors

The composition of the Board of Directors is in conformity with the code of Corporate Governance as per Listing Agreement with the Stock Exchanges. The Board has an optimum combination of Executive and Non-executive Directors – one Managing Director, one Wholetime Director, one Non-Executive Director and three Independent Directors. The composition, category of the Board of Directors for the year under review is furnished hereunder:

Name of Directors	Category	No. of other Directorships*	No. of Membership on other Board Committees**
Shri Soumo Ganguly	Managing Director	2	NIL
Shri Mehool Parekh	Whole-time Director	3	NIL
Shri C. Vasan	Non- Executive Director	NIL	NIL
Shri S. Sivakumar	Independent Director	NIL	NIL
Shri Shreyas Shah	Independent Director	NIL	NIL
Shri Prabir K Sarkar	Independent Director	2	3

*Excludes Private Companies, Foreign Companies and Section 25 Companies.

**Denotes memberships in Audit Committee, Shareholders/ Investors Grievance Committee and Remuneration Committee.

None of the Directors on the Board is a Member in more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49 of the Listing Agreement) across all the Companies in which he is a Director.

EDUEXEL INFOTAINMENT LIMITED

The Independent Directors have confirmed that they satisfy the criteria of independence as stipulated in the amended Clause 49 of the Listing Agreement.

(B) Directors seeking re-appointment

M/s. Prabir Kumar Sarkar and S. Sivakumar retire by rotation and being eligible offer themselves for reappointment.

(C) Board Meetings held during the period 2011-12

The Board of Directors met 6 times during the financial year ended 31st March, 2012 on 10th May, 2011, 9th June, 2012, 11th August, 2011, 25th October, 2011, 10th November, 2011, 11th February, 2011. The attendance of Directors at the Board Meetings and last AGM is as follows:

NAME OF DIRECTORS	NO.OF BOARD MEETINGS ATTENDED	ATTENDANCE IN LAST AGM HELD ON 12.07.2011
Shri Soumo Ganguly	6	Yes
Shri Mehool Parekh	6	Yes
Shri C. Vasani	3	Yes
Shri S. Sivakumar	3	Yes
Shri Sreyas Shah	3	No
Shri Prabir k Sarkar	4	Yes

II. Remuneration to Directors

(A) Remuneration to Non – Executive Directors

The Non Executive Directors of the Company do not receive any remuneration from the Company.

(B) Remuneration to Executive Directors

The Executive Directors did not receive any remuneration during the year under review.

III. Board Committees

(A) Audit Committee

The terms of reference of the Committee is in accordance with that specified in Clause 49 of the listing agreement with Stock Exchanges and also confirms to the requirements of Section 292A of the Companies Act, 1956 and the scope of the Audit Committee include matters which are set out in the Listing Agreement with the Stock Exchanges as amended from time to time read with Section 292A of the Companies Act, 1956. During the year under review the Committee met four times on 10th May, 2011, 11th August, 2011, 10th November, 2011, 11th, February, 2012. The gap between two meetings did not exceed four months.

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Composition & Meetings

The Committee at present comprises of two Independent Directors including the Chairman of the Committee and the Managing Director. All the members have good financial knowledge.

Audit Committee Meetings are attended by and senior management members. The Statutory Auditors are invited to attend the meetings.

The Composition of the Audit Committee and the attendance of each member at these meetings are given below:-

Sl No	Name	Chairman/ Member	Number of Meetings attended
1.	Shri S Sivakumar	Chairman	4
2.	Shri Shreyas Shah	Member	4
3.	Shri Soumo Ganguly	Member	4

(B) Shareholders'/Investors' Grievance Committee

Terms of Reference

The Shareholders/Investors Grievance Committee oversees the performance of the Share Transfer Agent and recommends measures to improve Company's relationship with shareholders and ensures that the shareholders' grievances are redressed on time.

Composition & Meetings

The Committee consists of three Independent/Non Executive Directors. Shri S. Shivakumar is the Chairman of the Committee.

Mr. C Vasan is the Compliance Officer of the Company.

During the year under review the Committee met four times on 10th May, 2011, 11th August, 2011, 10th November, 2011, 11th, February, 2012 to review the shareholders' correspondence received by the company and its response..

The details of the members of the Committee and their attendance at the meetings are given below:-

Sl No	Name	Chairman/ Member	Number of Meetings attended
1.	Shri S. Sivakumar	Chairman	4
2.	Shri C Vasan	Member	4
3.	Shri Shreyas Shah	Member	2

EDUEXEL INFOTAINMENT LIMITED

Complaints received from the Shareholders are usually attended to within a period of 30 days provided the documents were properly executed.

IV. General Body Meetings

The location and time where the last three Annual General Meetings were held are given below:-

Year	Date	Time	Venue
2008-09	29.09.2009	10.00 a.m.	No. 2B, Royal Palm, 17, Halls Road, Kilpauk, Chennai-600 010
2009-10	30.09.2010	09.30 a.m.	Asha Niwas, No.9, Rutland Gate, 5 th Street, Chennai – 600 006
2010 -11	12.07.2011	09.30 a.m.	Asha Niwas, No.9, Rutland Gate, 5 th Street, Chennai – 600 006

No Special resolutions were passed at previous three Annual General Meetings of the Company

No resolutions were passed through postal ballot during the year.

As of now there is no proposal for passing any resolutions through postal ballot.

V. Disclosures

There were no materially significant related party transactions with the promoters, directors or the management, subsidiaries or relatives that have potential conflict with the interests of Company at large.

The Company has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

The Company's shares are listed at Bombay Stock Exchange Limited and Madras Stock Exchange Limited.

VI. Compliance

The Board reviews periodically compliance reports of all laws applicable to the Company prepared by the Company as well as the steps taken by the Company to rectify instances of non compliance, if any.

Compliance with Corporate Governance Norms

The Company is regular in complying with the requirements of regulatory authorities on the matters relating to the capital market. The company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the stock exchanges. The Company has submitted the compliance report in the prescribed format to the stock exchanges for the quarters ended 30th June, 2011, 30th September, 2011, 31st December, 2011 and 31st March, 2012.

EDUEXEL INFOTAINMENT LIMITED

M/s. R. Pugalia & Co. Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreements with the exchanges.

The said certificate is annexed hereto and will be forwarded to the stock exchanges and the Registrar of Companies, Chennai along with the Annual Report.

The Company has not adopted the non-mandatory requirements as stipulated in the Clause 49 of the Listing Report.

VII. Means of Communication

The Quarterly unaudited financial results and the annual audited results are normally published in leading business daily newspapers.

VIII. Management Discussion and Analysis.

The Management Discussion and Analysis Report is attached and forms part of the Annual Report.

IX. General Shareholders Information

Annual General Meeting

Day & Date	: 28 th day of December, 2012
Time	: 12.30 p.m.
Venue	: Asha Niwas, 9, Rutland Gate, 5 th Street : Chennai – 600 006
Financial Calendar	: 1 st April 2011 to 31 st March 2012
Date of Book Closure	: 24 th December, 2012 to 28 th December, 2012
Listing on Stock Exchanges	: Madras Stock Exchange Limited Bombay Stock Exchange Limited
Scrip Code	: 526483 in BSE
Depository	: NSDL/CDSL
ISIN Code	: INE611F01015

EDUEXEL INFOTAINMENT LIMITED

Market Price Data

The details of Monthly highest and lowest prices of Equity shares of the Company at Bombay Stock Exchange during the Financial Year 2011-12 are as under:

Month	Quotations at Bombay Stock Exchange	
	High Price	Low Price
April 2011	18.45	15.50
May 2011	24.55	16.55
June 2011	30.00	23.00
July 2011	39.30	22.75
August 2011	33.00	20.85
September 2011	22.10	17.15
October 2011	25.55	18.90
November 2011	25.55	17.20
December 2011	16.50	14.10
January 2012	17.55	14.20
February 2012	17.90	14.90
March 2012	18.90	15.40

No trading took place at Madras Stock Exchange and hence market price data could not be commented upon.

Registrar and Share Transfer/Demat Agents

The company had appointed M/s BTS Consultancy Pvt. Ltd as Registrar and Share Transfer Agent of the company and all share related activities like transfer, split and consolidation etc were performed by them during the year under review. Effective June 2012 the company appointed M/s R & D Infotech Pvt. Ltd as Registrar & Share Transfer Agent (RTA).

Share Transfer System

Generally the share transfer documents which are received by the Company/RTA are processed within 30 days provided all documents supporting the transfer are in order. In case of demat shares transfers are processed by CDSL/NSDL through their respective depository participants.

Categories of Shareholding as on 31st March, 2012

Category	Number of shares	Percentage
Indian Promoters	65,000	5.34
Persons acting in Concert	-----	-----
Mutual Funds	-----	-----
Private Corporate Bodies	-----	-----
NRIs/OCBs	-----	-----
Public	8,009,500	94.66
TOTAL	8,461,000	100.00

EDUEXEL INFOTAINMENT LIMITED

Address for Correspondence

For shares held in Demat form, investors shall address their correspondence to their respective Depository Participants.

Shareholders with physical share certificates are requested to contact present RTA for transfers / demat etc at :

R & D Infotech Private Limited
No. 7A Beltala Road, 1st Floor
Kolkata – 700 026
Tel : 2419 2641

All other queries and clarifications may be addressed to the Registered Office of the Company at:

Eduexel Infotainment Limited
Taas Mahal, 2nd Floor
10, Montieth Road, Egmore
Chennai – 600 008

For and on behalf of the Board

Prabir K Sarkar
Director

Mehool Parekh
Director

Place : Chennai
Date : 04/12/2012

TO THE MEMBERS OF

Auditors Certificate

EDUXEL INFOTAINMENT LIMITED

We have examined the compliance of conditions of Corporate Governance by Eduxel Infotainment Limited for the year ended 31st March 2012 stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of condition of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

On the basis of our review and according to the information and explanation given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges have been complied with in all material respect by the Company.

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.

Place : **Camp Office** Chennai

For R. Pugalia & Company

Date : 04/12/2012

Rajeev Kumar Pugalia

M.No. 053972

Firm No 318188E

Proprietor

EDUEXEL INFOTAINMENT LIMITED

CEO / CFO Certification

Dear Sirs,

In connection with the Audited Financial Results for the Financial Year ended 31st March, 2012, we ^{Prabir K Sarkar} ~~Sourav Ganguly~~ director and Mehool Parekh Director certify that :

- (a) we have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to the financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
- (d) we have indicated to the auditors and the audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Prabir K Sarkar
Director

Mehool Parekh
Director

Place : Chennai
Date : 04/12/2012

R.Pugalia & Company

20 E , Lake Road Kolkata-700029

Phone : 2466-5400

AUDITORS' REPORT

To The Members of EDUEXEL INFOTAINMENT LIMITED

We have audited the attached Balance Sheet of the company as at March 31 2012, the Statement of Profit and Loss Account for the year and the Cash Flow Statement as on March 31 2012 annexed thereto 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 an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the 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 misstatement. An audit includes examining on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (auditors Report) Order 2003 as amended by the Companies (Auditors Report) (Amendment) Order 2004 issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956 of India and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us during the course of our audit, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in paragraphs 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 purposes of our audit .
- b In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books .
- c The Balance Sheet & Statement of Profit and Loss Account dealt with by this report are in agreement with the books of account.

- d. In our opinion the Balance Sheet Statement of Profit and Loss Account, dealt with by this report comply with the accounting standards referred to in sub section (3c) of section 211 of the Act.
- e. On the basis of written representations received from the Directors as on March 31 2012 and taken on record by the Board of Directors none of the directors is disqualified as on March 31 2012 from being appointed as a director in terms of clause (g) of sub section (1) of Section 274 of the Act.
- f. In our opinion and to the best of our information and according to the explanations given to us the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India **except in case of Non Payment of Income Tax in Time as mentioned in Point No. 9 of this Report.**
- I In the case of Balance Sheet of the state of affairs of the Company as at March 31st 2012.
- II In the case of Statement of Profit and Loss Account of the Profit for the year ended on that date.

Place : **Camp Office**, Chennai
Date : 04/12/2012

For R. Pugalia & Company

Rajeev Kumar Pugalia

M.No. 053972
Firm No 318188E

Proprietor

ANNEXURE TO THE AUDITORS REPORT

1. (i) The company is maintaining proper record showing full particulars including quantitative details and situation of its Fixed Assets.
(ii) Physical verification of fixed assets has been done by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies noticed on such verification were not material and have been properly dealt in the accounts.
(iii) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets have not been disposed off by the Company during the year.
- 2 According to the information and explanations given to us, the company has granted loans to a company covered in the register maintained under Section 301 of the Act. The rate of interest and other terms and conditions of such loan is prima facie not prejudicial to the interest of the company.
3. According to the information and explanations given to us, we are of the opinion that the particulars of the contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
4. In our opinion and according to the information and explanations given to us the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices except in the case of items stated to be of specialized nature for which as informed there are no alternate of supply to enable a comparison of the prices paid/ charged.
5. The company has taken loans secured or unsecured from companies firms or other parties covered in the register maintained under Section 301 of the said Act on terms and conditions which are not prejudicial to the interest of the company..
6. The company has not accepted any deposits from the public within the meaning of Sections 58 A and 58 AA of the Act and the rules framed there under.
- 7 In our opinion and according to the information and explanation given to us there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets and with regard to the sale of goods and services. Further on the basis of our examination and according to the information and explanations given to us we have neither come across nor have been informed of any instance of major weakness in the aforesaid internal control system.

8. In our opinion there is reasonable internal audit system within the company.
9. The company is not regular in paying statutory dues including income tax, service tax etc. It has defaulted in making payment of Income Tax for the Financial Year Ending 31st March 2011 aggregating Rs.34,97,902.00 plus Interest and making payment of TDS in time for the year ending 31st March 2012 aggregating Rs. 56,812.00 plus Interest.
10. The company has not made any cash losses during the year(Previous Year Nil).
11. The company has not granted any loans and advances on the basis of security by way of pledge of shares debentures and other securities.
12. According to the information and explanation given to us the company has not borrowed or defaulted in repayment of dues to Financial Institution or Banks.
13. According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company funds raised on short term have not been used for long term investments.
14. The provisions of any special statutes applicable to chit fund nidhi mutual benefit fund societies are not applicable to the company.
15. The company is not a dealer or trader in shares securities debentures and other investments.
16. In our opinion and according to the company has not given any guarantees for loans taken by other from banks or financial institutions during the year.
17. The company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
18. The company has not issued any debentures during the year and accordingly the question of security or charge does not arise.
19. The company has not raised any money by way of public issue during the year.
20. During the course of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us we have neither come across and instance of fraud on or by the company, noticed or reported during the year nor have we been informed of such case by the management.

R.Pugalia & Company

Continuation Sheet 4

The other clauses of the Companies (Auditors Report) Order 2003 as amended by the Companies (Auditors Report) (Amendment Order) 2004 are not applicable in the case of the company for the current year since in our opinion there is no matter which arises to be reported in the aforesaid order.

Place : **Camp Office** Chennai
Dated :04/12/2012

For R.Pugalia & Company

Rajeev Kumar Pugalia

M.No. 053972
Firm No 318188E

Proprietor

EDUEXEL INFOTAINMENT LIMITED

BALANCE SHEET AS AT 31ST MARCH 2012

Figures in Rs.

	Notes	31.03.2012	31.03.2011
I EQUITY AND LIABILITIES			
(a) Shareholders Funds	2	84,610,000	84,610,000
(b) Reserve & Surplus	3	34,994,195	34,650,685
NON CURRENT LIABILITIES			
(a) Non Current Liabilities	4	108,893,744	400,000
CURRENT LIABILITIES			
(a) Other Current Liabilities	5	478,738,836	175,469,750
TOTAL		707,236,775	295,130,435
II ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
(a) Tangible Assets	6	125,979	179,126
(b) Other Non Current Assets	7	228,077,365	24,748,068
CURRENT ASSETS			
(a) Other Current Assets	8	449,033,431	270,203,241
(b) Short Term Loans and Advances	9	30,000,000	-
TOTAL		707,236,775	295,130,435
Significant Accounting Policies	1		
Notes to the Accounts	2-13		

The accompanying notes are an intergral part of the financial statements.
This is the Balance Sheet referred to in our report of even date.

R Pugalia & Company
Chartered Accountants
Rajeev K Pugalia
Proprietor
Firm Regn. No. 318188E
Membership No. 053972

For and on behalf of the Board

Prabir K Sarkar
Director

Mehool Parekh
Director

Place : Chennai
Date : 04/12/2012

EDUEXEL INFOTAINMENT LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2012

Particulars	Notes	Figures in Rs.	
		For the year ended 31.03.2012	For the year ended 31.03.2011
INCOME			
Revenue from Operation		448,925,000	460,153,800
Other Income	10	500,000	0
		<u>449,425,000</u>	<u>460,153,800</u>
EXPENSES			
Cost of goods sold		444,500,000	443,120,797
Employee Cost	11	117,262	980,375
Depreciation	6	53,147	60,000
Other Expenses	12	4,251,081	6,032,855
		<u>448,921,490</u>	<u>450,194,027</u>
Profit and Loss before Interest and Tax		503,510	9,959,773
Profit and Loss before Tax		503,510	9,959,773
Provision for tax		160,000	3,077,570
Profit(Loss) for the period		343,510	6,882,203
Earning per Equity Share			
Basic		0.04	1.27
Diluted		0.04	1.27
Significant Accounting Policies	1		
Notes to the Accounts	2-13		

The accompanying notes are an integral part of the financial statements.
This is the Profit and Loss Account referred to in our report of even date.

R Pugalia & Company
Chartered Accountants
Rajeev Kumar Pugalia
Proprietor
Firm Regn. No. 318188E
Membership No. 053972

For and on behalf of the Board

Prabir K Sarkar
Director

Mehool Parekh
Director

Place : Chennai
Date : 04/12/2012

EDUEXEL INFOTAINMENT LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2012

	31.03.2012	31.03.2011
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Profit and Loss Account	503,510	9,959,773
Adjusted for:		
Depreciation and Amortisation Expense	53,147	60,000
Less provision for Tax	160,000	3,077,570
Operating Profit before Working Capital Changes	396,657	6,942,203
Adjusted for:		
Trade and Other Receivables	(178,771,126)	(259,769,864)
Trade and Other Payables	303,269,086	172,902,914
Cash Generated from Operations	124,497,960	(86,866,950)
Net Cash from Operating Activities	124,894,617	(79,924,747)
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Investments		
Movement in Loans and Advances	(30,000,000)	-
Net Cash (used in) Investing Activities	(30,000,000)	-
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Increase in Capital including Share premium	-	80,000,000
Proceeds from Long Term Borrowings	108,493,744	400,000
Long Term Loans and Advances	(203,329,297)	(446,463)
Net Cash (used in) / from Financing Activities	(94,835,553)	79,953,537
Net Increase in Cash and Cash Equivalents	59,064	28,790
Opening Balance of Cash and Cash Equivalents	49,367	20,577
Closing Balance of Cash and Cash Equivalents	108,431	49,367
Balance as per Balance Sheet	108,431	49,367

As per our report of even date
For **R. PUGALIA & C**
Chartered Accountants

For & on behalf of the Board of Directors

Rajeev Kumar Pugalia
Proprietor
Firm Regn No. 318188E
Membership No. 053972

Prabir K Sarkar
Director

Mehool Parekh
Director

Place : Chennai
Date ; 04/12/2012

EDUEXEL INFOTAINMENT LIMITED

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation

The financial statements are prepared on accrual basis of accounting under the historical cost convention and in accordance with Generally Accepted Accounting Principles in India and the relevant provisions of the Companies Act, 1956 including Accounting Standards notified there under.

1.2 Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

1.3. Fixed Assets, Intangible Assets and Depreciation / Amortisation

Fixed Assets are stated at cost net of recoverable taxes, less accumulated depreciation and impairment loss, if any. Cost includes all cost incurred to bring the assets to their working conditions and location for its intended use, any trade discount and rebates are deducted in arriving at the purchases price, Borrowing costs are capitalized only if capitalization criteria are met.

Depreciation on Fixed Assets is provided on written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

1.4. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed, if there has been a change in the estimate of recoverable amount. Based on the internal and external sources of information available with the company there is no impairment of assets taken place during the year.

1.5. Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies at the yearend are restated at the forward exchange rates prevailing as on the year end for the date of its retirement.

In case of items which are covered by forward exchange contracts, the difference between the yearend rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized and amortized over the life of the contract.

Non monetary foreign currency items are carried at cost.

Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss account as Purchase expense.

1.6 Investments

Long Term Investments are stated at cost and provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

1.7 Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any.

Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing /other overheads incurred in bringing them to their respective present location and condition.

1.8 Revenue Recognition

Revenue is recognized on transfer of significant risk and rewards, it can be reliably measured and it is reasonable to expect ultimate collection and there exists no significant uncertainty in its ultimate realizations.

Claims by or against the company are accounted as and when acknowledged /accepted / settled / received.

1.9 Employee Benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.

Contribution to defined contribution scheme such as Provident Fund and ESI are recognized as and when incurred.

Leave encashment is expensed to the revenue as and when the company expects to pay for the compensated absences.

1.10 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

1.11 Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

1.12 Premium on Redemption of Bonds / Debentures

Premium on redemption of bonds / debentures, net of tax impact, are adjusted against the Securities Premium Account.

1.13 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised when there is a present obligation as a result of a past event and it is possible that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

No provision is made for contingent liabilities, which are contingent in nature, but if material, these are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

R. Pugalia & Company
Chartered Accountants

For and on behalf of the Board

Rajeev k Pugalia
Proprietor
Firm Regn. No. 318188E
Membership. No. 053972

Prabir K Sarkar
Director

Mehool Parekh
Director

Place : Chennai
Date : 04/12/2012

EDUEXEL INFOTAINMENT LIMITED

Notes to accounts

Figures in Rs.

2 SHARE CAPITAL

	<u>31.03.2012</u>	<u>31.03.2011</u>
AUTHORISED		
1,00,00,000 Equity shares of Rs 10/- each.	100,000,000	100,000,000
	<u>100,000,000</u>	<u>100,000,000</u>
Issued Subscribed and Paid up		
84,61,000 Equity shares of Rs 10/- each fully paid.	84,610,000	84,610,000
	<u>84,610,000</u>	<u>84,610,000</u>

Reconciliation of the number of shares outstanding as at 31st March 2012 and 31st March 2011 is set out as below:

Particulars	<u>31.03.2012</u>	<u>31.03.2011</u>
Number of shares outstanding at the beginning of the year	8,461,000	8,461,000
Allotment made during the year	0	0
Number of shares outstanding at the end of the year	8,461,000	8,461,000

Terms / righ attached to equity shares

The Company has only one class of ordinary shares having par value of Rs.10 each. Each holder of equity shares is entitled to one vote per share. The shares do not enjoy any preferential rights or bear any restrictions with regard to distribution of dividend or repayment of capital in proportion to their holding.

Details of shares held by shareholder holding more that 5% of the aggregate shares of the Company

Name of the shareholders	<u>31.03.2012</u> % holding/No. of shares	<u>31.03.2011</u> % holding/No. of shares
Discovery Infoways Limited	37.78% 3,196,950	29.55% 2,500,000
R. P. Patel	10.64% 900,000	10.64% 900,000
S. G. Patel	9.46% 800,000	9.46% 800,000
V. H. Patel	9.46% 800,000	9.46% 800,000
Vinod Dugar	7.68% 650,000	- -
BTS Escrow	- -	5.99% 506,850
C. Vasan	0.77% 65,000	5.34% 451,500
Total	<u>75.79%</u> <u>6,411,950</u>	<u>70.44%</u> <u>5,958,350</u>

FDUEXEL INFOTAINMENT LIMITED
Notes to accounts

3 RESERVES AND SURPLUS	<u>31.03.2012</u>	<u>31.03.2011</u>
Surplus		
Share Premium Account	30,000,000	30,000,000
Balance at the beginning of the year	4,650,685	(2,231,518)
Add profit for the period	343,510	6,882,203
Balance at the end of the year	<u>4,994,195</u>	<u>4,650,685</u>
Total	<u>34,994,195</u>	<u>34,650,685</u>

4 NON CURRENT LIABILITIES

a) Long Term Borrowing - Unsecured Loan		
- VAB Capital Services Limited	400,000	400,000
- Discovery Infoways Limited	900,000	-
- Mehool Parekh	600,000	-
- Soumo Ganguly	1,271,896	-
- Navkar Diamonds	1,650,000	-
- Sudhakar Gande	1,200,000	-
b) Other Liabilities	<u>102,871,848</u>	<u>-</u>
	<u>108,893,744</u>	<u>400,000</u>

5 OTHER CURRENT LIABILITIES

Trade Payable	474,500,000	171,971,848
Non-Trade Payable	524,122	-
Statutory Liabilities	<u>3,714,714</u>	<u>3,497,902</u>
	<u>478,738,836</u>	<u>175,469,750</u>

6 FIXED ASSETS

	Gross Value			Depreciation			Net Value	
	As on 31.03.2011	Addition/D eletion	As on 31.03.2012	As on 31.03.2011	For the Year	As on 31.03.2012	As on 31.03.2012	As on 31.03.2011
Plant & Machinery	1,424,967	-	1,424,967	1,291,532	22,000	1,313,532	111,435	133,435
Computers	695,840	-	695,840	695,733	107	695,840	-	107
Vehicles	584,111	-	584,111	583,071	1,040	584,111	-	1,040
Office equipment	315,077	-	315,077	290,111	15,000	305,111	9,966	24,966
Furniture	235,991	-	235,991	216,413	15,000	231,413	4,578	19,578
	<u>3,255,986</u>	<u>-</u>	<u>3,255,986</u>	<u>3,076,860</u>	<u>53,147</u>	<u>3,130,007</u>	<u>125,979</u>	<u>179,126</u>
Previous Year Figures	3,255,986	0	3,255,986	3,016,860	60,000	3,076,860	179,126	239,126

7 OTHER NON CURRENT ASSETS

Loans & Advances		
- Distribution Rights Advance	15,722,500	15,722,500
- Percept Picture company	1,000,000	-
- Recoverable in Cash or in Kind	8,713,290	8,713,290
Taxes paid and TDS	312,278	312,278
Investment in production of Film "Anwar"	1,275,423	-
Other receivable	<u>201,053,874</u>	<u>-</u>
	<u>228,077,365</u>	<u>24,748,068</u>

EDUEXEL INFOTAINMENT LIMITED

Notes to accounts

	<u>31.03.2012</u>	<u>31.03.2011</u>
8 Other Current Assets		
Trade Receivable (Unsecured and considered good)	448,925,000	270,153,874
Cash in Hand	58,176	28,541
Cash at Bank in current account	50,255	20,826
	<u>449,033,431</u>	<u>270,203,241</u>
 9 SHORT TERM LOANS AND ADVANCES		
Digivive Ventures Pvt. Ltd	30,000,000	-
	<u>30,000,000</u>	<u>-</u>
 10 OTHER INCOME		
Consultation Fees	500,000	-
	<u>500,000</u>	<u>-</u>
 11 Employee Cost		
Salaries & bonus	92,725	941,963
Staff Welfare Expenses	24,537	38,412
	<u>117,262</u>	<u>980,375</u>
 12 OTHER EXPENSES		
Rent Rates & Fees	1,151,473	1,025,474
Travelling	1,451,214	403,912
Conveyance	770,829	178,234
Business Development Expenses	422,380	103,480
Merger Expenses	241,328	-
Communication Expenses	104,781	113,777
Office Maintenance	17,177	52,603
Printing & Stationery	16,227	22,874
Electricity Charges	8,680	74,827
Audit Fees	33,708	27,575
All Others	33,284	654,699
Unfinished Films written off	0	3,375,400
	<u>4,251,081</u>	<u>6,032,855</u>

R Pugalia & Company

Chartered Accountants

Rajeev K Pugalia

Proprietor

Firm Regn. No. 318188E

Membership No. 053972

Place : Chennai

Date : 04/12/2012

For and on behalf of the Board

Prabir K Sarkar

Director

Mehool Parekh

Director

EDUEXEL INFOTAINMENT LIMITED

13. Other Disclosures

13.1 The Financial Statements for the year ended 31st March, 2012 are prepared as per Revised Schedule VI to the companies Act 1956. Accordingly, the previous period figures have been reclassified to conform to this year classification. The adoption of revised Schedule VI for the previous period figures does not impact recognition and measurement principles followed for preparation of Financial Statements

a) Balances in Loans and advances, TDS certificates Receivables / Recoverable, Advance from customers, Sundry Creditors, Advances from Customers and Sundry Debtors are subject to reconciliation, confirmation and consequential adjustments, if any.

b) In the opinion of the management, the value of Current Assets, Loans and Advances, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

13.2 In the opinion of the Board, the Current Assets, Loans and Advances are stated at approximately of the value so stated if realized in the ordinary course of business, except unless stated otherwise. The Provision for all known Liability is adequate and not in excess of the amount considered reasonably necessary.

13.3 Auditors Remuneration	31.03.2012	31.03.2011
As Audit Fees	30,000.00	25,000.00

13.4 The company has not made any deposits at the Balance Sheet date to the Investors Education and Protection Fund.

13.5 There are no delays in payments to Micro and Small Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The above information and that given in Schedule 11 "Current Liabilities" regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors

13.6 Earnings per Share (EPS)

	<u>2011-2012</u>	<u>2010-2011</u>
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	343,510	6,882,203
Weighted Average number of Equity Shares used as denominator for calculating EPS	8,461,000	5,406,205
Basic and Diluted Earnings per share	0.04	1.27
Face Value per Equity Share	10/-	10/-

13.7 Deferred Tax

In compliance with the AS 22 on "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India, the company has provided necessary Income Tax as applicable in accordance with

provisions of the Income Tax, 1961. The Company has not recognized Deferred Tax Asset /Liability during the year.

13.8 Additional information pursuant to paragraphs 5 (viii) of Part II of Schedule VI to the Companies Act, 1956 are follows:

a) Expenditure in Foreign Currency during the Year:

	2011-12 (Rs)	2010-11 (Rs)
Travelling & Tour	223,600	Nil
b) Related Party Transaction	Nil	Nil

Comparatives:

Comparative Financial information, presented in accordance with the Corresponding Figure Financial Reporting Framework set out in Auditing and accounting Standards AS 25 on "Comparatives Figures of the Previous Year" issued by the Institute of Chartered Accountants of India, have been regrouped and reclassified wherever necessary to correspond to Figures to the Current Year as per New Schedule VI.

Signature to Notes 1 to 13
As per our report of even date annexed hereto.

R. Pugalia & Company
Chartered Accountants

For and on behalf of the Board

Rajeev Kumar Pugalia
Proprietor
Firm Regn. No. 318188E
Membership. No. 053972

Prabir K Sarkar
Director

Mehool Parekh
Director

Place : Chennai
Date : 04/12/2012

EDUEXEL INFOTAINMENT LIMITED**Balance Sheet Abstract and Company's General Business Profile as per Part IV of Schedule VI of Companies Act 1956 (as amended)**

	As at 31st March 2012	As at 31st March 2011
I Registration Details		
Registration No.	019605	019605
State Code	18	18
Balance Sheet Date	31.03.2012	31.03.2011
II Capital raised during the Year		
	Nil	Nil
Deployment of Funds		
(Amount in Thousand)		
Total Liabilities	707,236,775	295,130,435
Total Assets	707,236,775	295,130,435
Sources of Funds		
Paid up Capital	84,610,000	84,610,000
Profit and Loss Account	34,994,195	34,650,685
Non Current Liabilities	108,893,744	400,000
Current Liabilities		
Other Current Liabilities	478,738,836	175,469,750
Application of Funds		
Net Fixed Assets	125,979	179,126
Non Current Assets		
	228,077,365	24,748,068
Current Assets		
Cash and Bank Balances	449,033,431	270,203,241
Short Term Loans and Advances	30,000,000	-
Amount In thousands)		
Turnover	449,425,000	460,153,800
Total Expenditure	448,921,490	450,194,027
Profit for the year	343,510	6,882,203
Earning Per share	0.04	1.27
Dividend	-	-
Products / Services	Film and Educational Content	
Code No.	N/A	

R Pugalia & Company

Chartered Accountants

Rajeev Kumar Pugalia

Proprietor

Firm Regn. No. 318188E

Membership No. 053972

Prabir K Sarkar
Director**Mehool Parekh**
Director

Place : Chennai

Date : 04/12/2012

ATTENDANCE SLIP

EduExel Infotainment Limited
Regd. office: Taas Mahal, 2nd Floor, No. 10, Montieth Road, Egmore, Chennai- 600008.

(PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL)

Regd. Folio No./DP Client ID	
---------------------------------	--

No. of shares held	
--------------------	--

I/ We hereby record my/ our presence at the Annual General Meeting of M/s Edu Exel Infotainment Limited being held on Friday, 28th December, 2012 at 12.30 pm at Asha Niwas, No.9, Rutland Gate, 5th Street, Chennai – 600 006

Signature of Shareholder(s) or Proxy

PROXY FORM

Edu Exel Infotainment Limited
Regd. office: Taas Mahal, 2nd Floor, No. 10, Montieth Road, Egmore, Chennai- 600008.

Regd. Folio No./DP Client ID	
---------------------------------	--

No. of shares held	
--------------------	--

I/We of
..... being a member/ member(s) of the above named Company, hereby appoint
..... of
..... or failing him/ her of

as my/ our Proxy to attend and vote for me/ us and on my/ our behalf at the Extra Ordinary General Meeting of the Company to be held on Friday, 28th December, 2012 at 12.30 pm at Asha Niwas, No.9, Rutland Gate, 5th Street, Chennai – 600 006 and at any adjournment thereof.

As witness my hand / our hands this day of, 2012

Signature..... Affix
..... Revenue.....
Stamp

Signed by the said

Note: The proxy must be returned so as to reach the Company's Registrar and Share Transfer Agent M/s. R & D Infotech Private Limited not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

Please return to

R & D Infotech Pvt. Ltd.
Registrar & Share Transfer Agent
7A, Beltala Road, 1st Floor
Kolkata - 700 026