

# CHANNEL NINE

To,

Date: 16.10.2017

Department of Corporate Services,  
BSE Limited  
25<sup>TH</sup> Floor, P.J. Towers,  
Dalal Street, Mumbai- 400001

Dear Sir/Madam,

Security Code: 535142, Security ID: 535142

Subject: Submission of Annual Report for 2016-17

With reference to the Captioned Subject, please find enclosed herewith Annual Report of Channel Nine Entertainment Limited for the Financial Year 2016-17 as per Regulation 34 (1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Please update the same in your records.

FOR CHANNEL NINE ENTERTAINMENT LIMITED

RAJESH KUMAR RAMJAS JAISWAR  
DIRECTOR

Enclosed: A/a

Channel Nine Entertainment Ltd

3/12, Ground Floor, Asaf Ali Road, New Delhi - 110002, Tel: +91-11-65670018, Fax: +91-11-65670010  
E-mail : Channelnineentertainment@yahoo.com Website : [www.channelnineentertainment.com](http://www.channelnineentertainment.com)  
CIN: L92132DL2002PLC116330

# CHANNEL NINE ENTERTAINMENT LIMITED

{ANNUAL REPORT 2016-17}



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**Channel Nine Entertainment Ltd**

3/12, Ground Floor, Asaf Ali Road, New Delhi - 110002, Tel: +91-11-32315575, Fax: +91-11-31325575

E-mail : Channelnineentertainment@yahoo.com Website : Wwww.channelnineentertainment.com

CIN: L92132DL2002PLC116330

**NOTICE OF 15<sup>th</sup> AGM**

Notice is hereby given that the 15<sup>th</sup> Annual General Meeting of Channel Nine Entertainment Limited will be held on Saturday, 23<sup>rd</sup> September, 2017 at 09:00 A.M. at Gauri Shankar Mandir, K-Block, Mangol Puri, Delhi -110083 to transact the following businesses:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance sheet of the Company as at March 31 2017, the statement Profit & Loss Account, Cash Flow Statement for the year ended on that date and the Reports of Directors and Auditor's thereon.
2. To Appoint a Director in place of Mr. Rajesh Kumar Ramjas Jaiswar, who retires by rotation and being eligible offer himself for re - appointment.
3. To Ratify the Appointment of M/s. Ranjan Gupta & Co., Chartered Accountants (Firm Registration No. 17319N) as Statutory Auditor of the Company to hold the office from the conclusion of this Annual General Meeting till the Conclusion of next Annual General Meeting of the Company at remuneration to be decided mutually.



**Date: 28.08.2017**

**Place: New Delhi**

**By Order of the Board**  
**For CHANNEL NINE ENTERTAINMENT LIMITED**  
**Sd/-**  
**RAJESH KUMAR RAMJAS JAISWAR**  
**DIRECTOR**  
**DIN: 06845321**

**NOTES:**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE (ONLY ON POLL) INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE DULY COMPLETED AND SIGNED PROXY FORM SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING.**

**A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**

2. The Register of Directors and Key managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

3. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

4. Members holding shares in physical form are requested to notify change in address, bank mandate and bank particulars for printing on the dividend warrants, if any, under their signatures to the Registrar and Share Transfer Agent of the company Beetal Financial & Computer Services Pvt. Ltd.; Beetal House, 3rd Floor, 99, Madangir, behind LSC, New Delhi - 110062; Ph. 011-29961281-283, Fax 011-29961284; Email: beetalrta@gmail.com

5. Members holding shares in electronic form may update such details with their respective Depository Participants.

6. Pursuant to Section 91 of the Companies Act, 2013, The Share Transfer Books and Members Register of the Company will remain closed from **September 20, 2017 to September 22, 2017** (both days inclusive).

7. Members seeking any information regarding accounts should write to the Company at least seven days before the date of the meeting so as to enable the management to keep the information ready.

8. All documents meant for inspection and referred in the accompanying Annual Report are open for inspection at the Registered Office of the Company during office hours between 10.00 AM to 2.00 PM on all working days till the date of Annual General Meeting.

9. Members are required to bring their admission slip along-with copy of the Annual Report at the Annual General Meeting.

10. As per Rule 20 (2) of Companies (Management and Administration) amendment rules, 2015 vide Notification Dated 19th March, 2015, A Company Listed under chapter XB (Companies listed on SME exchange) or chapter XC (Companies listed on institutional trading platform without IPO) of ICDR regulations, 2009 and having its equity shares listed on a recognized stock exchange, is out of the ambit of E-voting in its General Meeting and Channel Nine Entertainment Limited is a BSE SME Listed company and E-voting is not applicable.

**Date: 28.08.2017**

**Place: New Delhi**

**By Order of the Board**  
**For CHANNEL NINE ENTERTAINMENT LIMITED**  
**Sd/-**  
**RAJESH KUMAR RAMJAS JAISWAR**  
**DIRECTOR**  
**DIN: 06845321**

## ANNEXURE II TO THE NOTICE

Details of the directors proposed to be appointed / re-appointed as per clause 1.2.5 of Secretarial Standards on General Meeting and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

|   |  |
|---|--|
| <b>Name</b>   | Rajesh Kumar Ramjas Jaiswar  |
| <b>Age</b>  | 31 years   |
| <b>Qualifications</b>   | Graduate   |
| <b>Experience</b>   | 11   |
| <b>Terms and conditions of appointment including details of remuneration</b>      | Mr. Rajesh Kumar Ramjas Jaiswar will hold the office of Non Executive Non- Independent Director will retire by rotation. |
| <b>Last drawn remuneration</b>  | NIL  |
| <b>Date of first appointment by the Board of Directors of the Company</b>         | 31/05/2014   |
| <b>Shareholding in the Company</b>  | Nil  |
| <b>Relationship with other directors and Key Managerial of the Company</b>        | None   |
| <b>Number of meetings attended during the financial year 2016-17</b>              | 5  |
| <b>Other directorship, membership / chairmanship of committees of other board</b> | Director/Designated partner in:<br>Purple Buildtech Private Limited,<br>Akaarah Construction LLP                         |
| <b>Justification for appointment of Independent Director</b>                      | NA   |
| <b>Performance evaluation report</b>  | NA   |

## DIRECTORS' REPORT

**To,  
The Members,  
Channel Nine Entertainment Limited**

Your Directors have pleasure in presenting the 15<sup>th</sup> Directors' Report of your Company together with audited Statement of Accounts and the Auditors' Report of your Company for the financial year ended, 31<sup>st</sup> March 2017.

### FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The highlights of financial results of your Company are as follows:

| Particulars                          | For the Financial year ended as<br>on 31 <sup>st</sup> March, 2017 | For the Financial year ended as<br>on 31 <sup>st</sup> March, 2016 |
|--------------------------------------|--|--|
| Income                               | 266,91,885.00  | 341,58,434.00  |
| Less: Expenditure                    | 263,02,680.28  | 328,67,984.43  |
| Profit/ (Loss) before taxation       | 3,89,204.72  | 12,90,449.57   |
| Net profit/ (Loss) after<br>Taxation | 8,75,963.72  | 12,01,457.57   |

### FINANCIAL PERFORMANCE

During the year under review, the Company's income is Rs. 266,91,885/- as against income of Rs. 341,58,434/- in 2015-16.

### RESERVES & SURPLUS

The Reserves and Surplus is Rs. 768.43 Lacs as on the end of the Current year after transferring Current year profit Rs. 8.76 Lacs.

### DIVIDEND

To plough back the profits in to the business activities, no dividend is recommended for the financial year 2016-17.

### CHANGE IN THE NATURE OF BUSINESS

During the year, the Company has not changed its nature of business.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and date of this report.

But during the financial year 2015-2016, SEBI has passed an ad interim Order dated 29<sup>th</sup> June, 2015 restraining the Company from Security market and Company has not yet received any and Investigation Report and Final order from SEBI.



## **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory /regulatory compliances. The Company has a strong monitoring and reporting process resulting in financial discipline and accountability.

## **RISK MANAGEMENT POLICY**

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion as per Sec 134 of Companies Act, 2013.

Therefore, in accordance with Companies Act, 2013, the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

## **PARTICULARS OF EMPLOYEES AND OTHER DISCLOSURE**

**The prescribed particulars of Employees required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below.**

The information required pursuant to Section 197(12) read with Rule 5(2) of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Employees of the Company, will be provided on request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees particulars mentioned in rule 5(2) of the said rule which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company upto the date of ensuing Annual General Meeting. If any Member is interest in inspecting the same, such Member may write to the Compliance officer in advance.

## **DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

| Sr. No. | Name of Director/KMP and Designation | Remuneration of Director/ KMP for FY 2016-17 (In Rs.) | % increase in Remuneration in FY 2015-16** | Ratio of Remuneration of Director to Median Remuneration of employees | Ratio of Remuneration of Director to Median Remuneration of Employees |
|---------|--------------------------------------|---|--|---|---|
| 1.      | Mr. Gaj Raj Singh,                   | 3,96,000  | N.A.                                       | N.A.  | N.A.  |



|    |  |          |      |      |      |
|----|--|----------|------|------|------|
|    | Whole Time Director  |          |      |      |      |
| 2. | Hitesh Khandelwal<br>Company Secretary<br>{01.04.2016 to 01.03.2017} | 1,32,000 | N.A. | N.A. | N.A. |

The number of permanent employees as on 31<sup>st</sup> March 2017 was 2.

Average of remuneration of employees excluding KMPs – Nil

No employee's remuneration for the year 2016-17 exceeded the remuneration of any of the Directors.

Company's performance has been provided in the Directors' Report which forms part of the Board Report.

The key parameter for the variable component of key managerial personnel(s) is linked with Company performance and Individual performance.

The remuneration of Directors, KMPs and other employees is in accordance with the Remuneration Policy of the Company.

**STATEMENT CONTAINING THE PARTICULARS OF EMPLOYEES IN ACCORDANCE WITH SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017 – NOT APPLICABLE**

#### **DEPOSITS**

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. No amount of principal or interest was outstanding as on the date of Balance Sheet.

#### **NAME OF THE COMPANIES WHICH HAVE BEEN BECOME OR CEASED TO BE ITS SUBSIDIARIES AND ASSOCIATE COMPANIES DURING THE YEAR**

Since the Company has no subsidiaries as on 31<sup>st</sup> March, 2017, provision of section 129 of the Companies Act, 2013 is not applicable.

#### **STATE OF COMPANY AFFAIRS:**

The Company is complying with all the applicable laws and provisions and there is no adverse action against the business operations of the Company.

#### **FAMILIARIZATION PROGRAMME:**

The Company at its various meetings held during the Financial year 2016-17 had familiarize the Independent Directors with regard to the roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the Business models of the Company etc. The Independent Directors have been provided with necessary documents, reports and internal policies to familiarize then with the Company's policies, procedures and practices.

Periodic presentations are made to the Board and Board Committee meeting on Business and performance updates of the Company, Business strategy and risks involved.

Quarterly updates on relevant statutory changes and judicial pronouncements and encompassing important amendments are briefed to the Directors.

### **STATUTORY AUDITORS**

In accordance with the provisions of the Companies Act, 2013, the Board of Directors of the company has proposed the ratification of appointment of M/s Ranjan Gupta & Co., Chartered Accountants (Firm Registration No. 17319N), as the statutory auditors of the Company for the financial year 2017-18.

### **AUDITORS' REPORT**

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and therefore, in the opinion of the Directors, do not call for further comments.

### **EXTRACT OF THE ANNUAL RETURN**

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31<sup>st</sup> March, 2017 made under the provisions of Section 92 (3) of the Act in Form MGT -9 is annexed herewith as an Annexure.

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

The particulars as required under the provisions of Section 314(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 in respect of Conservation of Energy and Technology Absorption have not been furnished considering the nature of activities undertaken by the Company during the year under review.

**There was no foreign exchange earning & outgo during the financial year under review.**

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

During the year under review, the Company is not required to comply with the provisions related to Corporate Social Responsibility on the basis of its financial statement.

### **DIRECTORS & COMMITTEES:**

#### **a) Changes in Directors and Key Managerial Personnel**

During the year under review there is no change in the Composition of Board of Directors.

During the year under Review, Hitesh Khandelwal has resigned from the Post of Company Secretary from with effect from 01.03.2017.

#### **b) Declaration by an Independent Director(s) and re- appointment, if any**

All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, and Listing Agreement.

#### **b) Formal Annual Evaluation**

Pursuant to the provisions of companies Act, 2013, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder committee.

## NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

### a. BOARD MEETINGS

During the year Four (04) Board Meetings were convened and held. The details of which are given below.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

| Sr. No. | Date of Board Meeting | Total No. of Directors as on the date of Board Meeting | No. of Directors attended Meeting |
|---------|-----------------------|--|-----------------------------------|
| 1       | 24.05.2016            | 4  | 4                                 |
| 2       | 27.07.2016            | 4  | 4                                 |
| 3       | 12.11.2016            | 4  | 4                                 |
| 4       | 01.03.2017            | 4  | 4                                 |

## COMPOSITION AND MEETING OF AUDIT COMMITTEE

| Name of the Member             | Designation | Category                               |
|--------------------------------|-------------|--|
| Ms. Neena sood                 | Member      | Independent Director                   |
| Mr. Rajesh Kumar Ramjas Jaiwar | Member      | Non Executive Non Independent Director |
| Mr. Suneel Kumar               | Chairman    | Independent Director                   |

## COMPOSITION OF MEETING OF STAKEHOLDRES RELATIONSHIP COMMITTEE

| Name of the Member             | Designation | Category                               |
|--------------------------------|-------------|--|
| Ms. Neena sood                 | Chairman    | Independent Director                   |
| Mr. Rajesh Kumar Ramjas Jaiwar | Member      | Non Executive Non Independent Director |
| Mr. Suneel Kumar               | Member      | Independent Director                   |

## NOMINATION & REMUNERATION COMMITTEE

The Company has duly constituted Nomination and Remuneration Committee to align with the requirements prescribed under the provisions of the Companies Act, 2013.

The details of the Composition of the Nomination and Remuneration Committee are given below:

| Name of the Member             | Designation | Category                               |
|--------------------------------|-------------|--|
| Ms. Neena sood                 | Chairman    | Independent Director                   |
| Mr. Rajesh Kumar Ramjas Jaiwar | Member      | Non Executive Non Independent Director |
| Mr. Suneel Kumar               | Member      | Independent Director                   |

## DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

During the year, as per Section 177(9) read with Rule 7(1) of The Companies (Meeting of Board and its Powers) Rules, 2014, Company is required to establish a Vigil Mechanism for its Directors and employees. In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the company has adopted a vigil mechanism policy. This policy has been posted on the website of company.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

During the year, Company has not provided Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The Company has no material significant transactions with its related parties which may have a potential conflict with the interest of the Company at large. The details of transactions with the Company and related parties are given for information under notes to Accounts.

## **SEXUAL HARASSMENT:**

The Company has zero tolerance for Sexual Harassment at workplace and has adopted a Policy on prevention of Sexual Harassment in line with the provisions of Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. There was no complaint on sexual harassment during the year under review.

## **MANAGERIAL REMUNERATION POLICY**

Provisions relating to Managerial Remuneration as per Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 The Board has on therecommendation of the Nomination & Remuneration Committee framed a Policy for Selection and appointment of Directors, Senior management and their Remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

## **SECRETARIAL AUDIT REPORT AND EXPLANATION TO THE QUALIFICATIONS REPORTED IN THE REPORT**

Provisions relating to Secretarial Audit as per Section 204 read with Rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Pawan Kumar Mishra, Proprietor of P K Mishra & Associates, Company Secretaries to undertake the Secretarial audit of the Company. The Secretarial Auditor Report provided By the Secretarial Auditor in Form No. MR-3 has been enclosed as Annexure.

With reference to the qualifications, we wish to explain that the Company is searching the best person for the post of Chief Financial Officer and further the Company has not yet received any Investigation Report and Final order from SEBI against the ad interim Order dated 29<sup>th</sup> June, 2015.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that –

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### ACKNOWLEDGEMENT AND APPRECIATION

The Directors take this opportunity to thank Company's customers, shareholders, suppliers, bankers, Central and State Government for their consistent support to the Company. The Board also wishes to place on record their appreciation for the hard work, dedication and commitment of the employees at all levels. The enthusiasm and unstinting efforts of the employees have enabled the Company to grow in the competitive environment. The Board looks forward to their continued support and understanding in the years to come.

For and on behalf of the Board of Directors  
CHANNEL NINE ENTERTAINMENT LIMITED

Sd/-  
RAJESH KUMAR RANJAS JAISWAR  
Director  
Din No. 06845321  
Address: 61, Bhasot Bhasot,  
Janpur -222413

Sd/-  
GAJ RAJ SINGH  
Director  
Din No. 02925387  
Address : House No 62  
Dhakka Village GTB NAGAR  
Delhi-110009



Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,  
The Members,  
**Channel Nine Entertainment Limited,**  
3/12, Ground Floor,  
Asaf Ali Road,  
New Delhi-110002

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Channel Nine Entertainment Limited**, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon I report that:-

- a. Maintenance of Secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
- b. I have followed the Audit Practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
- c. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- d. Wherever required, I have obtained the management representation about the compliance of law, rules and regulations and happening of events etc.
- e. The Compliance of the provisions of the corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. My examination was limited to verification of procedures on test basis.
- f. The Secretarial Audit Report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Based on my verification of the **Channel Nine Entertainment Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the Financial Year ended on March 31, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Channel Nine Entertainment Limited**, ("the Company") for the Financial Year ended on March 31, 2017 according to the provisions of:



- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under were duly complied for the period from 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2017.
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under were duly complied for the period from 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2017.
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable on the Company for the Financial Year 2016-17 as disclosed by the management of the Company.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **The Company has filed all disclosures within prescribed time and duly complied all the provisions as disclosed by the management of the company.**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **There were no instance during the period under audit for which the Company was required to file copy of continual disclosures under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as disclosed by the Management of the Company.**
  - (c) The Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2009; **(Not Applicable as the company has not issued any further capital under the regulations during the period under review).**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 (as amended up to date); **(Not Applicable as the company has not issued any securities under the regulations during the period under review).**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the company has not issued and listed any debt securities under the regulations during the period under review).**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the company is not registered as Registrar to issue and Share Transfer Agent during the period under review).**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **(Not Applicable as the company is still listed on BSE SME segment and not applied for delisting during the period under review.)**



- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable as the company has not bought back / proposed to buy-back any of its securities during the financial year under review.)**
  - (i) The company has complied with the requirements under the Equity Listing Agreements entered with the Bombay Stock Exchange Limited (BSE) SME Segment and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - (j) The Memorandum and Articles of Association.
- (i) **OTHER APPLICABLE ACTS,**
- (a) Income Tax Act, 1961 and Indirect Tax Laws.

**I have also examined compliance with the applicable clauses of the following:**

- i) Secretarial Standards issued by the Institute of Company Secretaries of India (SS-1 and SS-2) w.e.f. 01.07.2015.
- ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited-SME Segment.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above subject to the following observations:

- a. **The Company has not appointed CFO under Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment of and Remuneration of Managerial Personnel) Rules, 2014. However, Company Secretary has resigned w.e.f. 14.04.2017.**
- b. **I further Report that during the period under audit SEBI has passed an ad interim Order dated 29<sup>th</sup> June, 2015 restraining the Company from Security market and Company has not yet received any and Investigation Report and Final order from SEBI.**

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. There is no change in the composition of the Board of Directors during the Financial Year 2016-17.
- Adequate notices were given to all directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda items were sent at least seven days in advance, and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.

The Company has obtained all necessary approvals under the various provisions of the Act; and there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules and Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:-

- As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further report that during the period, there were no instances of:

- (i) Public / Rights / Preferential Issue of Shares / Debentures / Sweet Equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Foreign technical collaboration.

**Date: 28/08/2017**

**Place: New Delhi**

A large, faint, semi-transparent watermark of the Channel Nine logo is visible in the background of this section.

**FOR P.K. MISHRA & ASSOCIATES**  
**COMPANY SECRETARIES**  
**Sd-**  
**PAWAN KUMAR MISHRA**  
**PROPRIETOR**  
**Membership No.FCS-4305**  
**COP No.16222**

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2017**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

|   |  |   |
|---|--|---|
| 1 | CIN  | L92132DL2002PLC116330   |
| 2 | Registration Date  | 25/07/2002  |
| 3 | Name of the Company  | Channel Nine Entertainment Limited  |
| 4 | Category/Sub-category of the Company                                       | Company limited by shares/ Indian Non-Government Company  |
| 5 | Address of the Registered office & contact details                         | 3/12, Ground Floor, Asaf Ali Road, Delhi -110002.<br>Phone: 011-65670010<br>Email Id: channelnineentertainment@yahoo.com<br>Website: www.channelnineentertainment.com   |
| 6 | Whether listed company   | Listed  |
| 7 | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Beetal Financial and Computers Services Private Limited<br>Beetal House, 3rd Floor, 99, Madangir,<br>Behind Local Shopping centre,<br>Near Dada Harsukh Das Mandir,<br>New Delhi-110062<br>Tel.: 011-29961281/83; Fax No. - 011-29961284<br>Email Id: beetal@rediffmail.com<br>Website: www.beetalfinancial.com |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

| Sr no. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| 1.     | Movies & Entertainment                           | 9211                            | 100%                               |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

| Sr no. | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % OF SHARES HELD | APPLICABLE SECTION |
|--------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| 1      | N.A.                            | N.A.    | N.A.                           | N.A.             | N.A.               |
| 2      | N.A.                            | N.A.    | N.A.                           | N.A.             | N.A.               |
| 3      | N.A.                            | N.A.    | N.A.                           | N.A.             | N.A.               |

**VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

| Category of Shareholders  | No. of Shares held at the end of the year[As on 31-March-2017] |          |             |                   | No. of Shares held at the Beginning of the year[As on 31-March-2016] |          |             |                   | % Change during the year |
|---|--|----------|-------------|-------------------|--|----------|-------------|-------------------|--------------------------|
|   | Demat  | Physical | Total       | % of Total Shares | Demat  | Physical | Total       | % of Total Shares |                          |
| <b>A. Promoters</b>   |  |          |             |                   |  |          |             |                   |                          |
| <b>(1) Indian</b>   |  |          |             |                   |  |          |             |                   |                          |
| a) Individuals/ Hindu Undivided Family                                      | 4,79,34,000  | -        | 4,79,34,000 | 20.58             | 47934000   | -        | 47934000    | 20.58             | Nil                      |
| b) Bodies Corp.   | -  | -        | -           | -                 | -  | -        | -           | -                 | Nil                      |
| <b>Sub-total (A)(1)</b>   | 4,79,34,000  | -        | 4,79,34,000 | 20.58             | 4,79,34,000  | -        | 47934000    | 20.58             | <b>Nil</b>               |
| <b>(2) Foreign</b>  |  |          |             |                   |  |          |             |                   | <b>0</b>                 |
| <b>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b>                 | 4,79,34,000  | -        | 4,79,34,000 | 20.58             | 4,79,34,000  | -        | 4,79,34,000 | 20.58             | <b>Nil</b>               |
| <b>B. Public Shareholding</b>   |  |          |             |                   |  |          |             |                   |                          |
| <b>1. Institutions</b>  | -  | -        | -           | -                 | -  | -        | -           | -                 | -                        |
| <b>Financial Institutions/ Banks</b>  | -  | -        | -           | -                 | -  | -        | -           | -                 | -                        |
| <b>Mutual Funds</b>   | -  | -        | -           | -                 | -  | -        | -           | -                 | -                        |
| <b>Insurance Companies</b>  | -  | -        | -           | -                 | -  | -        | -           | -                 | -                        |
| <b>Sub-total (B)(1):-</b>   | -  | -        | -           | -                 | -  | -        | -           | -                 | -                        |
| <b>2. Non-Institutions</b>  |  |          |             |                   |  |          |             |                   |                          |
| <b>b) Individuals</b>   |  |          |             |                   |  |          |             |                   |                          |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs   | 33257821   | 1097930  | 34355751    | 14.75             | 36969087   | 1097200  | 38066287    | 16.34             | 1.59                     |
| ii) Individual shareholders holding nominal share capital in excess of Rs 2 | 5,80,98,300  | 6231060  | 64329360    | 27.62             | 57112480   | 931460   | 58043940    | 24.92             | (2.70)                   |

|  |                     |                 |                  |              |                  |                 |                  |              |             |
|--|---------------------|-----------------|------------------|--------------|------------------|-----------------|------------------|--------------|-------------|
| lakhs  |                     |                 |                  |              |                  |                 |                  |              |             |
| c) Others (specify)                                | 86276889            | 8020000         | 7,82,56,889      | 37.05        | 80831773         | 8020000         | 88851773         | 38.15        | 1.10        |
|  |                     |                 | 7661730          | 3.29         | 8964300          | -               | 8964300          | 3.85         | 0.56        |
| ii) Clearing Members                               | -                   | -               | -                | -            | 40000            | -               | 40000            | 0.02         | 0.02        |
| iii) Non Resident Indians                          | -                   | -               | -                | -            | -                | -               | -                | -            | -           |
| iv) Trusts   | -                   | -               | -                | -            | -                | -               | -                | -            | 0.00        |
| <b>Sub-total (B)(2):-</b>                          | <b>16,96,13,010</b> | <b>15348990</b> | <b>184962000</b> | <b>79.42</b> | <b>174913340</b> | <b>10048660</b> | <b>184962000</b> | <b>79.42</b> | <b>0.00</b> |
| <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b> | <b>16,96,13,010</b> | <b>15348990</b> | <b>184962000</b> | <b>79.42</b> | <b>174913340</b> | <b>10048660</b> | <b>184962000</b> | <b>79.42</b> | <b>Nil</b>  |
| C. Shares held by Custodian for GDRs & ADRs        | -                   | -               | -                | -            | -                | -               | -                | -            | -           |
| <b>Grand Total (A+B+C)</b>                         | <b>222418020</b>    | <b>10477980</b> | <b>232896000</b> | <b>100</b>   | <b>222418020</b> | <b>10477980</b> | <b>232896000</b> | <b>100</b>   | <b>Nil</b>  |

ii) Shareholding of Promoters: There is no change in the Promoter Shareholding during the Financial Year.

| S N | Shareholder's Name | Shareholding at the beginning of the Year [31-03-2017] |                                  |  | Share holding at the end of the year [31-03-2016] |                                  |  | Change in share holding During the year |
|-----|--------------------|--|----------------------------------|--|---|----------------------------------|--|---|
|     |                    | No. of Shares  | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares                                     | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |   |
| 1   | Gaj Raj Singh      | 4,79,33,000  | 20.58                            | -  | 4,79,33,000                                       | 20.58                            | -  | -                                       |
| 2   | Kirti              | 1000   | 0.00                             | -  | 1000  | 0.00                             | -  | -                                       |

iii) Change in Promoters' Shareholding (please specify, if there is no change)

| Sr. No. | Particulars                  | Shareholding at the Beginning of the Year |              | Shareholding at the end of the year |              |
|---------|------------------------------|---|--------------|-------------------------------------|--------------|
| 1.      | At the beginning of the year |   |              |                                     |              |
|         | Gaj Raj Singh                | 4,79,33,000                               | 20.58        | 4,79,33,000                         | 20.58        |
|         | Kirti                        | 1000                                      | 0.00         | 1000                                | 0.00         |
|         | <b>Total</b>                 | <b>4,79,34,000</b>                        | <b>20.58</b> | <b>4,79,34,000</b>                  | <b>20.58</b> |
| 2.      | At the End of the year       |   |              |                                     |              |
|         | Gaj Raj Singh                | 4,79,33,000                               | 20.58        | 4,79,33,000                         | 20.58        |
|         | Kirti                        | 1000                                      | 0.00         | 1000                                | 0.00         |

|  |              |                    |              |                    |              |
|--|--------------|--------------------|--------------|--------------------|--------------|
|  | <b>Total</b> | <b>4,79,34,000</b> | <b>20.58</b> | <b>4,79,34,000</b> | <b>20.58</b> |
|--|--------------|--------------------|--------------|--------------------|--------------|

*Note :There is no change in the shareholding pattern during the financial year.*

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

| Sr. No.    | For Each of the Top 10 Shareholders                      | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|------------|--|---|----------------------------------|---|----------------------------------|
|            |  | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| <b>1.</b>  | <b>R K Stockholding Pvt. Ltd</b>                         |   |                                  |   |                                  |
|            | At the beginning of the year                             | 4645000                                   | 1.99                             | -                                       | -                                |
|            | At the end of the year                                   | 4780000                                   | 2.05                             | 4780000                                 | 2.05                             |
| <b>2.</b>  | <b>RUPESH JHA</b>  |   |                                  |   |                                  |
|            | At the beginning of the year                             | -   | -                                | -                                       | -                                |
|            | At the end of the year                                   | 4340000                                   | 1.86                             | 4340000                                 | 1.86                             |
| <b>3.</b>  | <b>Trivikram Real Est Developers &amp; Cons. Pvt Ltd</b> |   |                                  |   |                                  |
|            | At the beginning of the year                             | 4000000                                   | 1.72                             | 4000000                                 | 1.72                             |
|            | At the end of the year                                   | 4000000                                   | 1.72                             | 4000000                                 | 1.72                             |
| <b>4.</b>  | <b>SIDHIMAN VYAPAAR PRIVATE LIMITED</b>                  |   |                                  |   |                                  |
|            | At the beginning of the year                             | 3825000                                   | 1.64                             | 3825000                                 | 1.64                             |
|            | At the end of the year                                   | 3825000                                   | 1.64                             | 3825000                                 | 1.64                             |
| <b>5.</b>  | <b>Manoj Singhal</b>                                     |   |                                  |   |                                  |
|            | At the beginning of the year                             | 3370000                                   | 1.45                             | 3370000                                 | 1.45                             |
|            | At the end of the year                                   | 3370000                                   | 1.45                             | 3370000                                 | 1.45                             |
| <b>6.</b>  | <b>BRIJESH K PATEL</b>                                   |   |                                  |   |                                  |
|            | At the beginning of the year                             | 3000000                                   | 1.29                             | 3000000                                 | 1.29                             |
|            | At the end of the year                                   | 3000000                                   | 1.29                             | 3000000                                 | 1.29                             |
| <b>7.</b>  | <b>MRUNAL K PATEL</b>                                    |   |                                  |   |                                  |
|            | At the beginning of the year                             | 3000000                                   | 1.29                             | 3000000                                 | 1.29                             |
|            | At the end of the year                                   | 3000000                                   | 1.29                             | 3000000                                 | 1.29                             |
| <b>8.</b>  | <b>RIVER HIGH RIGHT SHARE BROKERS PRIVATE L</b>          |   |                                  |   |                                  |
|            | At the beginning of the year                             | 2980000                                   | 1.28                             | 2980000                                 | 1.28                             |
|            | At the end of the year                                   | 2980000                                   | 1.28                             | 2980000                                 | 1.28                             |
| <b>9.</b>  | <b>DREAMLIGHT EXIM PRIVATE LIMITED</b>                   |   |                                  |   |                                  |
|            | At the beginning of the year                             | 2575000                                   | 1.11                             | 2575000                                 | 1.11                             |
|            | At the end of the year                                   | 2575000                                   | 1.11                             | 2575000                                 | 1.11                             |
| <b>10.</b> | <b>LUNAR BUILDERS PVT LTD</b>                            |   |                                  |   |                                  |
|            | At the beginning of the year                             | 2570000                                   | 1.10                             | 2570000                                 | 1.10                             |
|            | At the end of the year                                   | 2570000                                   | 1.10                             | 2570000                                 | 1.10                             |

**v) Shareholding of Directors and Key Managerial Personnel: There is no Change during the Financial Year**

| Sr. no. | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year |       | Cumulative Shareholding during the year |       |
|---------|--|---|-------|---|-------|
| 1.      | <b>Gajraj Singh</b>  |   |       |   |       |
|         | At the Beginning of the year                                     | 4,79,33,000                               | 20.58 | 4,79,33,000                             | 20.58 |
|         | At the End of the Year   | 4,79,33,000                               | 20.58 | 4,79,33,000                             | 20.58 |

**V) INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

|   | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | -                                | -               | -        | -                  |
| i) Principal Amount                                 | -                                | -               | -        | -                  |
| ii) Interest due but not paid                       | -                                | -               | -        | -                  |
| iii) Interest accrued but not due                   | -                                | -               | -        | -                  |
| Total (i+ii+iii)                                    | -                                | -               | -        | -                  |
| Change in Indebtedness during the financial year    | -                                | -               | -        | -                  |
| * Addition  | 5,00,000.00                      | -               | -        | 5,00,000.00        |
| * Reduction   | -                                | -               | -        | -                  |
| Net Change  | -                                | -               | -        | -                  |
| Indebtedness at the end of the financial year       | 5,00,000.00                      | -               | -        | 5,00,000.00        |
|   | -                                | -               | -        | -                  |
| i) Principal Amount                                 | 4,73,674.54                      | -               | -        | 4,73,674.54        |
| ii) Interest due but not paid                       | -                                | -               | -        | -                  |
| iii) Interest accrued but not due                   | -                                | -               | -        | -                  |
| Total (i+ii+iii)                                    | 4,73,674.54                      | -               | -        | 4,73,674.54        |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| Sr. No. | Particulars of Remuneration   | Total Amount                            |    |          |
|---------|---|---|----|----------|
|         |   | Mr. Gaj Rraj singh, Whole-Time Director |    | Total    |
| 1       | Gross salary  |   |    |          |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 3,96,000                                | NA | 3,96,000 |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | Nil                                     | NA | NIL      |



|   |   |          |    |          |
|---|---|----------|----|----------|
|   | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | Nil      | NA | NIL      |
| 2 | Stock Option  | Nil      | NA | NIL      |
| 3 | Sweat Equity  | Nil      | NA | NIL      |
| 4 | Commission<br>- as % of profit<br>- others, specify...                  | Nil      | NA | NIL      |
| 5 | Others, please specify  | Nil      | NA | NIL      |
|   | Total (A)   | 3,96,000 | NA | 3,96,000 |

**B. Remuneration to other directors:-**

| SN. | Particulars of Remuneration                | Name of Directors |     |     | Total Amount |
|-----|--|-------------------|-----|-----|--------------|
| 1   | Independent Directors                      | NIL               | NIL | NIL | NIL          |
|     | Fee for attending board committee meetings | NIL               | NIL | NIL | NIL          |
|     | Commission                                 |                   |     |     |              |
|     | Others, please specify                     | NIL               | NIL | NIL | NIL          |
|     | Total (1)                                  | NIL               | NIL | NIL | NIL          |
| 2   | Other Non-Executive Directors              | NIL               | NIL | NIL | NIL          |
|     | Fee for attending board committee meetings |                   |     |     |              |
|     | Commission                                 | NIL               | NIL | NIL | NIL          |
|     | Others, please specify                     | NIL               | NIL | NIL | NIL          |
|     | Total (2)                                  | NIL               | NIL | NIL | NIL          |
|     | Total (B)=(1+2)                            |                   |     |     |              |
|     | Total Managerial Remuneration              | NIL               | NIL | NIL | NIL          |

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

| SN | Particulars of Remuneration   | Key Managerial Personnel |          |      |          |
|----|---|--------------------------|----------|------|----------|
|    |   | CEO                      | CS       | CFO  | Total    |
| 1  | Gross salary  | N.A.                     | 1,32,000 | N.A. | 1,32,000 |
|    | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | N.A.                     | Nil      | N.A. | Nil      |
|    | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | N.A.                     | Nil      | N.A. | Nil      |
|    | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | N.A.                     | Nil      | N.A. | Nil      |
| 2  | Stock Option  | N.A.                     | Nil      | N.A. | Nil      |
| 3  | Sweat Equity  | N.A.                     | Nil      | N.A. | Nil      |
| 4  | Commission  | N.A.                     | Nil      | N.A. | Nil      |
|    | - as % of profit  | N.A.                     | Nil      | N.A. | Nil      |
|    | others, specify...  | N.A.                     | Nil      | N.A. | Nil      |
| 5  | Others, please specify  | N.A.                     | Nil      | N.A. | Nil      |
|    | Total   | N.A.                     | 1,32,000 | N.A. | 1,32,000 |

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                              |                                    |
| Penalty                             | NIL                          | NIL               | NIL   | NIL                          | NIL                                |
| Punishment                          | NIL                          | NIL               | NIL   | NIL                          | NIL                                |
| Compounding                         | NIL                          | NIL               | NIL   | NIL                          | NIL                                |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                              |                                    |
| Penalty                             | NIL                          | NIL               | NIL   | NIL                          | NIL                                |
| Punishment                          | NIL                          | NIL               | NIL   | NIL                          | NIL                                |
| Compounding                         | NIL                          | NIL               | NIL   | NIL                          | NIL                                |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                              |                                    |
| Penalty                             | NIL                          | NIL               | NIL   | NIL                          | NIL                                |
| Punishment                          | NIL                          | NIL               | NIL   | NIL                          | NIL                                |
| Compounding                         | NIL                          | NIL               | NIL   | NIL                          | NIL                                |

Signed By-

Sd-

**RAJESH KUMAR RAMJAS JAISWAR**  
Din no. 06845321  
Address: 61, Bhasot Bhasot,  
Bhasot jaunpur 222413 UP IN





*Ranjan Gupta & Co.*  
*Chartered Accountants*  
ADD: 1858, ARUN VIHAR, SECTOR-37, NOIDA-201303

## **INDEPENDENT AUDITORS' REPORT**

**TO,  
THE MEMBERS  
M/S CHANNEL NINE ENTERTAINMENT LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **CHANNEL NINE ENTERTAINMENT LIMITED** (CIN: L92132DL2002PLC116330) ("the company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit

procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act 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 March 31, 2017;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## **Report on other Legal and Regulatory Requirements**

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and 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, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g) The Company has provided requisite disclosures in its financial statements dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 30 to the financial statements.

For M/s. Ranjan Gupta & Co  
Chartered Accountants  
Sd-  
CA. Ranjan Gupta  
(Prop.)  
Membership No. 082408  
FRN: 17319N

Date: 27.05.2017  
Place: New Delhi

**"Annexure A" to the Independent Auditors' Report**

**Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:**

- 1)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - (c) The title deeds of immovable properties are held in the name of the company..
- 2)
  - (a) Company does not have any inventory at the end of the year.
  - (b) In view of our comment in paragraph (a) above, clause (ii) (a) (b) and (c) of paragraph 2 of the aforesaid order are not applicable to the company.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7)
  - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
  - (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For M/s. Ranjan Gupta & Co**

**Chartered Accountants**

**Sd-**

**CA. Ranjan Gupta**

**(Prop.)**

**Membership No. 082408**

**FRN: 17319N**

**Date: 27.05.2017**

**Place: New Delhi**



## **"Annexure B" to the Independent Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **CHANNEL NINE ENTERTAINMENT LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M/s. Ranjan Gupta & Co  
Chartered Accountants**

**Sd-**

**CA. Ranjan Gupta**

**(Prop.)**

**Membership No. 082408**

**FRN: 17319N**

A large, faint, and slightly blurred version of the Channel Nine logo, positioned in the background of the signature area.

**Date: 27.05.2017**

**Place: New Delhi**

CHANNEL NINE ENTERTAINMENT LIMITED

Reg. Office: 3/12, Ground Floor, Asaf Ali Road, New Delhi 110002

CIN: L92132DL2002PLC116330

Balance Sheet as at 31<sup>st</sup> March 2017

(Amount in Rs.)

| Particulars   | Note No. | As at 31.03.2017      | As at 31.03.2016      |
|---|----------|-----------------------|-----------------------|
| <b>I. EQUITY AND LIABILITIES</b>                            |          |                       |                       |
| <b><u>(1) Shareholder's Funds</u></b>                       |          |                       |                       |
| (a) Share Capital   | 1        | 232,896,000.00        | 232,896,000.00        |
| (b) Reserves and Surplus                                    | 2        | 76,843,661.34         | 75,967,697.62         |
| (c) Money received against share warrants                   |          | -                     | -                     |
| <b><u>(2) Share application money pending allotment</u></b> |          |                       |                       |
| (a) Share Application Maoney                                |          | -                     | -                     |
| <b><u>(3) Non-Current Liabilities</u></b>                   |          |                       |                       |
| (a) Long-term borrowings                                    | 3        | 473,674.54            | -                     |
| (b) Deferred tax liabilities (Net)                          | 4        | 1,168,813.10          | 1,729,735.10          |
| (c) Other Long term liabilities                             | 5        | 2,247,200.00          | 2,247,200.00          |
| (d) Long term provisions                                    | 6        | -                     | -                     |
| <b><u>(4) Current Liabilities</u></b>                       |          |                       |                       |
| (a) Short-term borrowings                                   | 7        | -                     | -                     |
| (b) Trade payables  | 8        | 24,884,267.00         | 16,352,343.00         |
| (c) Other current liabilities                               | 9        | 7,209,991.00          | 3,297,568.00          |
| (d) Short-term provisions                                   | 10       | 99,163.00             | 270,895.00            |
| <b>Total</b>  |          | <b>345,822,769.98</b> | <b>332,761,438.72</b> |
| <b>II.ASSETS</b>  |          |                       |                       |
| <b><u>(1) Non-current assets</u></b>                        |          |                       |                       |
| <b><u>(a) Fixed assets</u></b>                              | 11       |                       |                       |
| (i) Tangible assets   |          | 55,746,175.57         | 59,215,631.13         |
| (ii) Intangible assets                                      |          | -                     | -                     |
| (iii) Capital work-in-progress                              |          | -                     | -                     |
| (iv) Intangible assets under development                    |          | -                     | -                     |
| (b) Non-current investments                                 | 12       | 4,978,000.00          | 4,978,000.00          |
| (c) Deferred tax assets (net)                               | 13       | -                     | -                     |
| (d) Long term loans and advances                            | 14       | 57,904,328.00         | 80,716,202.00         |
| (e) Other non-current assets                                | 15       | 5,681,000.20          | 7,939,001.20          |
| <b><u>(2) Current assets</u></b>                            |          |                       |                       |
| (a) Current investments                                     | 16       | -                     | -                     |
| (b) Inventories   | 17       | -                     | -                     |
| (c) Trade receivables                                       | 18       | 76,175,240.00         | 61,089,163.00         |
| (d) Cash and cash equivalents                               | 19       | 996,387.21            | 2,792,599.39          |
| (e) Short-term loans and advances                           | 20       | 142,049,659.00        | 113,780,407.00        |
| (f) Other current assets                                    | 21       | 2,291,980.00          | 2,250,435.00          |
| <b>Total</b>  |          | <b>345,822,769.98</b> | <b>332,761,438.72</b> |

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement

For Ranjan Gupta & Co.  
Chartered Accountants

For and on behalf of the Board of Directors  
Channel Nine Entertainment Limited

Sd-  
CA. Ranjan Gupta

Prop.  
Membership No.: 082408  
Firm Regd. No. 17319N

Place: Delhi  
Date : 27.05.2017

Sd-  
RAJESH KUMAR  
RAMJAS JAISWAR  
(Director)  
DIN: 06845321

Sd-  
SUNEEL KUMAR  
(Director)  
DIN: 07135321

Sd-  
HITESH KAHNDELWAL  
COMPANY SECRETARY

**Profit and Loss statement for the period ended 31st March 2017**  
**Reg. Office: 3/12, Ground Floor, Asaf Ali Road, New Delhi 110002**  
**CIN: L92132DL2002PLC116330**

**Profit and Loss statement for the period ended 31st March 2017**

(Amount in Rs.)

| Particulars   | Note No.   | As at 31.03.2017     | As at 31.03.2016     |
|---|------------|----------------------|----------------------|
| I. Revenue from operations  | 22         | 23,808,477.00        | 31,564,320.00        |
| II. Other Income  |            | 2,883,408.00         | 2,594,114.00         |
| <b>III. Total Revenue (I +II)</b>   |            | <b>26,691,885.00</b> | <b>34,158,434.00</b> |
| <b>IV. Expenses:</b>  |            |                      |                      |
| Cost of materials consumed  |            | -                    | -                    |
| Purchase of Stock-in-Trade  |            | -                    | -                    |
| Purchase  | 23         | 16,951,924.00        | 23,394,980.00        |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 24         | -                    | -                    |
| Employee benefit expense  | 25         | 1,396,684.00         | 1,363,145.00         |
| Financial costs   | 26         | -                    | -                    |
| Depreciation and amortization expense   | 27         | 4,276,737.56         | 4,207,430.88         |
| Other expenses  | 28         | 3,677,334.72         | 3,902,428.55         |
| <b>Total Expenses</b>   |            | <b>26,302,680.28</b> | <b>32,867,984.43</b> |
| <b>V. Profit before exceptional and extraordinary items and tax.</b>          | (III - IV) | <b>389,204.72</b>    | <b>1,290,449.57</b>  |
| VI. Exceptional Items   |            | -                    | -                    |
| VII. Profit before extraordinary items and tax (V - VI)                       |            | 389,204.72           | 1,290,449.57         |
| VIII. Extraordinary Items   |            | -                    | -                    |
| <b>IX. Profit before tax (VII - VIII)</b>                                     |            | <b>389,204.72</b>    | <b>1,290,449.57</b>  |
| <b>X. Tax expense:</b>  |            |                      |                      |
| (1) Minimum Alternate Tax   |            | 74,163.00            | 245,895.00           |
| (2) Deferred tax  |            | (560,922.00)         | (156,903.00)         |
| (3) Income tax Adjustment   |            | -                    | -                    |
| (4) Deffered tax Adjustment   |            | -                    | -                    |
| <b>XI. Profit (Loss) for the period from continuing operations</b>            | (IX-X)     | <b>875,963.72</b>    | <b>1,201,457.57</b>  |
| <b>XII. Profit/(loss) from discontinuing operations</b>                       |            |                      |                      |
| XIII. Tax expense of discontinuing operations                                 |            |                      |                      |
| <b>XIV. Profit/(loss) from Discontinuing operations (after tax)</b>           | (XII-XIII) | -                    | -                    |

|   |  |            |              |
|---|--|------------|--------------|
| XV. Profit (Loss) for the period (XI + XIV) |  | 875,963.72 | 1,201,457.57 |
| XVI. Earning per equity share:              |  |            |              |
| (1) Basic                                   |  | 0.004      | 0.005        |
| (2) Diluted                                 |  | 0.004      | 0.005        |

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement

For Ranjan Gupta & Co.  
Chartered Accountants

For and on behalf of the Board of Directors  
Channel Nine Entertainment Limited

Sd-  
CA. Ranjan Gupta

Prop.  
Membership No.: 082408  
Firm Regd. No. 17319N

Sd-  
RAJESH KUMAR  
RAMJAS JAISWAR  
(Director)  
DIN: 06845321

Sd-  
SUNEEL KUMAR  
(Director)  
DIN: 07135321

Place: Delhi  
Date:- 27.05.2017

Sd-  
HITESH KHANDELWAL  
COMPANY SECRETARY

# Cash Flow Statement

Reg. Office: 3/12, Ground Floor, Asaf Ali Road, New Delhi 110002

CIN: L92132DL2002PLC116330

# Cash Flow Statement

For the year ended 31st-March 2017

(Amount in Rs)

| Particulars  | 31.03.2017         | 31.03.2016         |
|--|--------------------|--------------------|
| <b>(A) CASH FLOW FROM OPERATING ACTIVITIES:-</b>       |                    |                    |
| Net profit before tax                                  | 389,205            | 1,290,450          |
| Adjustment for:  |                    |                    |
| Add: Depreciation & Amortisation Expenses              | 6,534,739          | 6,465,431          |
| Less: Interest Received                                | (2,883,408)        | (2,594,114)        |
| <b>Operating Profit before Working capital changes</b> | <b>4,040,535</b>   | <b>5,161,767</b>   |
| <b>Adjustments for:</b>                                |                    |                    |
| Decrease (Increase) in Trade & Other Receivables       | (15,086,077)       | (14,260,166)       |
| Decrease (Increase) in Current Assets                  | -                  | -                  |
| Decrease (Increase) in Other Current Assets            | (41,545)           | 1,415,587          |
| Decrease (Increase) in Inventories                     | -                  | -                  |
| Increase (Decrease) in Trade & Other Payables          | 8,531,924          | 5,264,580          |
| Increase (Decrease) in Current Liabilities             | -                  | 13,764             |
| Increase (Decrease) in Other Liabilities               | 3,912,423          | (842,711)          |
| <b>Net Changes in Working Capital</b>                  | <b>(2,683,275)</b> | <b>(8,408,946)</b> |
|  |                    | -                  |
| <b>Cash Generated from Operations</b>                  | <b>1,357,260</b>   | <b>(3,247,179)</b> |
| Adjustment of Taxes                                    | 245,895            | 366,619            |
| <b>Net Cash Flow from Operating Activities (A)</b>     | <b>1,111,365</b>   | <b>(3,613,798)</b> |
| <b>(B) CASH FLOW FROM INVESTING ACTIVITIES :</b>       |                    |                    |
| (-) Purchase of Fixed Assets                           | (807,282)          | -                  |
| (Increase)/Decrease in Long Term Loans & Advances      | 22,811,874         | 10,086,803         |
| (Increase)/Decrease in Non-Current Assets              | -                  | -                  |
| (Increase)/Decrease in Short Term Loans & Advances     | (28,269,252)       | (8,945,798)        |
| Interest Received                                      | 2,883,408          | 2,594,114          |
| Increase/(Decrease) in Long Term Borrowings            | 473,675            | -                  |
| <b>Net Cash Flow from Investing Activities (B)</b>     | <b>(2,907,577)</b> | <b>3,735,119</b>   |
| <b>(C) CASH FLOW FROM FINANCING ACTIVITIES :</b>       |                    |                    |



|  |                    |                  |
|--|--------------------|------------------|
| Issue of share capital and Proceeds from Share Application Money   | -                  | -                |
| Increase In Short term Liabilities   | -                  | -                |
| Preliminary Expenses incurred  | -                  | -                |
| <b>Net Cash Flow from Financing Activities (C)</b>   | -                  | -                |
| <b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents ( A+B+C )</b>  | <b>(1,796,212)</b> | <b>121,321</b>   |
| Cash and cash equivalents at the beginning of the year / Period  | <b>2,792,599</b>   | <b>2,671,278</b> |
| <b>Cash and cash equivalents at the end of the year/ Period</b>  | <b>996,387</b>     | <b>2,792,599</b> |
| * <b>Note:</b> The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Accounting Standard (AS) – 3 on Cash Flow Statements" issued by the Institute of Chartered of Accountants of India. |                    |                  |

As per our report of even date

**Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement**

**For Ranjan Gupta & Co.  
Chartered Accountants**

**Sd-  
CA. Ranjan Gupta**

**Prop.  
Membership No.: 082408  
Firm Regd. No. 17319N**

**Place: Delhi  
Date:- 27.05.2017**

**For and on behalf of the Board of Directors  
Channel Nine Entertainment Limited**

**Sd-  
RAJESH KUMAR  
RAMJAS JAISWAR  
(Director)  
DIN: 06845321**

**Sd-  
SUNEEL KUMAR  
(Director)  
DIN: 07135321**

**Sd-  
HITESH KHANDELWAL  
COMPANY SECRETARY**

CHANNEL NINE ENTERTAINMENT LIMITED

Reg. Office: 3/12, Ground Floor, Asaf Ali Road, New Delhi 110002

CIN: L92132DL2002PLC116330

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON 31 March 2017

**Note 1**

Share Capital

| Particulars                                    | As at 31.03.2017      | As at 31.03.2016      |
|--|-----------------------|-----------------------|
| <b><u>Authorised Capital</u></b>               |                       |                       |
| 2,50,00,000 Equity Shares of Re 1 Each         | 250,000,000.00        | 250,000,000.00        |
| <b><u>Issued</u></b>                           |                       |                       |
| 232896000 Equity Shares of Re 1 Each           | 232,896,000.00        | 232,896,000.00        |
| <b><u>Subscribed &amp; Paid up Capital</u></b> |                       |                       |
| 232896000 Equity Shares of Re 1 Each           | 232,896,000.00        | 232,896,000.00        |
| <b>Total</b>                                   | <b>232,896,000.00</b> | <b>232,896,000.00</b> |

**Note 1A**

**Reconciliation of Number of Shares:**

| Particulars                                      | As at 31.03.2017   |                       | As at 31.03.2016   |                       |
|--|--------------------|-----------------------|--------------------|-----------------------|
|  | Number             | Amount                | Number             | Amount                |
| Shares outstanding at the beginning of the year* | 232,896,000        | 232,896,000.00        | 232,896,000        | 232,896,000.00        |
| Shares Issued during the year*                   | -                  | -                     | -                  | -                     |
| Shares bought back during the year               | -                  | -                     | -                  | -                     |
| Shares outstanding at the end of year            | -                  | -                     | -                  | -                     |
| <b>Total</b>                                     | <b>232,896,000</b> | <b>232,896,000.00</b> | <b>232,896,000</b> | <b>232,896,000.00</b> |

**Note 1B**

**Details of Shareholders holding more than 5% Shares**

| Particulars  | As at 31.03.2017   |              | As at 31.03.2016   |              |
|--------------|--------------------|--------------|--------------------|--------------|
|              | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Gajraj Singh | 47,933,000         | 20.58%       | 47,933,000         | 20.58%       |

## Note 2

### Reserve & Surplus

| Particulars                                | As at 31.03.2017     | As at 31.03.2016     |
|--|----------------------|----------------------|
| Capital Reserve                            | -                    | -                    |
| Reserve & Surplus                          | 70,936,000.00        | 70,936,000.00        |
| Securities Premium                         | -                    | -                    |
| Add: Share Premium (in Current Year)       |                      |                      |
| Less: Bonus Share (in Current Year)        |                      |                      |
| <b>Total (A)</b>                           | <b>70,936,000.00</b> | <b>70,936,000.00</b> |
| Debenture Redemption Reserve               | -                    | -                    |
| Revaluation Reserve                        | -                    | -                    |
| Shares Option Outstanding Account          | -                    | -                    |
| Other Reserve (General Reserve)            | -                    | -                    |
| <b>Surplus (Profit &amp; Loss Account)</b> | <b>-</b>             | <b>-</b>             |
| Op. Balance of Profits & Loss A/C          | 5,031,697.62         | 3,830,240.05         |
| Current Year Profit & Loss A/C             | 875,963.72           | 1,201,457.57         |
| <b>Total (B)</b>                           | <b>5,907,661.34</b>  | <b>5,031,697.62</b>  |
| <b>Total (A) + (B)</b>                     | <b>76,843,661.34</b> | <b>75,967,697.62</b> |

## Note 3

### Long Term Borrowings

| Particulars                                      | As at 31.03.2017  | As at 31.03.2016 |
|--|-------------------|------------------|
| Bonds / Debentures                               | -                 | -                |
| <b>Term Loan</b>                                 |                   |                  |
| - From Bank                                      | 473,674.54        | -                |
| - From Other Parties                             | -                 | -                |
| Deferred Payment Liabilities                     | -                 | -                |
| Deposit  | -                 | -                |
| Loans & Advances From Related Parties            | -                 | -                |
| Long Term Maturities of Finance lease obligation | -                 | -                |
| Loans From Directors                             | -                 | -                |
| <b>Other Loans</b>                               | <b>-</b>          | <b>-</b>         |
| <b>Total</b>                                     | <b>473,674.54</b> | <b>-</b>         |

## Note 4

### Deferred Tax Liabilities (Net)

| Particulars            | As at 31.03.2017    | As at 31.03.2016    |
|------------------------|---------------------|---------------------|
| Deferred Tax Liability | 1,168,813.10        | 1,729,735.10        |
| <b>Total</b>           | <b>1,168,813.10</b> | <b>1,729,735.10</b> |

# Note 5

## Other Long Term Liabilities

| Particulars            | As at 31.03.2017    | As at 31.03.2016    |
|------------------------|---------------------|---------------------|
| Liabilities & Payables |                     | -                   |
| Other Payables         | 2,247,200.00        | 2,247,200.00        |
| <b>Total</b>           | <b>2,247,200.00</b> | <b>2,247,200.00</b> |

# Note 6

## Long Term Provisions

| Particulars                       | As at 31.03.2017 | As at 31.03.2016 |
|-----------------------------------|------------------|------------------|
| Provision from Employment Benefit | -                | -                |
| Other                             | -                | -                |
| <b>Total</b>                      | <b>-</b>         | <b>-</b>         |

# Note 7

## Short Term Borrowings

| Particulars                            | As at 31.03.2017 | As at 31.03.2016 |
|--|------------------|------------------|
| <b><u>Loan Repayable on Demand</u></b> |                  |                  |
| - From Bank                            | -                | -                |
| - From Other Parties                   | -                | -                |
| Borrowings from Parties                | -                | -                |
| Loans & Advances From Related Parties  | -                | -                |
| Deposits                               | -                | -                |
| Others                                 | -                | -                |
| <b>Total</b>                           | <b>-</b>         | <b>-</b>         |

# Note 8

## Trade Payables

| Particulars      | As at 31.03.2017     | As at 31.03.2016     |
|------------------|----------------------|----------------------|
| Sundry Creditors | 24,884,267.00        | 16,352,343.00        |
| <b>Total</b>     | <b>24,884,267.00</b> | <b>16,352,343.00</b> |

### Note 9

#### Other Current Liabilities

| Particulars    | As at 31.03.2017    | As at 31.03.2016    |
|----------------|---------------------|---------------------|
| TDS on Rent    | 50,904.00           | 50,904.00           |
| TDS Payable    | 9,000.00            | 9,000.00            |
| Salary payable | 97,746.00           | 62,816.00           |
| Other Payables | 7,052,341.00        | 3,174,848.00        |
| <b>Total</b>   | <b>7,209,991.00</b> | <b>3,297,568.00</b> |

### Note 10

#### Short Term Provisions

| Particulars                            | As at 31.03.2017 | As at 31.03.2016  |
|--|------------------|-------------------|
| <b>Provision For Employees Benefit</b> | -                | -                 |
| <b>Others:-</b>                        |                  |                   |
| Audit Fees Payable                     | 25,000.00        | 25,000.00         |
| Provision For Income Tax / MAT         | 74,163.00        | 245,895.00        |
| <b>Total</b>                           | <b>99,163.00</b> | <b>270,895.00</b> |

### Note 12

#### Non Current Investment

| Particulars                     | As at 31.03.2017    | As at 31.03.2016    |
|---------------------------------|---------------------|---------------------|
| Investment in Property          | -                   | -                   |
| Investment in Equity Instrument |                     |                     |
| <b><u>Other Investment</u></b>  |                     |                     |
| Other Investment (Long Term)    | 4,978,000.00        | 4,978,000.00        |
| Investment in Mutual Fund       |                     |                     |
| Investment in Partnership Firm  |                     |                     |
| <b>Total</b>                    | <b>4,978,000.00</b> | <b>4,978,000.00</b> |

**Note 13**
**Deferred Tax Assets (Net)**

| Particulars  | As at 31.03.2017 | As at 31.03.2016 |
|--------------|------------------|------------------|
|              | -                | -                |
| <b>Total</b> | -                | -                |

**Note 14**
**Long Term Loans and Advances**

| Particulars   | As at 31.03.2017     | As at 31.03.2016     |
|---|----------------------|----------------------|
| <b><u>Capital Assets</u></b>                          |                      |                      |
| a) Secured, Considered Good :                         | -                    | -                    |
| b) Unsecured, Considered Good :                       | -                    | -                    |
| c) Doubtful   | -                    | -                    |
| <b><u>Security Deposit</u></b>                        |                      |                      |
| a) Secured, Considered Good :                         | -                    | -                    |
| b) Unsecured, Considered Good :                       | -                    | -                    |
| c) Doubtful   | -                    | -                    |
| <b><u>Loans &amp; Advances to related parties</u></b> | -                    | -                    |
| <b><u>Other Loans &amp; Advances</u></b>              |                      |                      |
| Other Advances  | 57,904,328.00        | 80,716,202.00        |
| <b>Total</b>  | <b>57,904,328.00</b> | <b>80,716,202.00</b> |

**Note : 15**
**Other Non Current Assets**

| Particulars                               | As at 31.03.2017    | As at 31.03.2016    |
|---|---------------------|---------------------|
| <b><u>Long Term Trade Recievables</u></b> |                     |                     |
| a) Secured, Considered Good               | -                   | -                   |
| b) Unsecured, Considered Good             | -                   | -                   |
| c) Doubtful                               | -                   | -                   |
| <b><u>Others Non Current Assets</u></b>   |                     |                     |
| Deferred Revenue Expenditure              | 2,155,926.20        | 3,233,889.60        |
| Preliminary Exps                          | 640,254.00          | 1,104,273.60        |
| Issue Exps                                | 170,000.00          | 886,018.00          |
| Securtiy Deposit                          | 2,714,820.00        | 2,714,820.00        |
| <b>Total</b>                              | <b>5,681,000.20</b> | <b>7,939,001.20</b> |

# Note 16

## Current Investment

| Particulars                      | As at 31.03.2017 | As at 31.03.2016 |
|----------------------------------|------------------|------------------|
| Investment in Equity             | -                | -                |
| Investment in Preference Shares  | -                | -                |
| Investment in Govt Securities    | -                | -                |
| Investment in debentures & Bonds | -                | -                |
| Investment in Mutual Fund        | -                | -                |
| Investment in Partnership Firm   | -                | -                |
| Others<br>FDR & Accrued Interest | -                | -                |
| <b>Total</b>                     | <b>-</b>         | <b>-</b>         |

# Note 17

## Inventories

| Particulars                | As at 31.03.2017 | As at 31.03.2016 |
|----------------------------|------------------|------------------|
| Raw Material               | -                | -                |
| Work-in-Progress           | -                | -                |
| Finished Goods             | -                | -                |
| Stock-in-Trade             | -                | -                |
| Stores & Spares            | -                | -                |
| Loose Tools                | -                | -                |
| Other (Specify the nature) | -                | -                |
| Goods-in-transit           | -                | -                |
| <b>Total</b>               | <b>-</b>         | <b>-</b>         |

# Note 18

## Trade Receivables

| Particulars  | As at 31.03.2017 | As at 31.03.2016 |
|--|------------------|------------------|
| <b><u>Outstanding for more than six months</u></b> |                  |                  |
| a) Secured, Considered Good :                      | -                | -                |
| b) Unsecured, Considered Good :                    | -                | -                |
| c) Doubtful  | -                | -                |
| <b><u>Others</u></b>                               |                  |                  |
| a) Secured, Considered Good :                      | -                | -                |



|  |                      |                      |
|--|----------------------|----------------------|
| b) <u>Unsecured, Considered Good</u> :<br>Trade Receivable | 76,175,240.00        | 61,089,163.00        |
| c) <u>Doubtful</u>   | -                    | -                    |
| -  |                      |                      |
| -  |                      |                      |
| <b>Total</b>   | <b>76,175,240.00</b> | <b>61,089,163.00</b> |

#### Note 19

#### Cash & Cash Equivalent

| Particulars                                  | As at 31.03.2017  | As at 31.03.2016    |
|--|-------------------|---------------------|
| <b><u>Cash-in-Hand</u></b>                   |                   |                     |
| Cash Balance                                 | 288,985.23        | 2,457,839.23        |
| <b>Sub Total (A)</b>                         | 288,985.23        | 2,457,839.23        |
| <b><u>Bank Balance</u></b>                   |                   |                     |
| Bank Balance (With Schedule Bank)- HDFC BANK | 707,401.98        | 334,760.16          |
| <b>Sub Total (B)</b>                         | 707,401.98        | 334,760.16          |
| <b>Sub Total (C)</b>                         | -                 | -                   |
| <b>Total [ A + B + C ]</b>                   | <b>996,387.21</b> | <b>2,792,599.39</b> |

#### Note 20

#### Short Terms Loans and Advances

| Particulars   | As at 31.03.2017      | As at 31.03.2016      |
|---|-----------------------|-----------------------|
| <b><u>Loans &amp; Advances from related parties</u></b> |                       |                       |
| a) <u>Secured, Considered Good</u> :                    | -                     | -                     |
| b) <u>Unsecured, Considered Good</u> :                  |                       |                       |
| c) <u>Doubtful</u>                                      | -                     | -                     |
| Others  |                       |                       |
| Loans & Advances  | 142,049,659.00        | 113,780,407.00        |
| <b>Total</b>  | <b>142,049,659.00</b> | <b>113,780,407.00</b> |

# Note 21

## Other Current Assets

| Particulars                  | As at 31.03.2017    | As at 31.03.2016    |
|------------------------------|---------------------|---------------------|
| Advance Income Tax           | -                   | -                   |
| TDS on Contractor            | 659.00              | 659.00              |
| TDS Receivable               | 32,222.00           | 32,222.00           |
| TDS Receivable for AY2015-16 | 725,306.00          | 683,761.00          |
| CENVAT Credit                | 1,533,793.00        | 1,533,793.00        |
| Preliminary Expenses         | -                   | -                   |
| Issue Expenses               | -                   | -                   |
| Filing Fees                  | -                   | -                   |
| <b>Total</b>                 | <b>2,291,980.00</b> | <b>2,250,435.00</b> |

# Note 22

## Income

| Particulars            | As at 31.03.2017     | As at 31.03.2016     |
|------------------------|----------------------|----------------------|
| <b>Income</b>          |                      |                      |
| Sales                  | 23,808,477.00        | 31,564,320.00        |
| <b>Sub-Total (A)</b>   | <b>23,808,477.00</b> | <b>31,564,320.00</b> |
| <b>Other Income</b>    |                      |                      |
| Interest (Others)      | 2,883,408.00         | 2,594,114.00         |
| Misc. Income           | -                    | -                    |
| <b>Sub-Total (B)</b>   | <b>2,883,408.00</b>  | <b>2,594,114.00</b>  |
| <b>Total (A) + (B)</b> | <b>26,691,885.00</b> | <b>34,158,434.00</b> |

# Note 23

## Cost of Material Consumed

| Particulars  | As at 31.03.2017     | As at 31.03.2016     |
|--------------|----------------------|----------------------|
| Purchase     | 16,951,924.00        | 23,394,980.00        |
| <b>Total</b> | <b>16,951,924.00</b> | <b>23,394,980.00</b> |

**Note 24**
**Change in Inventories**

| Particulars   | As at 31.03.2017 | As at 31.03.2016 |
|---------------|------------------|------------------|
| Closing Stock | -                | -                |
| Opening Stock | -                | -                |
| <b>Total</b>  | <b>-</b>         | <b>-</b>         |

**Note 25**
**Employment Benefit Expenses**

| Particulars              | As at 31.03.2017    | As at 31.03.2016    |
|--------------------------|---------------------|---------------------|
| Remuneration to Director | 396,000.00          | 336,000.00          |
| Salary                   | 890,300.00          | 899,680.00          |
| Staff Welfare            | 110,384.00          | 127,465.00          |
| <b>Total</b>             | <b>1,396,684.00</b> | <b>1,363,145.00</b> |

**Note 26**
**Financial Cost**

| Particulars   | As at 31.03.2017 | As at 31.03.2016 |
|---------------|------------------|------------------|
| Bank Interest | -                | -                |
| <b>Total</b>  | <b>-</b>         | <b>-</b>         |

**Note 27**
**Depreciation & Amortised Cost**

| Particulars  | As at 31.03.2017    | As at 31.03.2016    |
|--------------|---------------------|---------------------|
| Depreciation | 4,276,737.56        | 4,207,430.88        |
| <b>Total</b> | <b>4,276,737.56</b> | <b>4,207,430.88</b> |

**Note 28**
**Other Expenses**

| Particulars                            | As at 31.03.2017 | As at 31.03.2016 |
|--|------------------|------------------|
| <b><u>Administrative Expenses:</u></b> |                  |                  |
| Advertisement Expenses                 | 44,885.00        | 73,260.00        |
| Audit Fees                             | 25,000.00        | 25,000.00        |
| Bank Charges                           | 5,931.93         | 3,399.72         |
| Business Promotion Exp.                | 32,986.00        | 24,007.00        |

|                                  |                     |                     |
|----------------------------------|---------------------|---------------------|
| Custodian fees                   | 171,750.00          | 172,890.00          |
| Commission Expenses              | -                   | -                   |
| Conveyance Exp.                  | 57,512.00           | 35,120.00           |
| D P Charges                      | -                   | -                   |
| Electricity Expenses             | 51,360.00           | 79,720.00           |
| Filling Fee                      | 9,704.00            | 109,973.00          |
| Listing Fees                     | 153,868.00          | 97,597.00           |
| General & Miscellaneous Expenses | 133,594.25          | 34,612.08           |
| Market Making Fees               | -                   | 180,000.00          |
| Legal and Professional Expenses  | 538,432.00          | 685,243.00          |
| Business Support Services        | -                   | -                   |
| Office Maintainance Exp.         | 40,620.00           | 47,090.75           |
| Office Rent                      | -                   | -                   |
| Printing and Stationary Charges  | -                   | -                   |
| Postage & Courier                | -                   | -                   |
| Telephone Expenses               | 25,537.00           | 32,095.00           |
| Tour & Travelling Expenses       | 108,475.00          | 40,420.00           |
| Web Charges                      | 4,000.00            | 4,000.00            |
| Hiring Charges                   | -                   | -                   |
| Preliminary Expenses W/O         | 504,019.60          | 504,019.60          |
| Issue Exp W/O                    | 586,018.00          | 586,018.00          |
| Filing Fees W/O                  | 90,000.00           | 90,000.00           |
| Deferred Revenue Exp W/o         | 1,077,963.40        | 1,077,963.40        |
| Interest paid on car loan        | 15,678.54           |                     |
| <b>Total</b>                     | <b>3,677,334.72</b> | <b>3,902,428.55</b> |

**Note 11**

**Fixed Assets**

| S<br>N<br>o<br>. | Particulars                                     | Gross Block               |                                  |                                   |                           | Depreciation              |                                 |                                      |                           | Net Block                   |                             |
|------------------|---|---------------------------|----------------------------------|-----------------------------------|---------------------------|---------------------------|---------------------------------|--------------------------------------|---------------------------|-----------------------------|-----------------------------|
|                  |   | Value as on<br>31.03.2016 | Addition<br>during the<br>period | Deduction<br>during the<br>period | Value as on<br>31.03.2017 | Value as on<br>31.03.2016 | Depreciation<br>during the year | Deduc<br>tion durin<br>g the<br>year | Value as on<br>31.03.2017 | Balance as on<br>31.03.2017 | Balance as on<br>31.03.2016 |
| I                | <b><u>Tangible Assets</u></b>                   |                           |                                  |                                   |                           |                           |                                 |                                      |                           |                             |                             |
|                  | Air Conditioner                                 | 48,457.00                 | -                                | -                                 | 48,457.00                 | 46,034.00                 | -                               | -                                    | 46,034.00                 | 2,423.00                    | 2,423.00                    |
|                  | Camera  | 591,349.00                | -                                | -                                 | 591,349.00                | 436,246.62                | 37,441.71                       | -                                    | 473,688.33                | 117,660.67                  | 155,102.38                  |
|                  | Office Equipment                                | 18,251.00                 | -                                | -                                 | 18,251.00                 | 17,338.00                 | -                               | -                                    | 17,338.00                 | 913.00                      | 913.00                      |
|                  | Digital Contents*                               | 72,500,000.00             | -                                | -                                 | 72,500,000.00             | 14,048,000.00             | 3,625,000.00                    | -                                    | 17,673,000.00             | 54,827,000.00               | 58,452,000.00               |
|                  | Furniture & Fixture                             | 226,756.00                | -                                | -                                 | 226,756.00                | 221,787.57                | -                               | -                                    | 221,787.57                | 4,968.43                    | 4,968.43                    |
|                  | Computer  | 394,560.00                | -                                | -                                 | 394,560.00                | 368,971.45                | 10,609.84                       | -                                    | 379,581.29                | 14,978.71                   | 25,588.55                   |
|                  | Computer Software                               | 2,111,025.00              | -                                | -                                 | 2,111,025.00              | 1,536,389.23              | 267,378.02                      | -                                    | 1,803,767.25              | 307,257.75                  | 574,635.77                  |
|                  | Car   | -                         | 807,282.00                       | -                                 | 807,282.00                | -                         | 336,307.98                      | -                                    | 336,307.98                | 470,974.02                  | -                           |
|                  | <b>SUB TOTAL (A)</b>                            | 75,890,398.00             | 807,282.00                       | -                                 | 76,697,680.00             | 16,674,766.87             | 4,276,737.56                    | -                                    | 20,951,504.43             | 55,746,175.57               | 59,215,631.13               |
| II               | <b><u>Intangible Assets</u></b>                 |                           |                                  |                                   |                           |                           |                                 |                                      |                           |                             |                             |
|                  | -   |                           |                                  |                                   |                           |                           |                                 |                                      |                           |                             |                             |
|                  | <b>SUB TOTAL (B)</b>                            | -                         | -                                | -                                 | -                         | -                         | -                               | -                                    | -                         | -                           | -                           |
|                  | <b>Total [A + B + C + D]<br/>(Current Year)</b> | 75,890,398.00             | 807,282.00                       | -                                 | 76,697,680.00             | 16,674,766.87             | 4,276,737.56                    | -                                    | 20,951,504.43             | 55,746,175.57               | 59,215,631.13               |
|                  |   |                           |                                  |                                   |                           |                           |                                 |                                      |                           |                             |                             |
|                  | <b>(Previous Year)</b>                          | 75,890,398.00             | -                                | -                                 | 75,890,398.00             | 12,467,335.99             | 4,207,430.88                    | -                                    | 16,674,766.87             | 59,215,631.13               | 68,026,502.34               |

## Cash Flow Statement

Reg. Office: 3/12, Ground Floor, Asaf Ali Road, New Delhi 110002

CIN: L92132DL2002PLC116330

### Note 29

### **SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS**

#### **1 SIGNIFICANT ACCOUNTING POLICIES**

##### **1.1 Basis of Accounting**

The financial statements are prepared under the historical cost convention on the concept of a going concern, in accordance with the Generally Accepted Accounting Principles and mandatory Accounting Standards as notified under Rule 7 of the Companies (Accounts) Rules, 2014 which is similar to provisions and presentational requirements of the Companies Act, 2013.

##### **1.2 Recognition of Income**

Sales represents invoiced Value of goods Sold and services provided. Other Income is recognised and accounted for on accrual basis unless otherwise stated.

##### **1.3 Tangible Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

##### **1.4 Taxes on Income**

Current tax is determined and provided for on the amount of taxable income at the applicable rates for the relevant financial year. Deferred Tax Assets and Liabilities (DTA/ DTL) are recognised, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. The DTA is recognised only to the extent that there is reasonable certainty of sufficient future profits against which such DTA can be realised.

##### **1.5 Contingent Liability**

The contingent liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts, if it becomes probable that there will be outflow of resources for settling the obligation.

##### **1.6 Events occurring after the balance sheet date**

Adjustments to assets and liabilities are made for events occurring after the balance sheet date to provide additional information materially affecting the determination of the amounts of assets or liabilities relating to conditions existing at the balance sheet date.

##### **1.7 Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year/ period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year/ period.

##### **1.8 Use of estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

### 1.9 Foreign Currency Transaction

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the year end are translated at the rate ruling at the year end rate.

### 1.10 Depreciation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

## 2 NOTES TO THE ACCOUNTS

2.1 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

2.2 All the investments made by the company are valued at Cost .

2.3 Managerial Remuneration: 396,000

2.4 The Company does not have any inventory as at 31.03.2016.

2.5 Deffered tax arising on account of timing differeance and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deffered tax assests are recognised unless there is virtual certainty with respect to the reversal of the same in future years.

2.6 All schedules annexed to and form integral part of the Balance Sheet and Profit & Loss Account.

2.7 Minimum Alternative Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specefied period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entilement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

2.8 Related party transaction:

As per AS-18-"Related Party Disclosure" the disclosures of transactions with the related parties are given below:

- i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

| Name of the Related Party | Relationship |
|---------------------------|--------------|
|                           |              |



1. Gajraj Singh

Key Managerial Personnel

ii) Transactions during the year with related parties :

| Nature of Trasaction | Key Managerial Personnel | Total |
|----------------------|--------------------------|-------|
| Nil                  |                          |       |

**2.9** Contingent Liability not provided for:  
Income tax matters in dispute/under Appeal:

The Income Tax assessment for the company have been completed up to the financial year ended 31st March 2012, arising from the completed assessment there is net demand of Rs. 2,11,71,420 (excluding interest). The company have gone on further appeal on this matter. Due to pending progress in appeal, the liability for the demand has not been recognised in the accounts.

## 2.10 EARNINGS PER SHARE

| S.No | Particulars  | As at 31 March 2017 |
|------|--|---------------------|
| 1    | Profit for Basic Earning Per Share as per Statement of Profit and Loss | 875,963.72          |
| 2    | Weighted Average Number of Equity Shares* (Nos)                        | 232,896,000         |
| 3    | Earning Per Share (Basic and Diluted)                                  | 0.004               |
| 4    | Face Value per Share   | 1.00                |

**2.11** Company has followed ICDS which has notified by the CBDT Notification No. 87/2016 dt. 29 Sept. 2016

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement

For Ranjan Gupta & Co.  
Chartered Accountants

For and on behalf of the Board of Directors  
Channel Nine Entertainment Limited

Sd-  
CA. Ranjan Gupta

Prop.  
Membership No.: 082408  
Firm Regd. No. 17319N

Sd-  
RAJESH KUMAR  
RAMJAS JAISWAR  
(Director)  
DIN: 06845321

Sd-  
SUNEEL KUMAR  
(Director)  
DIN: 07135321

Place: Delhi  
Date:- 27.05.2017

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

|                       |                      |       |
|-----------------------|----------------------|-------|
| Name of the Member(s) |                      |       |
| Registered Address    |                      |       |
| E-mail Id             | Folio No / Client ID | DP ID |

I/We, being the Member(s) of ..... shares of Channel Nine Entertainment Limited (the above named Company), hereby appoint

|                            |
|----------------------------|
| Name :                     |
| Address:                   |
| Signature , or failing him |

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **15<sup>th</sup> Annual General Meeting** of the company, to be held on Saturday, the 23<sup>rd</sup> day of September, 2017 at 09:00 a.m. at Gauri Shankar Mandir, K-Block, Mangol Puri, Delhi -110083 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sl. No. | Resolution(S)  | Vote |         |
|---------|--|------|---------|
|         |  | For  | Against |
| 1.      | To Adopt statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31 <sup>st</sup> March, 2017.      |      |         |
| 2.      | To Appoint a Director in place of Mr. Rajesh Kumar Ramjas Jaiswar, who retires by rotation and being eligible offer himself for re - appointment |      |         |
| 3.      | To Ratify the Appointment of M/s Ranjan Gupta & Co., Chartered Accountants (Firm Registration No. 17319N) as Statutory Auditor of the Company    |      |         |

Signed this \_\_\_ day of \_\_\_\_ 20\_\_

Affix Revenue Stamp

Signature of Shareholder shareholder

Signature of Proxy holder

Signature of the  
across Revenue Stamp

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company.

**Channel Nine Entertainment Ltd**

3/12, Ground Floor, Asaf Ali Road, New Delhi - 110002, Tel: +91-11-32315575, Fax: +91-11-31325575  
E-mail : Channelnineentertainment@yahoo.com Website : Wwww.channelnineentertainment.com  
CIN: L92132DL2002PLC116330

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

**15th Annual General Meeting on \_\_\_\_\_**

Full name of the members attending \_\_\_\_\_

(In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

I hereby record my presence at the 15<sup>th</sup> Annual General Meeting of the of Channel Nine Entertainment Limited will be held at Gauri Shankar Mandir, K-Block, Mangol Puri, Delhi -110083 on Saturday, 23<sup>rd</sup> September, 2017 at 09:00 A.M.



(Member's /Proxy's Signature)

**Note:**

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 3) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

Route - Map for Annual General Meeting

