



CINERAD COMMUNICATIONS LIMITED

TWENTY FIFTH
A N N U A L
R E P O R T
2 0 1 0 - 2 0 1 1

CINERAD COMMUNICATIONS LIMITED

BOARD OF DIRECTORS

DIWAKAR GANDHI

(CHAIRMAN)

ABHINEET GUPTA

(MANAGING DIRECTOR)

MUKESH PATHAK

(DIRECTOR)

S.C.SACHDEVA

(DIRECTOR)

ASHOK KUMAR BANSAL

(COMPANY SECRETARY)

AUDITORS

RASTOGI NARAIN & CO.

Chartered Accountants

BANKERS

AXIS BANK LTD.

REGISTERED OFFICE

Premises No. 55, Ground Floor, Om Heera Panna Premises Co-op. Society Ltd.

Oshiwara, Andheri(W), Mumbai,

Maharashtra-400053

CORPORATE OFFICE

B-19, First Floor

Greater Kailash Enclave Part-1,

New Delhi – 110048.

REGISTRAR AND SHARE TRANSFER AGENTS

System Support Services

209, Shivai Industrial Estate

89, Andheri Kurla Road

Sakinaka, Near L.I.C

Mumbai-400072



NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Members of CINERAD COMMUNICATIONS LIMITED will be held at Kilachand Conference Room, 2nd Floor, India Merchant Chambers Building, IMC Marg, Chrchugate, Mumbai-400 020, on Tuesday, 27th September, 2011 at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider, approve and adopt the Audited Balance Sheet as at March 31, 2011 and the Profit and Loss Account for the year ended March 31, 2011 and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. S.C.Sachdeva who retires by rotation and being eligible offer himself for re appointment.
3. To appoint M/s Rastogi Narain & Co, Chartered Accountants, as Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the board of directors to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:-
"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), the Company hereby accords its approval for re-appointment of Mr. Abhineet Gupta as Managing Director of the Company for a period of three years with effect from 29th July 2011 till 28th July 2014, upon the terms & conditions including remuneration as minimum remuneration in the case of loss or inadequacy of profits in any financial year as set out in the explanatory statement, annexed to the notice convening this annual general meeting which shall be deemed to form part thereof with liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee of the board constituted to exercise its power including powers conferred by this resolution) to alter and vary the terms and conditions of the Agreement in such manner as may be agreed to between the Board and Mr. Abhineet Gupta and in accordance with the applicable provisions of the Act and any amendment thereto or re-enactment thereof.
"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem desirable, necessary, expedient, usual or proper to implement this resolution."

For and on behalf of the Board of Directors

Ashok Kumar Bansal
Company Secretary

Date: 28.07.2011

Registered Office:
Premises No. 55, Ground Floor,
Om Heera Panna Premises Co-op. Society Ltd.,
Oshiwara, Andheri(W), Mumbai,
Maharashtra- 400053

Notes:

1. Explanatory Statement setting out all material facts relating to special business contained in item No. 4 as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing a proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of this meeting. A proxy shall not vote except on a poll. A proxy form is appended with the admission slip.
3. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
4. The Register of Members and the Share Transfer Registers of the Company will remain closed on 27.09.2011
5. Members are requested to notify change of address, if any, (a) to their respective Depository Participant in case of shares held in electronic form and (b) to the Company's Registrars & Transfer Agents, M/s System Support Services, 209, Shivai Industrial Estate, 89 Andheri Kurla Road, Sakinaka, Near L.I.C., Mumbai- 400 072, in case of shares held in physical form.

6. Any Member desirous of obtaining any information pertaining to the Accounts may forward such queries in writing to the Accounts Department at the Corporate Office of the Company at least 10 days prior to the Meeting in order to enable the Company to keep the information ready to the extent possible.
7. Members or their Authorized Representatives/Proxies are requested to bring their copies of Annual Report at the Meeting.

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

ITEM NO. 4

Mr. Abhineet Gupta was earlier appointed as a Managing Director of the company with effect from 30th August 2008 which was approved by the member's resolution passed at 22nd Annual General Meeting held on 27th September 2008. Upon the expiry of the current term the Board of Directors, at their meeting held on 28th July 2011, re-appointed Mr. Abhineet Gupta as Managing Director of the Company for a further period of three years with effect from 29th July 2011, subject to the approval of the shareholders in a general meeting on the following terms and conditions.

1. Tenure:

The appointment of Mr. Abhineet Gupta as Managing Director shall be for a period of three years from 29th July 2011. Mr. Abhineet Gupta shall be a non- rotational director till he is managing director of the company.

2. Overall Remuneration :

Subject to the provision of Section 198, 269 & 309 and other applicable provisions, if any, of the Companies Act 1956, the remuneration payable to the Managing Director in any financial year shall not exceed 5% (five percent of the net profit of the company) or such other limits as may be specified under the relevant legislation prevailing from time to time. Within the aforesaid ceiling, the remuneration payable to him shall be as follows:

a. Salary

The basic salary of Mr. Abhineet Gupta shall be in the range of Rs.25000/- to 50,000/- per month. The current salary of the Managing Director would be 28000/- per month which may be increased up to Rs 50,000/- per month by the Board of Directors of the company depending upon the performance and merit.

b. Perquisites

- i. In addition to above remuneration the Managing Director shall also be entitled to perquisites like furnished accommodation, gas, electricity, water and furnishings, medical reimbursement and leave travel assistance for self and family, club fees, medical insurance etc. in accordance with the rules of the company.
- ii. Valuation of perquisites shall be done as per the Income Tax Rules, wherever applicable. In the absence of any such Rule, the perquisites shall be evaluated at actual cost.

c. Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund shall be as per rules of the Company.

d. Gratuity:

One half months salary for each completed year of service in accordance with the rules of the company.

3. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director, the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites as specified in Section II of Part II of Schedule XIII to the Companies Act, 1956 as may be amended from time to time.

4. Functions

Subject to the superintendence, control and direction of the Board of Directors of the Company the Managing director shall have substantial powers of management including day to day affairs of the Company and shall exercise other duties and functions as may be delegated/ assigned to him by the Board of Directors/ Committee of Directors from time to time.

5. Sitting Fee

He shall not be paid any sitting fee for attending the Meeting of Board or Committee thereof.

6. He shall not, so long as he functions as a Managing Director, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company. This Explanatory Statement together with the accompanying Notice may be regarded as an abstract of terms of contract or variations and memorandum of concern or interest under Section 302 of the Companies Act, 1956. The Board of Directors recommends the resolution for approval of Members. Apart from Mr. Abhineet Gupta no other director be deemed to be considered as interested in the resolution.



Disclosure pursuant to Clause 49 of the Listing Agreement with respect to the Directors seeking reappointment at the forthcoming Annual General Meeting

1. Mr. S.C.Sachdeva

Mr. S.C.Sachdeva, aged 65 years, is M.Tech from IIT Kanpur. He has an overall experience of more than 37 years in the Petroleum Sector.

Directorship held in other Companies

- i) K.L.Projects Pvt. Ltd.
- ii) True God India Pvt. Ltd.

Membership in committees in other Companies

Nil

2. Mr. Abhineet Gupta

Mr. Abhineet Gupta, aged 32 years, is a Master in Commerce from Mohanlal Sukhadiya University. He has an overall experience of over 10 years in the field of Finance, Accounts.

Directorship held in other Companies

- i) Mount Arrawali Financial Services Pvt. Ltd.
- ii) Riverbank Hotels Pvt. Ltd.
- iii) Riverwood Infrastructure Pvt. Ltd.
- iv) Indiaemerging Alternate energy Pvt. Ltd.
- v) Anurag Fincap Services Pvt. Ltd.

Membership in committees in other Companies

Nil

DIRECTORS' REPORT

Dear Members

Your Directors present the 25th Annual Report of the Company along with the Audited Accounts for the year ended 31st March 2011.

FINANCIAL RESULTS

The financial results of the company are as under:

	Year ended 31-03-2011	(Rs.in Lakhs) Year ended 31-03-2010
Profit /Loss before depreciation and taxation	23.72	(56.40)
Less: Depreciation	20.01	19.38
Less: Provision for Taxation	-	-
Profit/(Loss) after depreciation & Tax	3.71	(75.78)
Balance brought forward from previous yr.	(705.35)	(629.57)
Balance carried forward	(701.64)	(705.35)

In view of Negligible profit, the Directors do not recommend payment of dividend for the year ended 31-03-2011.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

Industry Structure and Development

Going by figures, India GDP has already crossed the trillion-dollar mark, other peers in this sphere being US, Japan, Germany, China, UK, France, Italy, Spain, Canada, Brazil and Russia. India's GDP (purchasing power parity) in 2010 was \$4.046 trillion & GDP - composition by sector was Services: 55.3%, Industry: 28.6% Agriculture: 16.1%. Economic growth, as measured by the Gross Domestic Product, improved to 8.5 per cent in 2010-11 from 8 per cent in 2009-10 due to better farm output and construction activities and financial services performance.

Growth Forecast for Media & Entertainment Industry

The Media and Entertainment (M&E) industry is one of the fastest growing sectors in India. The industry primarily involves the creation, aggregation and distribution of content, products and services, news and information, advertising and entertainment through various channels and platforms such as Television, Print, Radio, and Films. Poised to grow at a compounded rate of 14 per cent to touch US\$ 28 billion by 2015, the sector registered a growth of 11 per cent in 2010 over 2009 garnering US\$ 14.54 billion in revenue, according to a report released by KPMG and a leading industry body in March 2011. The report estimates the industry to achieve 13 per cent growth rate in 2011. While television and print continued to dominate the Indian M&E industry, sectors such as gaming, digital advertising, and animation VFX grew at a faster rate and show tremendous potential in the coming years. In 2010, advertising spends grew by 17 per cent to US\$ 5.93 billion and accounted for 41 per cent of overall industry size. Revenues from television advertising and subscription are expected to touch US\$ 4.8 billion and US\$ respectively during 2015, according to the report.

Performance

Your Company has, in the previous year, not done much activity on operation side.

During the year under review, the Company has a total income of Rs.76.93 lakhs as against Rs. 10.26 lakhs in the previous year. The Company has made an operating profit during the year of Rs. 23.72 lakhs, as against an operating loss of Rs. 56.40 lakhs for the previous year. However, the Profit after depreciation and taxation for the year is Rs. 3.71 lakhs, as against a loss after depreciation and taxation of Rs. 75.78 lakhs for the previous year.

The management is taking best efforts to start the operation at full scale. The management has decided to keep overhead to bare minimum till a new business plan with identified revenue streams is in place.

Outlook

The Indian Entertainment and Media Industry has out-performed the Indian economy and is one of the fastest growing sectors in India. It is rising on the back of economic growth and rising income levels that India has been experiencing in the past years. This is significantly benefiting the entertainment and media industry in India as this is a cyclically sensitive industry and it grows faster when the economy is expanding.

Segment-wise Reporting

The Company has only one segment and segment-wise reporting does not apply to it.



Internal Control & Systems

The Company maintains an adequate and effective internal control system commensurate with its size and complexity. We believe that these internal control systems provide a reasonable assurance that transactions are executed with management authorization and that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles and that the assets of the company are adequately safe-guarded against significant misuse and loss. Significant findings of the Internal Auditor are brought to the notice of the Audit Committee of the Board and corrective measures recommended for implementation.

Personnel

Relations with employees remained cordial during the year. The total number of people employed in the Company on an average, during the year under review, was 10.

Cautionary Statement

The Statements forming part of the Director's Report may contain certain forward-looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

Fixed Deposits

The Company has not accepted any Fixed Deposits from the Public during the financial year under review.

Directors

Mr. S.C.Sachdeva who was appointed as director & is liable to retire by rotation during the year is being eligible offer himself for reappointment. Your Directors recommend his reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956 with respect to Directors confirm that:

- In the preparation of annual accounts the applicable accounting standards have been followed;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31st March, 2011 and the profit of the company for the year;
- That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- That the Directors have prepared the annual accounts on a 'going concern' basis.

COMPLIANCE CERTIFICATE

A separate section on Corporate Governance forming part of the Director's Report and the certificate from the Company's Auditors confirming the compliance of conditions on Corporate Governance as stipulated in 'Clause 49 of the Listing Agreement is included in the Annual Report.

AUDITORS

The Auditors M/s Rastogi Narain & Co., Chartered Accountants, retires at this Annual General Meeting and are eligible for re-appointment. They have confirmed that their appointment, if made, will be accordance with the limits specified in Section 224(1-B) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

There were no employees covered by the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particular of Employees) Rules 1975, as amended.

INFORMATION PURSUANT TO SECTION 217(1)(e)

Provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are not applicable to the Company, in respect of Conservation of Energy and Technology Absorption and Research & Development.

FOREIGN EXCHANGE EARNINGS AND OUTGO

	<u>31-03-2011</u>	<u>(Amount in Lakhs)</u> <u>31-03-2010</u>
Total Foreign exchange earned	NIL	NIL
Total Foreign exchange used	NIL	NIL

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the contribution of employees at all levels. Your Directors also take this opportunity to thank the Company's Bankers, Shareholders and all others concerned for their valuable support and co-operation extended to the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Diwakar Gandhi
Chairman

Place: New Delhi
Date: 30.05.2011



CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the Listing Agreement)

COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance, which assumes great deal of importance at CINERAD COMMUNICATIONS LIMITED, is intended to ensure value creation for all its stakeholders. CCL believes that the governance process must ensure adherence and enforcement of the principles of sound Corporate Governance with the objectives of fairness, transparency, professionalism, trusteeship and accountability, while facilitating effective management of the businesses and efficiency in operations. The Company is committed to achieve and maintain highest standards of Corporate Governance on an ongoing basis. The Company is listed on the Bombay Stock Exchange and has complied in all material respects with the features of corporate governance as specified in the Listing Agreement.

Board of Directors

During the year under review, 5 Board Meetings were held on the following dates: May 29, 2010; August 4, 2010; Nov 3, 2010; Nov 10, 2010; January 31, 2011.

The composition of the Board, attendance of Board Meetings (BM) held during the financial year under review and at the last Annual General Meeting (AGM), numbers of Directorships and memberships / chairmanships in public companies (excluding the Company) are given below:

Name of Director	Category	F.Y 2010-11 Attendance at		No. of other Directorships	As Committee Chairman	Position as Member
		BM	Last AGM			
Mr. Diwakar Gandhi (Chairman)	Director Non-Executive	05	Yes	02	02	03
Mr. Abhineet Gupta	Managing Director	05	No	Nil	00	00
Mr. Mukesh Pathak	Independent Non-Executive	02	No	Nil	01	03
Mr.S.C. Sachdeva	Independent Non-Executive	02	No	Nil	00	03

Audit Committee

The Audit Committee comprises of three members, viz; Mr. Diwakar Gandhi, Mr. Mukesh Pathak, Mr. S.C.Sachdeva and Mr. Ashok Kumar Bansal as Secretary to the committee. Mr. Mukesh Pathak is the chairman of Audit Committee. The scope of the activities of the audit committee is as set out in clause 49 of the listing agreement with the stock exchange read with section 292A of the Companies Act, 1956. The terms of reference of the audit committee broadly are as under:

- To hold periodic discussions with the statutory and internal auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of the auditors;
- To review compliance with the internal control systems;
- To review the quarterly, half yearly and annual financial results of the company before submission to the board;
- At Present to make recommendations to the board on any matter relating to the financial management of the company, including the audit report of the statutory and internal auditors.

During the period under review the audit committee met on four occasions:

May 29, 2010; August 4, 2010; November 3,2010, January 31,2011

Attendance of each Member at the Audit Committee meetings held during the year

Name of the Committee Member	No. of meetings held	No. of meetings attended
Mr. Mukesh Pathak	4	2
Mr. Diwakar Gandhi	4	4
Mr. S.C.Sachdeva	4	2

Remuneration Committee

The company has set up a Remuneration Committee comprising of 3 members – Mr. Diwakar Gandhi, Mr. S.C.Sachdeva and Mr. Mukesh Pathak to look into the matter related to the payment of remuneration to directors. Mr. Diwakar Gandhi has been elected as Chairman. All the members of Remuneration Committee have good exposure to finance as well as general management.

Shareholders / Investor Grievances Committee

Chairman : Mr. Diwakar Gandhi,
 Members : Mr. Mukesh Pathak, Mr. S. C. Sachdeva
 Compliance Officer : Mr. A.K .Bansal, Company Secretary
 No. of Complaints received by : NIL
 Company's Registrar & Share Transfer Agents
 M/s. System Support Services during the financial year ended March 31, 2011
 No. of pending share transfers : NIL

General Body Meetings

AGM for The financial Year	Location of Holding AGM	Date and Time of AGM
2009-2010	Killachand Conference Room, Second Floor, India Merchant Chambers Building, IMC Marg, Chrchgate, Mumbai-400020	September – 28, 2010 at 10.00 A.M.
2008-2009	Killachand Conference Room, Second Floor, India Merchant Chambers Building, IMC Marg, Chrchgate, Mumbai-400020	September – 25, 2009 at 10.00 A.M.
2007-2008	Killachand Conference Room, Second Floor, India Merchant Chambers Building, IMC Marg, Chrchgate, Mumbai-400020	September –27, 2008 at 10.00 A.M.

Special Resolution passed through Postal Ballot:

- i) No special resolution was passed through Postal Ballot during 2010-2011. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.
- ii) Ordinary Resolution was passed through Postal Ballot during 2010-2011 pursuant to Section 293(1) (a) of the Companies Act, 1956 to sell /lease out / transfer the immovable property in the name of the Company measuring 950 sq. ft. comprising G-3,5,6,7,8 & G-19 situated at Ground Floor , Bombay Market Apartment, 78, Tardeo Road, Tardeo , Mumbai-400034 of the Company being self occupied property to any potential buyer by way of sale or transfer through agreement to sell, lease out etc. at such consideration being not lower than the fair market price prevailing at the time of sale etc or as the Board of Directors (hereinafter called "The Board" and which terms shall be deemed to include any committee, which the Board may be constituted to exercise its power) of the Company may decide.

Disclosures

There are no materially significant transactions made by the company with its promoters, directors or management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the company at large. The Register of Contracts containing transactions in which directors are interested is placed before the board regularly for its approval.

During the last three years, there were no strictures or penalties imposed by either SEBI or the stock exchange or any statutory authorities for non-compliance on any matter related to the capital markets.

Means of Communication

Quarterly, Half yearly and Annual results of the company are published in newspapers such as Financial Express and Mumbai Lakshdeep Mahanagar. These results are properly submitted to the stock exchanges so that the same can be displayed on their website.

Management discussion and analysis form part of the Directors' Report enclosed in this annual report.



General Shareholder Information

AGM date, time and venue	September 27, 2011 at 10.00 A.M. at Kilachand Conference Room, 2 nd Floor, India Merchant Chambers Building, IMC Marg, Church Gate, Mumbai-400020
Financial Calendar	1 st April to 31 st March
Date of Book Closure	27 th SEPTEMBER 2011
Listing on Stock Exchanges	The Stock Exchange, Mumbai, P.J. Towers, Dalal Street, Mumbai, 400023.
Stock Code, The Stock Exchange, Mumbai	530457
Demat ISIN No. for CDSL and NSDL	INE959B01017
Listing Fee	Paid for the year 2010-11

Market Price Data: High – Low During each month in the last financial year

(In Rs.)

Month	High	Low
April, 2010	9.05	5.62
May, 2010	9.69	6.76
June, 2010	8.40	5.56
July, 2010	10.56	7.90
August, 2010	13.48	9.75
September, 2010	10.55	8.01
October, 2010	9.34	6.71
November, 2010	8.77	6.75
December, 2010	8.74	6.91
January, 2011	7.00	5.60
February, 2011	6.40	5.01
March, 2011	6.07	4.82

Distribution of share holding on March 31, 2011

No. of Equity Shares held From to	Shareholder		Shareholding	
	Nos.	%	Nos.	%
1 – 500	1712	78.57	305991	5.88
501 – 1000	210	9.64	185285	3.56
1001 – 5000	193	8.85	421369	8.11
5001 – 10000	27	1.24	193874	3.73
10001 & above	37	1.70	4093481	78.72
TOTALS	2179	100.00	5200000	100.00

Shareholding Pattern as on March 31, 2011

Category	No. of equity shares held	Percentage of shareholding
A Promoter's holding		
1 Promoters		
- Indian Promoters	23,15,361	44.53
- Foreign Promoters	-	-
Sub – Total	23,15,361	44.53
B Non – Promoters Holding		
2 Institutional investors		
A Mutual Funds and UTI	5,700	0.11
B Banks, Financial Institutions, Insurance Companies (Central/state Govt. Institutions / Non-government Institutions)	-	-
C FIIS	-	-
Sub – Total	5,700	0.11
3 Others		
A Private Corporate Bodies	10,45,543	20.11
B Indian Public	18,29,480	35.18
C NRIs / OCBs	3,916	0.07
D Any other – In transit (De-materialized)	-	-
Sub – Total	28,78,939	55.36
Grand Total	52,00,000	100.00

Registrar and Share Transfer Agents

SYSTEM SUPPORT SERVICES
209, Shivali Industrial Estate
89, Andheri Kurla Road,
Sakinaka Near L.I.C.
Mumbai- 400 072
Telephone Numbers: 2850 0385
Fax Number: 2850 1438

Share Transfer System

Shareholders/Investors grievance committee also approves share transfers and meets at frequent intervals System Support Services, Company's registrars and share transfer agents process these transfers. Share transfers are registered and returned within 15 days from the date of lodgment if documents are complete in all respects.

Secretarial Audit

A qualified practising company secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services India limited (CDSL) and the total issued and listed capital. The audit confirms that the total issue/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Dematerialization of Shares and Liquidity

Based on SEBI directive, Company's shares are traded in dematerialized form. As on March 31, 2011, 85.97% of the paid up share capital of the Company was in dematerialized form.

Address for Correspondence

Shareholders should address their correspondence to the company's Registrar and Share Transfer Agents at the address mentioned above, contact person: Mr. Mahendra Mehta.

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

Auditors' Certificate on compliance of conditions of Corporate Governance to the Members of Cinerad Communications Limited

We have examined the compliance of corporate governance by **CINERAD COMMUNIATIONS LIMITED** for the year ended 31st March, 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above-mentioned listing Agreement.

On the basis of our verification of the records maintained by the Company and presented to the investors, Grievance Committee, we have to state that no investor grievances were remaining unattended/pending for more than thirty days.

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

For Rastogi **Narain & Co.**
Chartered Accountants

Shanti Narain
Partner,
Membership No. 87370,

Place: New Delhi,
Date: 30.05.2011



AUDITORS' REPORT

To
THE MEMBERS OF
CINERAD COMMUNICATIONS LIMITED

1. We have audited the attached Balance Sheet of Cinerad Communications Ltd. as at 31st March 2011 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from any material misstatement. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956. We enclose in the Annexure a statement specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph (3) above, we report that:
 - (i) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (ii) 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;
 - (iii) The Balance Sheet and Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account;
 - (iv) In our opinion the Balance Sheet and Profit and Loss Account and Cash Flow Statement comply with the accounting standards as referred to in Section 211(3C) of the Companies Act, 1956.
 - (v) On the basis of written representations received from the directors, as on 31st March, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, the Profit and Loss Account and Cash Flow Statement read together with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011; and
 - (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date.
 - (c) in the case of the Cash Flow Statement, of the Cash Flow Statement for the year ended on that date.

For Rastogi **Narain & Co.**
Chartered Accountants
Firm Registration No.: 008775N

SHANTI NARAIN
Partner
M. No. 87370

Place: New Delhi
Date: 30.05.2011

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date to the members of **CINERAD COMMUNICATIONS LIMITED** for the year ended 31st March 2011)

On the basis of such checks as we considered appropriate and in terms of information and explanation and explanations given to us, we state that:

1. a) The Company has maintained proper records, showing full particulars including quantitative details and situation of fixed assets. However updating of the fixed assets register is under process.
b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification which in our opinion is reasonable considering the size and nature of its business. No discrepancies were noticed on the assets physically verified by the Management.
c) In our opinion, a substantial part of fixed assets have been disposed off by the company during the year. According to the information & explanations given to us, we are of opinion that the sale of said premises has not affected the going concern status of the company.
2. The company has no inventory at the end of the year.
3. The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and accordingly, paragraph (iii)(a), (iii)(b), (iii)(c) (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures needs to be strengthened with the size of the company and the nature of its business with regard to purchase of fixed assets. The nature of business of the Company does not involve any purchase of inventory and sale of goods. Further, on the basis of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register maintained under that section.
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register maintained under Section 301 in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted any deposits from the Public within the meaning of section 58A & 58AA or any other relevant provisions of the Act, 1956 and rules framed thereunder.
7. We have been informed that though the paid up capital exceeds Rs. 50 lakhs, the company has carried out only limited activities and therefore internal audit has not been carried out during the year.
8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of Cost Records under Clause (d) of subsection 1 of section 209 of the Companies Act, 1956 in respect of services carried out by the Company.
9. a) The Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Income tax and other material statutory dues applicable with the appropriate authorities in India.
b) In our opinion there are no undisputed statutory dues as at the last day of the financial year that remains outstanding for more than six months from the date they become payable.
10. In our opinion, the accumulated losses of the company at the end of the financial year are more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered under the audit, however the company has incurred cash losses in the financial year immediately preceding current financial year.
11. According to the information and explanations given to us, the Company has not borrowed any loans from Banks and financial institutions and there are no debentures issued by the Company. Therefore Clause 4 (xi) of Companies (Auditor's Report) Order, 2003 is not applicable.
12. Based on our examination of the records and the information & explanations given to us, the company has not granted any loans and / or advances on the security by way of pledge of shares, debentures and other securities.



13. Clause (xiii) of the order is not applicable to the company, as the company is not a chit fund company or nidhi / mutual benefit fund / society.
14. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the company has not given guarantee for loans taken by others from banks and financial institutions.
16. The company has not obtained any term loan during the current year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that during the year as there were no funds raised on short-term / long term basis, Clause 4(xvii) of the Companies (Auditor's Report) Order, 2003 is not applicable.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
19. The company has not issued any debentures during the year
20. The Company has not raised any money by public issues during the year.
21. During the course of our examination of the books and records of the company, carried out in accordance with generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such cases by the management.

For **Rastogi Narain & Co.**
Chartered Accountants
Firm Registration No.: 08775N

(SHANTI NARAIN)
Partner
M. No. 87370

Place: New Delhi
Date: 30.05.2011

BALANCE SHEET AS AT 31ST MARCH, 2011

	SCHEDULE NO.	AS AT 31/3/2011 Rs.	AS AT 31/3/2010 Rs.
SHAREHOLDERS FUND			
Share Capital	1	52,000,000	52,000,000
Reserves & Surplus	2	49,561,826	51,794,109
		<u>101,561,826</u>	<u>103,794,109</u>
FIXED ASSETS			
Gross Block	3	33,521,328	47,090,398
Less : Depreciation		<u>21,629,722</u>	<u>29,419,012</u>
Net Block		11,891,606	17,671,386
INVESTMENTS (at cost)	4	14,906,713	4,512,417
NET CURRENT ASSETS			
Current Assets, Loans & Advances	5	4,752,431	11,639,293
Current Liabilities & Provisions	6	<u>(153,648)</u>	<u>(564,472)</u>
Net Current Assets		4,598,783	11,074,821
PROFIT AND LOSS ACCOUNT	7	70,164,724	70,535,485
Debit Balance in Profit & Loss A/c		<u>101,561,826</u>	<u>103,794,109</u>
Accounting Polices and Notes to Accounts	10		

As per our audit report of even date
For Rastogi Narain & Co.
Chartered Accountants
Firm Reg. No.: 008775N

For Cinerad Communications Ltd.

Shanti Narain
Partner
M.No.: 87370

Ashok Kumar Bansal
Company Secretary

Abhineet Gupta
Managing Director

Diwakar Gandhi
Chairman

Place : New Delhi
Dated : 30th May, 2011



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

	SCHEDULE NO.	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
INCOME			
Job Income		145,000	235,000
Other Income	8	7,547,802	790,619
		<u>7,692,802</u>	<u>1,025,619</u>
EXPENDITURE			
Job Work & Shooting Expenses		1,846,000	2,711,100
Administrative & General Expenses	9	3,475,043	3,954,655
Depreciation		2,086,557	
Less: Transferred to Revaluation Reserve		<u>85,559</u>	1,937,620
		<u>7,322,041</u>	<u>8,603,375</u>
PROFIT BEFORE TAX		370,761	(7,577,756)
Tax Expense			
Provision for Income Tax		-	-
PROFIT AFTER TAX		370,761	(7,577,756)
Balance brought forward		(70,535,485)	(62,957,729)
Balance Transferred to Balance Sheets		<u>(70,164,724)</u>	<u>(70,535,485)</u>
Basic and Diluted Earnings Per Share		0.07	(1.46)
(Equity Shares of Face value of Rs. 10/- each)			
Number of shares used in computing earning per share		5,200,000	5,200,000
Accounting Polices and Notes to Accounts	10		

As per our audit report of even date
For Rastogi Narain & Co.
Chartered Accountants
Firm Reg. No.: 008775N

For Cinerad Communications Ltd.

Shanti Narain
Partner
M.No.: 87370

Ashok Kumar Bansal
Company Secretary

Abhineet Gupta
Managing Director

Diwakar Gandhi
Chairman

Place : New Delhi
Dated : 30th May, 2011

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

	<u>AS AT</u> <u>31/3/2011</u>	<u>AS AT</u> <u>31/3/2010</u>
SCHEDULE - 1 : SHARE CAPITAL		
AUTHORISED		
15,000,000 Equity shares of Rs. 10/- each (Previous Year 15,000,000 Equity shares of Rs. 10/- each)	<u>150,000,000</u>	<u>150,000,000</u>
ISSUED, SUBSCRIBED & PAID UP		
5,200,000 (Previous Year : 5,200,000) Equity Shares of Rs. 10/- (Previous Year Rs. 10/-) each	<u>52,000,000</u>	<u>52,000,000</u>
TOTAL	<u>52,000,000</u>	<u>52,000,000</u>
 SCHEDULE - 2 : RESERVES AND SURPLUS		
Share Premium	39,788,290	39,788,290
Revaluation Reserve	-	2,372,323
Less: Depreciation	-	<u>140,040</u>
	-	2,232,283
<u>General Reserve</u>		
Opening Balance	(726,464)	(726,464)
<u>Capital Reserve</u>	10,500,000	10,500,000
(Refer to Note No.:4 of schedule 10)		
TOTAL	<u>49,561,826</u>	<u>51,794,109</u>

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

**SCHEDULE 3
FIXED ASSETS**

Particulars	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As on 1.4.2010 Rs.	During the year Additions Rs.	As on 1.4.2010 Rs.	For the Year Rs.	As on 31.3.2011 Rs.	As on 31.3.2010 Rs.
TANGIBLE ASSETS						
Premises	12,871,101	- 12,871,101	6,338,539	262,648	-	6,532,563
Office Equipment	568,033	52,100	138,278	26,982	165,260	429,757
Computers	1,877,846	- 1,877,846	1,877,846	-	-	-
Plant & Machinery	30,061,895	-	19,717,367	1,427,941	21,145,308	10,344,528
Air conditioner	621,400	- 621,400	389,753	18,033	-	231,647
Furniture & fixtures	822,173	8,800	689,282	32,072	276	132,891
Sub Total	46,822,448	60,900	29,151,065	1,767,676	9,607,897	17,671,386
INTANGIBLE ASSETS						
Copyrights	267,950	- 267,950	267,950	-	-	-
Softwares	-	2,830,500	-	318,881	318,881	-
Sub Total	267,950	2,830,500	267,950	318,881	318,881	-
TOTAL	47,090,398	2,891,400	29,419,015	2,086,557	9,875,847	17,671,386
Previous Year	46,898,198	192,200	27,341,352	2,077,660	29,419,012	19,556,846

Note : Depreciation for the year ended 31.3.2011 is Rs.
 Depreciation on account of Revaluation Reserve adjusted on studio premises (upto 10.11.2010) 2,086,557
85,559
 2,000,998



SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

	<u>AS AT</u> <u>31/3/2011</u>	<u>AS AT</u> <u>31/3/2010</u>
SCHEDULE - 4 : INVESTMENTS		
2117 Equity Shares of Coal India Ltd (M.V Rs. 731,424/-)	518,665	-
8461 Equity Shares of Power Grid Ltd.(M.V Rs. 854,561/-)	761,490	-
1172136 units of Reliance Medium Term Fund (M.V Rs 13,626,558) (Previous year 263,947 units, market value Rs. 45,12,417)	13,626,558	4,512,417
TOTAL	<u>14,906,713</u>	<u>4,512,417</u>
SCHEDULE - 5 : CURRENT ASSETS, LOANS & ADVANCES		
CURRENT ASSETS		
<u>Cash & Bank Balances</u>		
Cash in hand and Shooting Accounts	227,552	54,157
Balance With Scheduled Banks		
In Current Accounts	27,315	238,477
In FDR(Including Interest Accrued thereon)	3,050,205	10,132,750
	<u>3,305,072</u>	<u>10,425,384</u>
LOANS AND ADVANCES		
(Unsecured considered good)		
Advance for Expenses	331,816	156,816
Advance Tax Paid	915,509	907,059
Telephone Deposit/ Electricity Deposit	200,034	150,034
	<u>1,447,359</u>	<u>1,213,909</u>
TOTAL	<u>4,752,431</u>	<u>11,639,293</u>
SCHEDULE - 6 : CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Outstanding Expenses	149,236	558,160
Duties & Taxes	4,412	6,312
PROVISIONS		
Provision for Income Tax	-	-
TOTAL	<u>153,648</u>	<u>564,472</u>
SCHEDULE - 7 : PROFIT AND LOSS ACCOUNT		
Debit Balance in Profit & Loss A/c	70,164,724	70,535,485
	<u>70,164,724</u>	<u>70,535,485</u>



**SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDING 31ST MARCH 2011**

	CURRENT YEAR	PREVIOUS YEAR
SCHEDULE - 8 : OTHER INCOME		
Interest on FDR's with Banks	45,880	216,457
Dividend on mutual funds/shares	625,112	574,162
Profit on sale of Building	6,876,810	-
	<u>7,547,802</u>	<u>790,619</u>
SCHEDULE - 9 : ADMINISTRATION & GENERAL EXPENSES		
Advertisement Expenses	44,890	15,858
Audit Fees	22,060	22,060
Advances Written off	12,393	-
Bank Charges	971	1,891
Business Promotion	12,953	96,539
Electricity & Society Charges	167,305	184,931
Filing Fee	3,500	3,750
Fixed Assets Written off	314,709	-
Membership & Subscription	60,484	19,217
Miscellaneous Expenses	201,243	267,534
Officeshifting Expenses	22,500	-
Postage & Telephone	40,378	6,746
Printing & Stationery	50,164	45,414
Professional Charges	156,100	194,378
Rent, Rates & Taxes	75,000	-
Repairs & Maintenance	37,750	74,815
Salaries	1,820,096	1,820,555
Travelling & Conveyance Expenses	432,547	1,200,967
	<u>3,475,043</u>	<u>3,954,655</u>

SCHEDULE 10**NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011****1. Significant Accounting Policies:****a) System of Accounting**

The Company follows the mercantile basis of accounting both as to income and expenditure except in case of items with significant uncertainties. Financial statements are based on historical costs, convention and in accordance with applicable Accounting Standards referred in section 211 (3C) of the Companies act 1956 and generally accepted accounting principles.

b) Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and costs during the reporting period. Examples of such estimates include estimated costs to be incurred on contracts, provision for doubtful debt, future obligations under employee retirement benefit plan and estimated useful life of assets. Actual results could differ from those estimates. Any revision to accounting estimates shall be recognized prospectively in current and future periods.

c) Provisions and contingencies

The Company recognises a provision when there is present obligation as a result of past event and it is more likely than not that there will be an outflow of resources to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are not discounted to their present value and are determined based on the management's best estimate of the amount of obligation at the year-end. These are reviewed at each balance sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company. Contingent liabilities are also disclosed for present obligations in respect of which it is not probable that there will be an outflow of resources or a reliable estimate of the amount of obligation cannot be made.

When there is a possible obligation or a present obligation where the likelihood of an outflow of resources is remote, no disclosure or provision is made.

d) Fixed Assets

(i) All fixed assets are valued at cost of acquisition less accumulated depreciation thereon.

(ii) Depreciation: -

(a) The Company has provided for depreciation on all assets under Straight-line method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

(b) Depreciation on additions to assets or sale or disposal of assets is calculated on pro-rata basis from/ to the date of addition/ deduction.

e) Intangible Assets

Intangible assets are recognised if :

It is probable that the future economic benefits that are attributable to the assets will flow to the company, and the cost /fair value of the assets can be measured reliably.

f) Foreign Currency Transactions

Foreign exchange transactions are recorded at the exchange rates prevailing at the date of the transaction. Realised gains and losses on foreign exchange transactions during the year are recognised in the profit and loss account. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The resultant exchange differences are recognised in the profit and loss account.

g) Income Taxes

Tax expense for the year, comprising current tax and deferred tax is included in determining the net profit for the year.

Deferred tax assets are recognized, subject to the consideration of prudence, for all deductible timing differences and carried forward to the extent it is probable that future taxable profit will be available against with such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

h) Impairment of assets

Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of the future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the assets net selling price and present value as determined above. An impairment loss is reversed if there has been a change



in the estimate used to determine the recoverable amount. An impairment loss is recorded only to the extent that assets carrying cost does not exceed the carrying amount that would have been determined net of depreciation and amortisation, if no impairment loss has been recognised.

i) Post employment and other benefits

Short- term employee benefits:

All employee benefits payable wholly within twelve months of rendering service are classified as short-term employee benefits. Benefits such as salaries, allowances, short-term compensated absences and the expected cost of other benefits is recognised in the period in which the employee renders the related serviced

j) Earnings per share

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

B. NOTES FORMING PART OF ACCOUNTS

1. Contingent Liabilities : Claims against the company not acknowledged as debts: Nil.
2. Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. Nil
3. In the opinion of the Board, Current Assets, Loans and Advances have a value of at least equal to the amounts shown in the Balance sheet, if realized in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.
4. In earlier year the company had issued 7,500,000 Convertible Warrants of Rs. 10/- each at a premium of Rs. 4/- per share to M/s India Emerging Capital Private Limited (Promoter Shareholder) which as per the terms & conditions were to be converted into 7,500,000 Equity Shares of 10/- each within 18 months from the date of allotment after making balance payment due, however, the company did not receive the balance payment before the due date and therefore the Board of Directors in their meeting held on 1^{0th} January 2010 has forfeited the entire share application money and the money received earlier has been transferred to Capital Reserve Account.
5. During the year the company has disposed off substantially the whole of the immovable property situated at Mumbai and consequently the remaining revaluation reserve created on 1st March, 1994 amounting to Rs.21,46,724 has been credited to premises in Fixed Assets Schedule No.:3. The resultant profit amounting to Rs. 68,76,810 /- on sale of such asset has been credited to Profit on Sale of Asset.
6. During the year the company has written off assets amounting to Rs.35,89,369/- and consequently depreciated value of Rs.3,14,709/- has been debited to profit & Loss account as per following details. :

Particulars	Gross Amount	Written Down Value
Computers	Rs. 18,77,846	NIL
Air-Conditioner	Rs. 621,400	Rs. 213,614
Furniture & Fixture	Rs. 822,173	Rs. 101,095
Copyrights	Rs. 267,950	NIL

7. The Company has no long term or post employment benefit as the company did not have the minimum employees as required under the provisions of Employees Provident Fund Act and Employee State Insurance Act (defined contribution plans), hence it is not liable to make contributions under the above mentioned acts. Further, the Payment of Gratuity Act, 1972 (defined benefit plan) is not applicable to the Company due to the reasons mentioned above.
8. In few cases advances/creditors remained unconfirmed.
9. Additional information pursuant to the Provisions of Schedule VI of the Companies Act, 1956 to the extent applicable is given :-

i) Salaries & Allowances in Schedule 8 includes Managerial Remuneration as under:

	Current Year (Rs.)	Previous Year (Rs.)
Salary	276,000	2,38,000

ii) Amount paid to Auditors:

	Current year (Rs.)	Previous Year (Rs.)
Audit Fees*	22,060	22,060
Certification Fees	Nil	10,000
Income Tax & Company Law matters*	22,060	23,090
Total	44,120	55,150

*Inclusive of Service Tax

10. The Company is in the process of identifying suppliers who have registered themselves under "The Micro, Small and Medium Enterprises Development Act 2006". As of date the Company has not received confirmation in this regard from any of its registered suppliers. Therefore, the information in this regard has not been disclosed.

11. Related Party Disclosures

a. List of related parties

Parties where control exists:

Promoter Shareholder : M/s India Emerging Capital Pvt Ltd.
Key managerial personnel : Abhineet Gupta (Managing Director)
 Diwakar Gandhi (Chairman)
 Mukesh Pathak (Director)
 S.C.Sachdeva (Director)

Transactions with related parties

Name of related party	Nature of relationship	Nature of transactions	Volume of transactions during the year
Abhineet Gupta (Managing Director)	Key Management Personnel	Remuneration	Rs.2.76 lacs (Rs. 2.38 lacs)

Notes:-

- Related party relationship is as identified by the Company and relied upon by the auditors.
 - Previous year figures are given in bracket.
- Since the company has not carried activities consisting of production of advertising and promotional Films and documentaries for television and video post production services. There has been no segment reporting in accordance with the Accounting standard 17 of the ICAI.
 - In the absence of Taxable Income during the year and in view of brought forward losses, no provision for Income Tax has been made. Further the Deferred Tax Assets has also not been recognized as there is no virtual certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.
 - According to Accounting standard- As 20 issued by the Institute of Chartered Accountants of India on Earning per share the details are: -

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Calculation of Weighted Average number of Equity shares of Rs. 10 each		
Number of shares at the beginning of the year	52,00,000	52,00,000
Total number of equity shares Outstanding at the end the year	52,00,000	52,00,000
Weighted Average number of equity shares Outstanding during the year	52,00,000	52,00,000
Net Profit/ (Loss) after tax available for equity shareholder	370,761	(7,577,756)
Basic and Diluted Earning per share	0.07	(1.46)
Nominal Value per share	10	10

- The figures for the previous year have been regrouped/recast as far as practicable to make them comparable with those of the current year.

For Rastogi **Narain & Co.**
 Chartered Accountants
 Firm Reg. No.:008775N

For **Cinerad Communications Ltd.**

Shanti Narain
 Partner
 Membership No.87370

Ashok Kumar Bansal
 Company Secretary

Abhineet Gupta
 Managing Director

Diwakar Gandhi
 Chairman

Place: New Delhi
 Dated: 30th May, 2011



**CASH FLOW STATEMENT FORMAT AS PER CLAUSE 32
OF THE LISTING AGREEMENT**

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

	For the Year ended 31.03.2011	For the Year ended 31.03.2010
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	370,761	(7,577,756)
Adjustment for : Depreciation	2,000,998	1,937,620
Assets Written off	314,709	
	2,686,468	(5,640,136)
Deduct: Other Income	(7,547,802)	(790,619)
Operating Profit before working capital changes	(4,861,334)	(6,430,755)
Adjustment for :		
(Increase)/Decrease in Trade and other receivables	(233,450)	1,172,258
Increase/(Decrease) in Trade Payables	(410,824)	(670,184)
Cash generated from operations	(5,505,608)	(5,928,681)
Cash flow before extraordinary items	(5,505,608)	(5,928,681)
Net Cash Inflow/ (Outflow) from Operating Activities (A)	(5,505,608)	(5,928,681)
CASH FLOW FROM INVESTING ACTIVITIES:		
Outflow:		
Investment in Shares & Mutual fund	14,906,713	4,512,417
Purchase of Fixed Asset	2,891,400	192,200
Inflow:		
(a) Sale of Fixed Assets/Investment	15,512,417	20,038,256
(b) Other income Received	670,992	790,619
Net Cash Inflow/ (Outflow) from Investing Activities (B)	(1,614,704)	16,124,258
CASH FLOW FROM FINANCING ACTIVITIES :		
Inflow	-	-
Outflow	-	-
Net Cash Inflow/ (Outflow) from Financing Activities (C)	-	-
Net increase in cash and cash equivalents (A+B+C)	(7,120,312)	10,195,577
Add : Cash and Cash Equivalents (Opening Balance)	10,425,384	229,807
Cash and Cash Equivalents (Closing Balance)	3,305,072	10,425,384

Previous year's figures have been restated, wherever necessary, to conform to this year's classification.

For Rastogi **Narain & Co.**
Chartered Accountants
Firm Reg. No.:008775N

For **Cinerad Communications Ltd.**

Shanti Narain
Partner
Membership No.87370

Ashok Kumar Bansal
Company Secretary

Abhineet Gupta
Managing Director

Diwakar Gandhi
Chairman

Place: New Delhi
Dated: 30th May, 2011

Place: New Delhi
Dated: 30th May, 2011

Place: New Delhi
Dated: 30th May, 2011

Place: New Delhi
Dated: 30th May, 2011

ANNEXURE

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

Registration No. - State Code

Balance Sheet Date - -

Date Month Year

II Capital Raised during the year (Amount Rs. In Thousands)

Public Issue N I L Rights Issue N I L

Bonus Issue N I L Private Placement N I L

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities Total Assets

Sources of Funds

Paid up Capital Reserve & Surplus

Secured Loans N I L Unsecured Loans N I L

Applications of Funds

Net Fixed Assets Investments

Net Current Assets

Accumulated Losses

IV Performance of Company (Amount in Rs. Thousands)

Turnover Total Expenditure

Profit Before Tax Profit After Tax

Earnings Per Share in Rs. . Dividend Rate % N I L

V Generic names of three Principal Products/Services Of Company (As per Monetary terms)

Item Code No N. A. PRODUCTION OF CORPORATE FILMS
PRODUCTION OF DOCUMENTARIES
Production Description N. A. DIGITAL EDITING FACILITY

For CINERAD COMMUNICATIONS LTD.

Ashok kumar Bansal

Company Secretary

Place : New Delhi

Dated : 30.05.2011

Abhineet Gupta

Managing Director

Place : New Delhi

Dated : 30.05.2011

Diwakar Gandhi

Chairman

Place : New Delhi

Dated : 30.05.2011



CINERAD COMMUNICATIONS LIMITED

Regd. Office : Premises No. 55, Ground Floor, Om Heera Panna Premises Co-op. Society Ltd
Oshiwara, Andheri(W), Mumbai, Maharashtra-400053

FORM OF PROXY

I/We _____
of _____ being a member/members of **Cinerad Communications Limited**
hereby appoint _____
of _____ or failing him/her _____
of _____ as my/our proxy to vote for me/us and on my/our
behalf at the 25th Annual General Meeting of the Company to be held on Tuesday, 27th September, 2011 at 10.00
A.M. at Kilachand Conference Room, 2nd Floor, India Merchant Chambers Building, IMC Marg, Chrchugate,
Mumbai-400 020.

Signed this _____ day of _____ 2011.

Reference Folio _____ D. P. ID No. _____

No. of Shares _____ Client ID No. _____

Affix
Revenue
Stamp
here

NOTE : This form, in order to be effective, should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.



CINERAD COMMUNICATIONS LIMITED

Regd. Office : Premises No. 55, Ground Floor, Om Heera Panna Premises Co-op. Society Ltd
Oshiwara, Andheri(W), Mumbai, Maharashtra-400053

ATTENDANCE CARD

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.
I hereby record my presence at the 25th Annual General Meeting of the Company on Tuesday, 27th September,
2011 at 10.00 A.M. at Kilachand Conference Room, 2nd Floor, India Merchant Chambers Building, IMC Marg, Chrchugate,
Mumbai-400 020.

Name of Member (IN BLOCK LETTERS) _____

Name of proxy (IN BLOCK LETTERS) _____

(To be filled in if the proxy attends instead of the Member)

Regd. Folio No. _____ D. P. ID No. _____

No. of Shares _____ Client ID No. _____

Signature of Shareholder / Proxy

Note : Please complete this attendance card and handover it at the entrance of the meeting hall.

BOOK-POST

If Undelivered, please return to :



Cinerad Communications Limited
B-19, First Floor,
Greater Kailash Enclave,
Part -1, New Delhi-110048.

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