



The World of  
Entertainment



Annual Report  
2011-2012



## Sea TV Network Limited

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## Corporate Information

### BOARD OF DIRECTORS

Neeraj Jain  
Chairman and Managing Director  
Akshay Kumar Jain  
Whole time Director  
Pankaj Jain  
Whole time Director

### NON-EXECUTIVE DIRECTOR

Rajeev Kumar Jain  
Narendra Kumar Jain  
Tika Ram Sharma

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Ashish Mittal

### STATUTORY AUDITOR

Surendra G. & Company

### INTERNAL AUDITOR

A.J.Associates

### REGISTERED OFFICE

148, Manas Nagar, Shahganj  
Agra, 282010  
Website : <http://seatvnetwork.com>

### REGISTRAR AND TRANSFER AGENT

Link Intime India Private Limited  
A-40 2nd floor, near batra banquet,  
Naraina Industrial Area-II, New Delhi - 110028



## Performance at a Glance

Particulars	Units	Financial Year Ended March 31 <sup>st</sup>	
		2012	2011
<b>Based on Statement of Operations</b>			
Total Operating Income	Rs. (In Lac)	1278.88	1169.37
EBITDA	Rs. (In Lac)	304.15	430.17
Cash Profit From Operations	Rs. (In Lac)	252.11	326.11
Earning before Tax	Rs. (In Lac)	165.72	257.59
Profit after Tax	Rs. (In Lac)	114.69	166.00
<b>Based On Balance Sheet</b>			
Stockholder's Equity	Rs. (In Lac)	5920.26	5805.56
Net Debt	Rs. (In Lac)	492.96	2289.46
Capital Employed	Rs. (In Lac)	6413.22	8095.30
<b>Key Ratios</b>			
EBITDA Margin	%	23.78	36.78
Net Profit Margin	%	8.97	14.19
Return on Stockholders' equity	%	1.94	2.86
Return on Capital Employed	%	1.79	2.05
Net Debt to EBITDA	Times	1.62	5.32
Interest Coverage Ratio	Times	4.18	3.26
Net Debt to Shareholder's Equity	Times	0.08	.39
Earning Per Share (Basic)	Rs.	0.95	1.77





# CHAIRMAN'S MESSAGE

Dear Shareholders,

The year gone by was significant for the company as your company has entered into Broadcasting and Print Media business with the launch of its satellite channels namely "JINVANI" & "SEANEWS UP & UK" and Hindi Daily "THE SEA EXPRESS" besides this your company has also launched Digital Cable under the brand name "SEADIGITAL" in the city of Agra.

The financial performance of your company was satisfactory during the F.Y. 2011-12 as during the year gross income of the Company increased from 1177.17 lacs during the previous year to Rs. 1278.88 lacs during the current year i.e. an increase of 08.64%, during the year company has earned profit after tax of Rs. 114.69 lacs as against Profit after Tax of Rs. 167.91 Lacs during the previous year i.e. a decrease of 30.70%. Higher cost of operations leads to lower profit after tax in comparison to increase in total income.

All the new ventures of the company have received good response in the market; your News Channel i.e. "SEA NEWS UP & UK" has been ranked No.2 in the list of regional news channels in term of TRP ratings. Your newspaper "THE SEA EXPRESS" has also received good response from the readers with its daily magazines is particularly popular among the readers offering useful insight of different subjects ranging from religion, spiritualism to finance and economy, to the readers, your management is also planning to launch the different editions of the newspaper from different part of the states. Your channel "JINVANI" is the first channel of the world which is based on the DIGEMBER philosophy of JAINISM, catering the viewing requirements of Digember jain. This channel is currently available on Videocon DTH at channel no. 684 and major MSO have also included the channel in their offerings.

Apart from above there are various other projects in the pipeline about which you will be informed in times to come. In the end I would like to express my sincere gratitude towards all the stakeholders and share these lines with you:

**[All our dreams can come true – if we have the courage to pursue them.]**  
Walt Disney

Thank You

Neeraj Jain

(Chairman & Managing Director)





# BOARD OF DIRECTORS

## Executive Panel

Mr. Neeraj Jain  
(Chairman and Managing Director)

Mr. Neeraj Jain, Aged about 38 years is the promoter and CMD of the company. He has the rich working experience of more than 21 years in Cable TV industry and has focused business interest in the Company Management.

Mr. Neeraj Jain was appointed as Managing Director of the Company on January 11, 2008. His core responsibilities in the organization include visioning and promotion of various business strategies and engineering & controlling the company's current growth in and future expansion into local market. In addition, oversees all projects' development activities and related businesses of the company, generating significant financial returns for the shareholders and driving sustainable development.

Mr. Neeraj Jain has sharp business acumen and is aptly equipped to handle Media & Entertainment project/activities and also supported by a team of senior, highly qualified executive and professionals in the day-to-day operations of the Company. He has a diversified portfolio of different kind of work experiences and enriched with the experience of general management, business administration and operations, which all are requisites and important for being selected for the position of Managing Director of the Company.





**Mr. Akshay Kumar Jain**  
(Whole Time Director)

Mr. Akshay Kumar Jain is the Whole Time Director and also one of the promoters of the company.

He reports to the CMD and his responsibilities include:

- \* Budgeting and Financial Control
- \* Monitoring of funds utilization
- \* Preparation & filing of all Statutory
- \* Returns related to Income Tax, Service Tax, ESI & PF
- \* Providing Inputs to the Management in the financial matters

Being promoter of the Company he is associated with the Company from its inception and credit for effective financial management of the company goes to him as he handles all the matters related to finance very effectively and also helps the CMD in utilizing his valuable time in other important matters.



**Mr. Pankaj Jain**  
(Whole Time Director)

Mr. Pankaj Jain aged about 42 years is the Whole Time Director and also one of the Promoters of the Company. He handles all the issues related to networking and distribution; he is well equipped to handle the networking and distribution department of the Company because he is into the industry from last 21 years and handling the distribution and networking. It's because of Mr. Jain that the network of the Company runs very effectively and all the complaints of the customers are resolved within minimum possible time.



## Independent Panel

**Mr. Rajeev Kumar Jain**  
(Independent Director)

Mr. Rajeev Kumar Jain, aged about 42 years, is a Commerce Graduate with more than 19 years experience as an Accounts officer in various Private Sector Companies.

**Mr. Narendra Kumar Jain**  
(Independent Director)

Mr. Narendra Kumar Jain, aged 54 years, is Commerce and Arts graduate. He is a successful businessman having an experience of 34 years in trading of FMCGS.

**Mr. Tika Ram Sharma**  
(Independent Director)

Mr. Tika Ram Sharma, aged 69 years is a Post Graduate in Economics and Law Graduate with an experience of nearly four Decades in Banking Sector. During his employment with State Bank of India he handled various portfolios like business planning, business development, training of employees apart from handling medium and large sized branches, he gained the rich experience of General Management & Administration during his employment.







## DIRECTORS REPORT

To,  
The Shareholders,  
Sea TV Network Limited

Your Directors are pleased to present herewith the 8th Director's report together with the Annual Audited Accounts of the Company for the year ended March 31, 2012.

### FINANCIAL PERFORMANCE

The financial performance of the company for the year ended on 31<sup>st</sup> Mar 2012 is summarized as under:

Particulars For the year ended	31/03/2012	31/03/2011
	(Rs. in lacs)	(Rs. in lacs)
Total Income	1278.88	1174.49
Profit (Loss) before depreciation and taxes	252.11	326.10
Less: Depreciation	88.39	68.52
Less: Provision for taxes	51.02	91.59
Add: Deferred Tax Credit	-	-
Profit (Loss) After Tax	114.69	166.00

### RESULT OF OPERATIONS

During the financial year 2011-12 Company, on a consolidated basis, has generated over Rs.1849.41lacs of revenues and profit after tax of Rs. 121.71 lacs. Corresponding figures for the financial year 2010-11 were revenue of Rs. 1177.17 lacs and profit after tax of Rs. 168.13 lacs.

### CONSOLIDATED FINANCIAL STATEMENT

Pursuant to Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS - 23 on the Accounting for Investments in Associates and Accounting Standard AS - 27 on accounting on Joint Ventures, issued by The Institute of Chartered Accountants of India, the Audited Consolidated Financial Statements are provided in this Annual Report.

### CHANGES IN CAPITAL STRUCTURE

During the year issued and paid-up capital of the company has not been changed it remained the same as the previous year i.e. Rs. 12,02,00,000/- (Rupees Twelve Crore & Two Lac only)

### REVIEW OF YEAR GONEBY

During the year, the Company consolidated its growth following the rapid scale up of the preceding years. Its core business continued to exhibit robust growth. It continued to invest in its digital cable operations. Along with revenue growth, the company maintained its profitability.

### MANPOWER

Company has been growing from strength to strength both in terms of the organization and the activity profile. The total strength of the company along with its subsidiaries has reached to approximately 370 employees.





## DIVIDEND

The Board of Directors does not recommend dividend for the year 2011-12 with a view to reinvest for the operations of the company.

## TRANSFER TO RESERVE

The Company has transferred Rs. 2000,000/- to the General Reserve during the financial year 2011-12.

## PUBLIC DEPOSITS

During the year under review your Company has not accepted any deposits from the public under Section 58A of the Companies Act, 1956.

## AUDITORS AND AUDITOR'S REPORT

M/s Surendra G & Co., Chartered Accountants, Agra hold office as Auditors of the Company until the conclusion of 8th Annual General Meeting and Board recommends their re-appointment till the conclusion of next Annual General Meeting. The Company has received a certificate from Auditors under Section 224(1) of the Companies Act, 1956 to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Act. Members are requested to consider their re-appointment as Auditors of the Company for the current year at a remuneration to be decided by the Board of Directors.

Your Board has duly examined the Report issued by the Statutory Auditor's of the Company on the Accounts for the financial year ended March 31, 2012. The notes on Accounts, as presented in this Annual Report, are self-explanatory in this regard and hence do not call for any further clarification.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of requirement of Clause 49 of the Listing Agreement with the Stock Exchange(s) Management's Discussion and Analysis Report disclosing the operations of the Company in detail is provided separately as a part of Directors' Report.

## DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the company, Mr. Narendra Kumar Jain, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. Brief profile of Mr. Narendra Kumar Jain is given on Page-7

Further Mr. Tika Ram Sharma who was appointed as Additional Director of the company on 13/07/2012 after receiving the approval from the Ministry of Information & Broadcasting and who holds the office up to the Annual General Meeting of the company, and in respect of whom a notice has been received by the company from a member, is proposed to be appointed as Director in terms of provisions of section 257 of Companies Act, 1956. A brief profile of Mr. Tika Ram Sharma is given on Page-7

## DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of the section 217(2AA) of the Companies Act 1956, as amended your directors confirm:-

1. That in the preparation of the Annual Accounts for the financial year 2011-12, the applicable Accounting Standards have been followed.
2. That 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 and of profit or loss of the Company for the year under review.
3. That the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the asset of the Company and for preventing and detecting fraud and other irregularities.

## CORPORATE GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY

Corporate Governance philosophy of the Company lies in following strong Corporate Governance practices driven by its core values to enhance the interests of all its stakeholders. A Report on Corporate Governance along with Certificate from Practising Company Secretary confirming the compliance of conditions on Corporate Governance as stipulated in Clause 49 of the Listing Agreement forms a part of this Annual Report.

With a view to strengthen the Corporate Governance framework, the Ministry of Corporate Affairs has incorporated certain provisions in the Companies Bill 2009. The Ministry of Corporate Affairs has also issued a set of Voluntary Guidelines on Corporate Governance and Corporate Social Responsibility in December 2009 for adoption by Companies.





The Guidelines broadly outline conditions for appointment of director, guiding principles to remunerate directors, responsibilities of the Board, Risk Management, rotation of audit partners, audit firms and conduct of Secretarial audit and other Corporate Governance and Corporate Social Responsibility related disclosures. Your Company has by and large complied with various requirements and is in the process of initiating appropriate action for other applicable requirements. Corporate Governance is also related to innovation and strategy as the organization's ideas of innovation and strategies are driven to enhance stakeholder satisfaction.

Corporate Governance is also related to innovation and strategy as the organization's idea of innovation and strategies are to enhance stakeholders' satisfaction.

#### **PARTICULARS OF EMPLOYEES COVERED THE (PARTICULARS OF EMPLOYEES) RULES, 1975**

None of the employees of the Company was in receipt of remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, during the year under review

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

Particulars relating to the conservation of energy, technology absorption given as Companies (Disclosure of particulars in report of Board of Directors) Rules, 1988 are not applicable to the Company due to the nature of the Company's business operations, being an Entertainment & Media Company. Details of Foreign Exchange outgo during the year under review are given below:

Sl No.	Particulars	Amount in USD (\$)
1.	Purchase of Fixed Assets	36360
2.	Advance against Purchase of Fixed Assets	20000
	<b>Total</b>	<b>56360</b>

#### **ACKNOWLEDGEMENT**

Your Directors take this opportunity to thank the banks, SEBI, the Stock Exchanges, various Government authorities, Financial Institutions, and all shareholders for their consistent support and encouragement to the Company. I am sure you will join our Directors in conveying our sincere appreciation to all.

For and on behalf of Board of Directors

sdl/-

**Neeraj Jain**

(Chairman & Managing Director)

sdl/-

**Akshay Kumar Jain**

(Whole Time Director)

Place: Agra

Date: August 30, 2012



# MANAGEMENT DISCUSSION AND ANALYSIS

## ECONOMIC OVERVIEW

### Global Economy

In the year 2011-12, the global economy continued on its path of recovery. Economic activity in developed countries moderated less than expected, but growth remained subdued. On the other hand, economic activity in many emerging economies was buoyant. However, inflation pressures and signs of overheating emerged, driven in part by strong capital inflows. Expansionary monetary policies adopted by central banks across the world, higher commodity prices and supply constraints saw inflation emerge as a cause for worry, especially in the developing world.

International conditions continued to worsen through 2011. The negative developments in the Eurozone outweighed the small improvements in evidence in the US economy. The repeated attempts to sort out the problems of the Eurozone in high profile Summits did not result in any lasting solution and to that extent by raising expectations made things worse.

### Indian Economy

According to the Economic Survey of India the growth rate of economy is 6.9% mainly due to weakening industrial growth. This indicates a slowdown compared not just to the previous two years, when the economy grew by 8.4%, but also from 2003 to 2011, except 2008-09 economic downturn, when the growth rate was 6.7 percent.

But despite the low growth figure of 6.9%, India remains one of the fastest growing economies of the world as all major countries including the fast growing emerging economies are seeing a significant slowdown. The global economic environment which was tenuous at best throughout the year, turned sharply adverse in September, 2011, owing to the turmoil in the euro-zone countries and questions about others, reflected in sharp ratings downgrades of sovereign debt in most major advanced countries. While a large part of the reason for the slowing of the Indian economy can be attributed to global factors, domestic factors also played role. Among these are the tightening of monetary policy owing to high and persistent headline inflation and slowing investment and industrial activity. The Economic Survey expects the growth rate of real GDP to pick up to 7.6% in 2012-13 and faster beyond that.

### Indian Media & Entertainment Sector

In 2011, the Indian Media & Entertainment (M&E) Industry registered a growth of 12 percent over 2010, to reach INR 728 billion. The growth trajectory is backed by strong consumption in Tier 2 and 3 cities, continued growth of regional media, and fast increasing new media business. Overall, the industry is expected to register a CAGR of 15 percent to touch INR 1,457 billion by 2016. While television continues to be the dominant medium, sectors such as animation & VFX, digital advertising, and gaming are fast increasing their share in the overall pie. Radio is expected to display a healthy growth rate after the advent of Phase 3. Print, while witnessing a decline in growth rate, will continue to be the second largest medium in the Indian M&E industry. Also, the film industry had a reason to cheer, with multiple movies crossing the INR 100 crore mark in domestic theatrical collections, and INR 30 crore mark in C&S rights.



Advertising spends across all media accounted for INR 300 billion in 2011-12, contributing to 41 percent of the overall M&E industry's revenues. Advertising revenues witnessed a growth of 13 percent in 2011-12, as against 17 percent observed in 2010.

### Need for Digitalization

The International Telecommunication Union (ITU) has set 2017 as the global deadline for most countries to achieve analogue switch-off. That implies that broadcasting signals will be distributed only in the digital medium.

Closer home, we haven't still talked of a broadcasting digital deadline publicly. The recommendation of 2015 as the deadline by the Telecom Regulatory Authority of India or TRAI refers only to digitization of cable services.

However the digitization of cable for India is an extremely important task and a monumental one at that. According to TRAI, there are over 200 broadcasters and about 600 television channels currently. Among service providers we have a large roster of over 6000 cable multi-system operators (MSOs), with 60,000 local cable operators (LCOs), alongside 7 satellite television operators and many IPTV providers- (apart from the terrestrial services of DD, of course.)





Pay TV services, largely cable and satellite services reach 74% or 108 million television households, out of which only 33 million today are digital, mostly attributable to DTH subscribers, according to KPMG's report on M&E.

In TRAI's report on the digitization of cable services, they mention INR 16,900 crores as subscriber revenues. Revenues from cable alone account for over INR 10,000 crores, and these are based on reported data from LCOs. Digitizing the cable platform will enable releasing spectrum for hundreds of channels, and provide dual/triple play services including broadband and voice.

### Challenges

**Funding Requirements**-The biggest challenge that Indian Cable Industry is facing today is of arranging the funds for digitalization of Cable TV Services, as huge funds are required by the MSOs to invest in the inventory of the Set Top Boxes and for Digital Headend.

**Lower Awareness**-Though efforts are on for digitalizing the Cable TV services yet awareness among the Cable TV operators and Multi System Operators seems to be low about the benefits of digitalization

**Availability of Set Top Boxes**- Availability of Set Top Boxes is also an issue required detailed consideration as most of the Set Top Boxes are imported from China and China's production capacity is limited it will be vital to see if set top boxes required for digitalization will be available or not.

### Growth Drivers Of Indian Media & Entertainment Industry

- Increase in number of channels: A number of new TV channels continue to appear every year across genres such as general entertainment, news and movies, as well as niche genres such as lifestyle, kids and infotainment.
- Digitization driving growth in subscription revenues: The digitization of TV distribution infrastructure is increasing addressability and plugging revenue leakage in the broadcasting value chain.
- Broadcasting alliances: Broadcasters have formed distribution alliances to strengthen their ability to negotiate with distributors, control their carriage fees and minimize losses in subscription revenues due to underreporting.
- Focus on regional content: Regional broadcasters have recently increased their presence in niche genres such as music, youth and comedy in local languages
- Growing ARPUs: ARPUs are expected to grow, stimulated by the consolidation of analog TV operators and the growth of premium digital TV services.
- Wireless broadband is expected to drive the reach of digital TV. Mandatory digitization and fierce competition has increased pressure on DTH and digital cable operators to roll out premium services, including HD, 3D and triple-play.

### Strength And Opportunity

Sea TV Network sees the future of Indian cable distribution space being defined by a wave of digitalization and greater consolidation across the industry. Digitalization, whether with a government mandate or through market forces is expected to be the central theme in the industry. The adoption of HD enabled TV sets and the availability of several HD channels will drive demand in this segment. The Company believes the cable distribution value chain will continue to see more consolidation over the next few years, bringing about greater transparency and addressability across the TV distribution space and benefitting all stakeholders.

### Risks And Concerns

The cable distribution industry in India is subjected to multiple governmental regulations. Any change or alteration in the current policy could affect the company's ability to function smoothly and capture newer opportunities. The television distribution industry has multiple platforms (cable, DTH and IPTV) competing to serve consumers and there is a possibility of such platforms creating strong competitive pressures. The cable business is a technology intensive one and requires the import of different types of equipments.

### Risk Management & Internal Control

Sea TV's internal control systems include facilitates for the precise compilation of financial statements, management reports, and the compliance of regulatory and statutory requirements. Measures adopted by Sea TV to safeguard investor interests include high levels of governance and periodic communication with investors through the release of quarterly investor updates and communication of important developments.

An internal audit system remains in place to carry out focused audits across all business units in the organization and make recommendations for minimizing the associated risks.





### Human Resource Management

We believe that people are the most valuable asset for any organization. Using appropriate performance management, we constantly keep rewarding our employees for their achievements & their contribution to the growth of the organization. Since a substantial part of the time of employees is invested in the organization, we are always concerned to make the work place an interesting, pleasant and also an enjoyable place to work. We believe in nurturing talents with cultural ethics in a disciplined environment. Our Endeavour is to build an organizational culture characterized by the following aspects:

- Respect for Individuals
- Integrity in all dealing
- Fairness in treatment
- Professionalism and non political environment
- Work culture of performance and Excellence

### Future Outlook

Sea TV intends to grow through Diversification & Consolidation in future, Company aims to diversify in the business of Print Media, Broadcasting thereby reducing the risk and uncertainties of existing business apart from diversification company is also looking forward towards consolidation of its existing business by acquiring the majority stake in the business of MSO's operating in the nearby areas of Agra thereby reducing the cost of operations by increasing the Economies of Scale and also increasing turnover due to enhanced negotiation power.

#### CAUTIONARY STATEMENT

Certain statements in this Annual Report may be forward-looking statements. Such forward looking statements are subjected to certain risks and uncertainties like regulatory changes, local political or economic development, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Sea TV Network Ltd. will not, be in any way, responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.





# CORPORATE GOVERNANCE REPORT

In accordance with Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited (BSE) on Corporate Governance, the report containing the details of Corporate Governance Systems and process at Sea TV Network Limited.

## Company's Philosophy On Corporate Governance

Corporate governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures precision, accountability in all its transactions and to meet its stakeholder's expectation. Corporate Governance requires professionals to raise their competence and capability levels to meet the expectations of managing the enterprise and its resources effectively. The Board of Directors is at the core of our corporate governance practice and protects the long-term interests of all our stakeholders.

Sea TV Network has made sincere and continuous efforts to institutionalize the best Corporate Governance practices and firmly believes that it will go beyond complying with the regulatory framework. As a listed company, it is in compliance with all applicable provisions of the Listing Agreements pertaining to corporate governance, including appointment of Independent Directors and constitution of Committees. The Board firmly believes in achieving the highest standards of transparency in all facets of its working, prompt and adequate disclosures of all the material information, fixing accountability, ensuring compliance of all applicable laws, rules and regulations, conducting the affairs of the Company in an ethical manner and thereby enable an increase in the value of all stakeholders.

During the year under review, your Company has complied with the standards of Corporate Governance envisaged as under:

## BOARD OF DIRECTORS

### Composition

The size and composition of the Board of Directors confirms the requirement of Listing Agreement. Presently the Board comprises six members, three of whom are Executive Directors & other three are Non-Executive Directors. The Chairman of the Board of Directors is an Executive Director and three Directors are Independent. Mr. Pankaj Jain, whole time director is the brother of Mr. Neeraj Jain, Chairman & Managing Director. The details of the Directors on the Board of the Company during the year ended March 31, 2012 are set out in the table below:-

S. No.	Name Of Director	Category Of Directorship	No. Of Outside Directorships Held	No. Of Chairmanships And Memberships Of Other Board Committees		Din Number
				Chairmanship	Membership	
1	Mr. Neeraj Jain	Executive Chairman & Managing Director	02	01	Nil	00576497
2	Mr. Pankaj Jain	Whole Time Director	02	Nil	Nil	00509639
3	Mr. Akshav Kumar Jain	Whole Time Director	02	Nil	01	00509885
4	Mr. Rajeev Kumar Jain	Non Executive, Independent Director	Nil	01	03	01987821
5	Mr. Narendra Kumar Jain	Non Executive, Independent Director	Nil	01	02	01985845
6	Mr. Tika Ram Sharma*	Non Executive, Independent Director	Nil	Nil	Nil	05127777

\* Appointed as Additional Director on 13/07/2012 after receiving the permission from Ministry of Information & Broadcasting



## Board Meeting & Procedures

The Board consists of members who have vast experience in their respective fields, members have practical exposure of their field and they strive hard towards the achievement of company's goal. Minimum 4 meetings of the Board of Directors of the company held every year, besides that board meetings are held as and when required.

Company Secretary arranges to provide the detailed information to all the Board members, on the matters to be considered at the Board meeting along with the Agenda thereof, in advance before the Board Meeting. The members of the Board have complete freedom to express their views on the matters discussed and thereafter the decisions are taken on the basis of consensus arrived at after the discussion on each agenda item. Minutes of the proceedings of every Board meeting are recorded and are discussed before approval by the members of Board at successive Board meeting before entering the same into minutes book. Implementation status of various decisions taken at the Board Meeting is reviewed at the successive meetings of the Board.

## The Attendance of The Directors of The Company at The Board Meetings

The Board of Directors met 16 times during the financial year 2011-12 on the following dates: - April 15, 2011, May 13, 2011, May 27, 2011, June 10, 2011, July 22, 2011, August 27, 2011, October 1, 2011, November 3, 2011, November 14, 2011, November 19, 2011, January 16, 2012, February 02, 2012, February 03, 2012, February 10, 2012, February 14, 2012, February 27, 2012. The maximum time gap between two board meetings was not more than 4 months.

Name Of Director	Number of Meetings		Last AGM Attended
	Held	Attended	
Mr. Neeraj Jain	16	16	YES
Mr. Akshay Kumar Jain	16	16	YES
Mr. Pankaj Jain	16	16	YES
Mr. Rajeev Kumar Jain	16	8	YES
Mr. Narendra Kumar Jain	16	8	YES
Mr. Daulat Chandan Raichandani *	2	1	NO
Mr. Tika Ram Sharma **	Nil	Nil	NO

\*Mr. Daulat Raichandani has resigned from the directorship of the company w.e.f. 10/05/2011

\*\* Mr. Tika Ram Sharma appointed as Additional Director on 13/07/2012 after receiving the permission from Ministry of Information & Broadcasting

## Director's Profile

For Director Profile Please refer to page no. 5, 6 & 7

## Directors Remuneration

Name	Designation	Amount
Mr. Neeraj Jain	Chairman & Managing Director	30,00,000/-
Mr. Pankaj Jain	Whole time Director	30,00,000/-
Mr. Akshay Kumar Jain	Whole time Director	30,00,000/-







Independent members of the Board are paid sitting fees for attending the Meetings of Board, within the ceiling as provided under the Companies Act, 1956. Besides this, Independent directors do not have any other pecuniary relationship or transaction with the Company. The Company has no policy of advancing any loans to Directors.

### Shareholding of Directors

S. No.	Name	No. of Shares Held
1	Neeraj Jain	67,70,800
2	Akshay Kumar Jain	58,500
3	Pankaj Jain	46,000
4	Rajeev Kumar Jain	Nil
5	Narendra Kumar Jain	Nil
6	Tika Ram Sharma	Nil

### Committee(s) of Board

To facilitate the operations and to comply with the statutory requirements, the Board of the Company has constituted its different Committees having their focused attention on various working aspects of the Company. Presently the Board has three standing committees and has power to constitute such other committees, as required from time to time. The details of the various Committees of the Board are as under:

#### 1. Audit Committee

##### (a) Brief description of terms of reference

The Committee deals with various aspects of financial statements, adequacy of internal controls, various audit reports, compliance with accounting standards, Company's financial & risk management policies. It reports to the Board of Directors about its findings & recommendations pertaining to above matters. The Committee also reviews the utilization of funds generated through the Issue proceeds of the Company on quarterly basis till they are fully utilized.

The Audit Committee reviews the reports of the Internal Auditors, meets Statutory and Internal Auditors as and when required & discusses their findings, observations, suggestions, internal control systems, scope of audits and other related matters.

##### (b) Composition

The Audit Committee of the Company is constituted in accordance with the provision of Clause 49 of Listing Agreement with the Stock Exchange and Section 292A of the Companies Act, 1956. The Audit Committee comprises following three Directors out of whom two directors are independent directors. The composition of the committee is as follows:

Name	Category of Directorship	Position
Mr. Rajeev Kumar Jain	Independent Director	Chairman
Mr. Narendra Kumar Jain	Independent Director	Members
Mr. Akshay Kumar Jain	Whole time Director	Members

### Number of meetings & attendance

The committee met 4 times during the financial year 2011-12. The attendance of the members of the committee was as follows:



### Number of meetings & attendance

The committee met 4 times during the financial year 2011-12. The attendance of the members of the committee was as follows:

Director	No. of Meetings	
	Held	Attended
Mr. Rajeev Kumar Jain	4	4
Mr. Narendra Kumar Jain	4	4
Mr. Akshay Kumar Jain	4	4

## 2. Remuneration Committee

### (a) Brief description of terms of reference

The Committee deliberates on the remuneration policy of the Directors and Key Managerial Personnel of the company based on their performance. The remuneration policy of the company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practice.

### Composition

The Remuneration Committee of the Company of three Independent directors and is in accordance with the requirements of clause 49 of Listing Agreement.

S.No.	Name	Category of Directorship	Position
1	Mr. Narendra Kumar Jain	Independent Director	Chairman
2	Mr. Rajeev Kumar Jain	Independent Director	Members
3	Mr. Daulat Chandiram Raichandani*	Whole time Director	Members
4	Tika Ram Sharma**	Independent Director	Members

\*Mr. Daulat Raichandani has resigned from the company w.e.f. 10/06/2011

\*\* Mr. Tika Ram Sharma was appointed as Additional Director and member of the Remuneration Committee on 13/07/2012 after receiving the permission from Ministry of Information & Broadcasting

### Number Of Meetings & Attendance

The committee met only once during the financial year 2011-12. The attendance of the members of the committee was as follows:

Director	No. of Meetings	
	Held	Attended
Mr. Rajeev Kumar Jain	1	1
Mr. Narendra Kumar Jain	1	1
Mr. Daulat Chandiram Raichandani	Nil	Nil

## 3. Share Transfer & Shareholder's Grievance Committee

### (a) Brief description of terms of reference

As a measure of Good Corporate Governance and to focus on the shareholder's grievances and towards strengthening investor relations, an Investor's Grievance Committee has been constituted as a committee of the Board, to redress / minimize the grievance of shareholders/ investors.





- The committee, inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with the transfer of securities of the Company.
- The committee also looks into redressal of shareholders complaints related to transfer of shares.
- On receipt of balance sheet, non-receipt of declared dividends, etc. The committee oversees performance of the Registrars and Transfer Agents of the Company and Recommends measures for overall improvement in the quality of investor services. The committee also monitors the implementation and compliance of the Company's code of conduct for prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.
- The Board has delegated the power of approving transfer of securities to the Directors and the Company Secretary.

### (b) Composition

The composition of the Share Transfer & Shareholder's Grievance Committee is as follows:

S.No.	Name	Category of Directorship	Position
1.	Mr. Neeraj Jain	Chairman & Managing Director	Chairman
2.	Mr. Narendra Kumar Jain	Independent Director	Member
3.	Mr. Rajeev Kumar Jain	Independent Director	Member

### (c) Number of meetings & attendance

There was no Share Transfer & Shareholder's Grievance during the financial year 2011-12, hence no meeting was required.

### Code of Conduct

The Board had laid down a Code of Conduct for all the Directors and Senior Management Executive(s) of the Company as required under Clause 49 (I D) of the Listing Agreement. This code is also posted on the website of the Company [www.seatvnetwork.com](http://www.seatvnetwork.com). All the Board Members and Senior Management Personnel(s) to whom this Code of Conduct is applicable have affirmed compliance with the Code and a declaration of this affirmation from Managing Director of the Company forms a part of this report as Annexure – 'B'.

### Code Of Conduct For Prohibition of Insider Trading

The Company has also adopted the Code of Conduct for Prohibition of Insider Trading of shares of the Company as provided under 'The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992' as amended from time to time.

### Disclosures

- None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of the members is drawn to the disclosures of transactions with the related parties as set out in the Notes on Accounts, forming part of this Annual Report.
- The Company has complied with all the requirements, as applicable to the Company, to the best of its knowledge and understanding, of the Listing Agreement with the Stock Exchange(s), the regulations and guidelines of the Securities and Exchange Board of India (SEBI), SEBI, Stock Exchange(s) or any other statutory authorities have imposed no penalties or strictures on matters relating to capital markets.
- The Company has complied with all the mandatory requirements under Clause 49, as applicable.
- Management Discussion and Analysis Report is provided as a part of the Directors' Report published elsewhere in this Annual Report.
- In preparation of the financial statements, the Company has followed the Accounting Standards as issued by 'The Institute of the Chartered Accountants of India', to the extent applicable.
- Business Risk Evaluation and Management is an ongoing process within the Company. The objective of the Company's risk management is to identify the potential areas that may affect the affairs of the Company and then ensuring the reasonable assurances to avoid any possible damage to the assets and properties of the Company.
- Managing Director and Whole Time Director have furnished to the Board, a certificate in respect of the financial statements and the Cash Flow Statement of the Company for the financial year ended March 31, 2012, which forms part of this report as Annexure – 'C'.





## General Body Meetings

The details of last three Annual General Meetings of the company are as follows:

Year	Location	Date	Day	Time
2008-09*	At the registered office of the Company at 148, Manas Nagar Shahganj Agra-282010	30.09.2009	Wednesday	3:00 P.M.
2009-10*	At the registered office of the Company at 148, Manas Nagar Shahganj Agra-282010	30.09.2010	Thursday	3:00 P.M.
2010-11	At Hotel Radisson, Taj East Gate Road, Agra	29.09.2011	Thursday	3:15 P.M.

\*None of the items in above AGM'S was required to be passed through Special Resolution

In the AGM held on 29<sup>th</sup> Sep 2011 one item was required to be passed as Special Resolution i.e. Alteration of Articles of Association the said resolution was passed unanimously by all the shareholders by show of hand.

## MEANS OF COMMUNICATION

- Financial results at the end of every quarter and annual financial results are published regularly within the prescribed time limit in 'Financial Express' (English Newspaper) and 'The Sea Express' or 'Sainik' (Hindi Newspaper).
- In compliance with the Listing Agreement, the Company promptly submits the financial results and other business updates to the Stock Exchange(s) to enable them to display these on their websites.
- The Financial results and other shareholders' information(s) are also displayed on the website of the Company -[www.seatvnetwork.com](http://www.seatvnetwork.com)

## POSTAL BALLOT

Company has conducted one Postal Ballot and passed the following resolutions:

Postal Ballot Dated 10-june-2011:-

1. Special Resolution u/s 314 of Companies Act, 1956 for increasing the remuneration of Mrs. Sonal Jain.
2. Special Resolution u/s 314 of Companies Act, 1956 for increasing the remuneration of Mrs. Chhaya Jain.
3. Special Resolution u/s 61 of the the Companies Act,1956 to amend the utilization of ipo proceeds.

## GENERAL SHAREHOLDERS INFORMATION

### (a) Annual General Meeting

Date	September 29, 2012
Time	3:15 P.M.
Venue	Hotel Marina, Hari Parvat Chauraha, Agra

### (b) Date of Book Closure

The Members register and Share Transfer Register of the company will be remained close from 15<sup>th</sup> September 2012 to 28<sup>th</sup> September 2012 (both date inclusive)

### (c) Listing on Stock Exchange and Stock Code

The Annual Listing fee for 2012-13 has been paid to the aforesaid stock Exchange(s) within the stipulated time period.

The International Securities Identification Number (ISIN) allotted to the Company's share under the Depository System is **INE351L01016**.





#### (d) Market Price Data

Month	BSE	
	High(Rs)	Low(Rs)
APRIL 2011	30.65	21.00
MAY 2011	28.15	19.00
JUNE 2011	21.20	16.10
JULY 2011	25.50	16.25
AUG 2011	23.50	17.85
SEP 2011	22.00	18.00
OCT 2011	19.95	16.35
NOV 2011	19.90	13.80
DEC 2011	18.75	11.75
JAN 2011	25.05	14.45
FEB 2011	34.45	23.50
Mar 2011	34.60	27.60

#### (e) Address of the Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd  
A-40, 2nd Floor, Nr. Bistra Banquet,  
Naraina Industrial Area-II, New Delhi-110028.  
Ph-011-41410592-93-94.  
Fax- 011-41410591  
E-mail- [bharatb@linkintime.co.in](mailto:bharatb@linkintime.co.in)

#### (f) Name & Designation of Compliance Officer

Ashish Mittal  
Company Secretary & Compliance Officer  
Ph: + 91 562 3021248  
Fax: + 91 562 2511070  
Email: [cs@seatvnetwork.com](mailto:cs@seatvnetwork.com)

#### (g) Share Transfer System

Nearly 100% of public shareholding of the company is in dematerialized form hence all the transfers take place from the end of depositories only. M/s Link Intime India Pvt. Ltd has been appointed as the Registrar and Share Transfer Agent of the company for the purpose of physical transfer.

#### (h) Redressal of Investors Complaint

The philosophy of the Company is to give utmost importance to the redressal of investors' grievances. In terms of Clause 47(f) of the Listing Agreement, the designated e-mail address, for investors to lodge their complaints is: [cs@seatvnetwork.com](mailto:cs@seatvnetwork.com)

#### (i) Dematerialization of shares and Liquidity

The shares of the Company are compulsorily traded in dematerialized mode and are registered for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The status of holding in dematerialized and physical mode, as on March 31, 2012 is as under:





S.No.	Mode of Holding	No. of Share	% OF TOTAL SHARE CAPITAL
1.	Demat	12019797	99.9983
2.	Physical	203	00.0017
3.	total	12020000	100

**(j) Distribution of Shareholding as on March 31st, 2012**

S. NO.	CATEGORY	NO. OF SHAREHOLDERS	NO. OF SHARE	% OF SHAREHOLDING
1.	Indian Public	3984	20,37,130	16.95
2.	Bodies Corporate	117	29,74,382	24.75
3.	Indian Promoters/Person acting in concert	5	69,99,800	58.23
4.	NRIs/OCBs/FIIs/FN	5	8688	0.070
	Total	4111	1,20,20,000	100

**(k) Plant Location**

Not applicable

**OUTSTANDING GDRS/ADRS/WARRANTS/CONVERTIBLE INSTRUMENTS/ESOPS**

The Company has not issued any ADRs/GDRs/Convertible instruments/ESOPs during the year under review.

**ADDRESS FOR CORRESPONDENCE**

Sea TV Network Limited

148, Manas Nagar, Shahganj

Agra- 282010

Phone Nos.0562-3021225, 4036666

Fax No. 0562-2511070





**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To,  
The Members  
Sea TV Network Limited  
148, Manas Nagar, Shahganj  
Agra-282010

1. We have reviewed the implementation of the Corporate Governance procedures by Sea TV Network Limited (the Company) during the year ended March 31st, 2012, with the relevant records and documents maintained by the Company, furnished to us for our review and report on Corporate Governance, as approved by the Board of Directors.
2. 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 the opinion on the financial statements of the Company.
3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. On the basis of our review and according to the best of our information and according to the explanations given to us, the Company has been complying with the conditions of Corporate Governance, as stipulated in the Clause 49 of the Listing Agreement with the Stock Exchange(s), as in force.

**For Amit Gupta & Associates**  
**Company Secretaries**  
(Amit Gupta)  
Proprietor  
C.P. No. 4682

Place: Lucknow  
Date: 30.05.2012





## ANNEXURE-B

### DECLARATION UNDER CLAUSE 49-I (D) OF THE LISTING AGREEMENT

To,  
The Dear Members,  
Sea TV Network Limited,

In compliance with the provisions of Clause 49 of the Listing Agreement, the Company had laid down a "Code of Conduct" to be followed by all the Board members and senior management personnel which received the sanction of the Board and had been posted on the website of the Company. The Code lays down the standards of ethical and moral conduct to be followed by the members in the course of proper discharge of their official duties and commitments. All the members are duly bound to follow and confirm to the Code. It is hereby certified that all the members of the Board and senior management personnel have confirmed to and complied with the "Code of Conduct" during the financial year 2011-12 and there has been no instances of violation of the Code.

For Sea TV Network Limited

Place: Agra  
Date: 30<sup>th</sup> Aug 2012

SD/-  
Neeraj Jain  
(Chairman & Managing Director)

## ANNEXURE -C

### CEO AND CFO CERTIFICATION

To,  
The Members,  
Sea TV Network Limited

We, Neeraj Jain, Chairman & Managing Director and Akshay Kumar Jain, Whole Time Director responsible for the finance function and the compliance of the Code of Conduct of the Company certify that:

1. We have reviewed financial statements and the cash flow statement for the year and to the best of my knowledge and belief:
  - a. These statements do not contain any material untrue statement or omit any material fact or contains statements that might be misleading.
  - b. These statements together represent a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
3. We accept the responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we were aware and the steps we have taken or propose to take to rectify these deficiencies.
4. During the year there were no -
  - (i) Changes in internal control,
  - (ii) Changes in accounting policies; and
  - (iii) Instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Place: Agra  
Date: 30<sup>th</sup> Aug 2012

For Sea TV Network Limited

SD/-  
Neeraj Jain  
(Chairman & Managing Director)

SD/-  
Akshay Kumar Jain  
(Whole Time Director)







# AUDITORS REPORT

To  
The Members of  
Sea TV Network Limited

1. We have audited the attached Balance sheet of SEA TV NETWORK LIMITED, as at 31/03/2012 and also the Profit and Loss Account and the 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating 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 (as amended) by the Central Government of India, in terms of sub-section (4A) of Section 227 of the companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
4. Further to Our comments in the annexure referred to in paragraph 3 above, we report that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In Our opinion, proper books of accounts as required by the law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - (d) In Our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - (e) On the basis of written representations received from the directors as of 31/03/2012 and taken on record by the board of directors, We report that none of the directors is disqualified as of 31/03/2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - (f) In Our opinion and to the best of Our information and according to the explanations given to us, read with significant accounting policies and notes on Accounts mentioned in Note 21, the said accounts give the information required by the Companies Act, 1956, in the manner so required give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) in the case of the Balance Sheet, of the State of Affairs of the Company as at 31/03/2012;
  - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Surendra G. & Company  
(Chartered Accountants)  
Firm Registration No.001757C  
SD/-  
(Surendra Kumar Garg)  
Proprietor

M.No. 070974

Peer Review C. No. 004638



## ANNEXURE TO THE AUDITORS' REPORT

### 1. In respect of its fixed assets:

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- (c) No substantial part of fixed assets have been disposed off during the year.

### 2. In respect of its inventories:

- (a) There is no stock, as the company is a service company. Hence no physical verification has taken place during the year.
- (b) In the absence of stock, comments on reasonableness and adequacy of procedures for physical verification are not applicable.
- (c) In the absence of stock, neither physical verification were carried out, nor discrepancies were noticed.

### 3. In respect of loans granted and taken to / from parties covered in the register maintained u/s 301 of the Companies Act, 1956.

- (a) As informed, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 301 of the companies Act-1956.
- (b) Not applicable
- (c) Not applicable
- (d) Not applicable
- (e) The company has granted/taken loan from/to subsidiary companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year in availing the loan was Rs. 82.75 Lacs and in granting the loan was Rs.180.24 lacs and the year end balance of loans receivable from such parties was Rs. 32.96 lacs.
- (f) In our opinion, the rate of interest and other terms and conditions on which loan has been taken from parties covered in the register maintained under section 301 of the Companies Act, 1956 are not prima facie, prejudicial to the interest of the company.
- (g) There was no balance as at the end of year.

### 4. In respect of internal control

In our opinion and according to the information and explanations given to us there is adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of services. During the course of audit, We have not observed continuing failure to correct major weaknesses in internal control system.

### 5. In respect of contracts or arrangements need to be entered into a register maintained u/s 301 of the Companies Act, 1956

- (a) According to the information and explanation given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the companies Act 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies Act 1956 are made at price which are reasonable having regard to prevailing market prices at the relevant time.





**6. In respect of deposits from public**

In our opinion and according to the information & explanations given to us, the company has not accepted any deposit from public during the year.

**7. In respect of internal audit system**

In our opinion, the Company has an internal audit system commensurate with its size and nature of business.

**8. In respect of maintenance of cost records**

To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) section 209 of the companies Act, 1956 for the products of the company.

**9. In respect of statutory dues**

(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, services tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31st March, 2012 for a period of more than six months from the date they became payable.

**10. In respect of accumulated losses and cash losses**

The company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

**11. In respect of dues to financial institution / banks / debentures**

Based on our audit procedures and as per the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institution or bank.

**12. In respect of loans and advances granted on the basis of security**

According to the information and explanation given to us and based on the document and records provided to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

**13. In respect of provisions applicable to Chit fund**

In our opinion and according to information and explanations given to us the company is not chit fund or a nidhi or mutual benefit fund/society. Accordingly, the provisions of clause 4(xiii) of the Order are not applicable to the company.

**14. In respect of dealing or trading in shares, securities, debentures and other investment**

According to information and explanations given to us the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the company.

**15. In respect of guarantee given for loans taken by others**

On the basis of records examined by us and information provided by the management, we are of the opinion that the company has not given guarantees for loans taken by other from banks or financial institutions.

**16. In respect of application of term loans**

Based on information and explanations given to us by the management, the term loans raised by the company during the year were applied for the purpose for which it were obtained.

**17. In respect of fund used**

According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.





**18. In respect of preferential allotment of shares**

The company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Act, during the year.

**19. In respect of securities created for debentures**

The company has not issued any debentures during the year. Therefore provisions of clause 4(xix) of the Order are not applicable to the company.

**20. In respect of end use of money raised by public issues**

The company has disclosed on the end use of money raised by public issues and the same has been verified.

**21. In respect of fraud**

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during course of our audit.

Place : Agra

Date : 30<sup>th</sup> May, 2012

**For Surendra G. & Company**

Firm Registration No. 001757C

Chartered Accountants

SD/-

**(CA. Surendra Kumar Garg)**

Proprietor

Membership No. 070974

Peer Review C. No. 004638





**SEA TV NETWORK LIMITED**  
148, Manas Nagar, Shahganj, Agra  
BALANCE SHEET AS AT 31ST MARCH 2012

(Amount in Rs.)

PARTICULARS	Note No.	FIGURES AS AT	
		31.03.2012	31.03.2011
<b>I EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS</b>			
a. Share Capital	1	120,200,000.00	120,200,000.00
b. Reserves & Surplus	2	471,826,127.43	460,356,738.46
c. Money received against share warrants			
		<b>592,026,127.43</b>	<b>580,556,738.46</b>
<b>2 SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			
		-	-
<b>3 NON-CURRENT LIABILITIES</b>			
a. Long-term borrowings	3	1,717,781.00	2,862,038.96
b. Deferred tax liabilities (Net)	4	11,486,144.00	8,655,328.00
c. Other Long term liabilities		-	-
d. Long-term provisions	5	2,787,168.00	2,166,882.00
		<b>15,991,093.00</b>	<b>13,684,248.96</b>
<b>4 CURRENT LIABILITIES</b>			
a. Short-term borrowings	6	47,578,664.90	226,084,666.55
b. Trade payables	7	31,929,519.50	5,973,191.00
c. Other current liabilities	8	34,897,520.60	20,757,917.64
d. Short-term provisions	9	379,795.00	378,308.54
		<b>114,785,700.00</b>	<b>253,194,064.83</b>
<b>TOTAL</b>		<b>722,802,920.43</b>	<b>847,435,072.27</b>
<b>II ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
<b>a. FIXED ASSETS</b>			
(i) Tangible assets	10	187,236,184.05	124,202,582.19
(ii) Intangible assets		785,471.17	221,478.24
(iii) Capital work-in-progress		40,622,103.00	5,941,672.00
(iv) Intangible assets under development		-	-
b. Non-current investments	11	103,500,000.00	13,500,000.00
c. Deferred tax assets (net)		-	-
d. Long-term loans and advances	12	47,930,238.00	6,289,584.00
e. Other non-current assets		-	-
		<b>380,073,996.21</b>	<b>150,245,316.43</b>
<b>2 CURRENT ASSETS</b>			
a. Current investments		-	-
b. Inventories		-	-
c. Trade receivables	13	119,944,234.34	64,861,719.28
d. Cash and cash equivalents	14	96,934,315.19	443,615,829.82
e. Short-term loans and advances	15	123,850,374.69	168,512,206.74
f. Other current assets		-	-
		<b>342,728,924.22</b>	<b>697,189,755.84</b>
<b>NOTES ON ACCOUNTS</b>	21		
<b>TOTAL</b>		<b>722,802,920.43</b>	<b>847,435,072.27</b>

See accompanying notes to the financial statements  
As per our report of even date attached

For Surendra G. & Company  
(Chartered Accountants)  
Firm Registration No.001767C  
SD/-  
(Surendra Kumar Gangi)  
Proprietor  
M.No. 070974  
Peer Review C. No. 004638

Place: Agra  
Dated: 30<sup>th</sup> May 2012

For and on behalf of the Board  
(Nitin Jain)  
Chairman & Managing Director

(Paritaj Jain)  
Director

(Akshay Kumar Jain)  
Director

(Ashish Mittal)  
Company Secretary



**SEA TV NETWORK LIMITED**  
148, Manas Nagar, Shahganj, Agra  
**STATEMENT OF PROFIT AND LOSS**  
FOR THE PERIOD 01.04.2011 TO 31.03.2012



(Amount in Rs.)

PARTICULARS	Note No.	FIGURES FOR THE PERIOD ENDED	
		31.03.2012	31.03.2011
I. Revenue from Operations	16	116,503,428.00	100,043,133.00
II. Other Income	17	11,384,463.67	17,674,317.79
III. Total Revenue (I + II)		127,887,891.67	117,717,450.79
<b>IV. Expenses :</b>			
Cost of material consumed		-	-
Purchase of stock in trade		-	-
Changes in inventories of finished goods, work in progress and stock in trade		-	-
Employee Benefit Expense	18	28,373,098.00	21,711,873.00
Finance costs	19	5,203,995.53	10,445,148.89
Depreciation and Amortization Expense		8,638,750.22	6,851,578.86
Other Expenses	20	69,009,672.97	52,757,781.05
<b>Total expenses:</b>		<b>111,315,516.72</b>	<b>91,766,361.80</b>
<b>V. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)</b>		<b>16,572,372.95</b>	<b>25,951,088.99</b>
<b>VI. EXCEPTIONAL ITEMS</b>		-	-
<b>VII. PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)</b>		<b>16,572,372.95</b>	<b>25,951,088.99</b>
<b>VIII. EXTRAORDINARY ITEMS</b>		-	-
<b>IX. PROFIT BEFORE TAX (VII-VIII)</b>		<b>16,572,372.95</b>	<b>25,951,088.99</b>
<b>X. TAX EXPENSE:</b>			
(1) Current Tax		2,272,168.00	8,910,038.00
(2) Deferred Tax		2,630,816.00	2,249,113.00
<b>XI. PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS (IX-X)</b>		<b>11,469,388.95</b>	<b>16,791,937.99</b>
<b>XII. PROFIT FROM DISCONTINUING OPERATIONS</b>		-	-
<b>XIII. TAX EXPENSES OF DISCONTINUING OPERATIONS</b>		-	-
<b>XIV. PROFIT FROM DISCONTINUING OPERATIONS (after tax) (XII-XIII)</b>		-	-
<b>XV. PROFIT FOR THE PERIOD (XI + XIV)</b>		<b>11,469,388.95</b>	<b>16,791,937.99</b>
<b>XVI. Earnings per equity share:</b>			
(1) Basic		0.95	1.96

See accompanying notes to the financial statements  
As per our report of even date attached.

For Surendra G. & Company  
(Chartered Accountants)  
Firm Registration No. 001757C  
SIC-  
(Surendra Kumar Garg)  
Proprietor  
M.No. 070974  
Peer Review C. No. 004638

Place: Agra  
Dated: 30<sup>th</sup> May 2012

For and on behalf of the Board

(Neeraj Jain)  
Chairman & Managing Director

(Fankaj Jain)  
Director

(Akshay Kumar Jain)  
Director

(Ashish Mittal)  
Company Secretary





**SEA TV NETWORK LIMITED**  
148, Marias Nagar, Shahganj, Agra  
Cash Flow Statement for the year ended 31st March 2012

(Amount in Rs.)

PARTICULARS	FOR THE YEAR ENDED 31-March-2012	FOR THE YEAR ENDED 31-March-2011
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and after prior Period Adjustments	16,572,372.95	25,951,088.99
<b>Adjustments for:</b>		
Depreciation	88,38,750.22	6851,578.86
Gratuity & Leave Encashment Provision	610,545.00	1,065,439.00
Interest Income	(1,13,53,505.88)	(16,003,957.81)
Loss on Sale of Assets	2,35,545.00	-
Interest & Finance Charges	52,03,995.53	10,405,676.33
Differed Revenue & Miscellaneous Exp. Written Off	-	-
<b>Operating Profit before working capital changes</b>	<b>19,907,702.82</b>	<b>27,204,386.37</b>
<b>Adjustments for:</b>		
Sundry Debtors	(35,082,515.06)	(18,605,855.85)
Inventories	-	-
Loans & Advances	5,176,691.65	(168,638,925.50)
Current Liabilities	40,107,157.82	8,912,233.71
<b>Cash Generated from Operations</b>	<b>30,109,037.23</b>	<b>(150,122,722.27)</b>
Miscellaneous Expenses Incurred	-	35,470,507.58
Direct taxes paid	4,427,681.50	10,558,939.80
<b>Net Cash used in Operating Activities (A)</b>	<b>25,681,355.63</b>	<b>(197,152,169.65)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1,07,062,321.00)	(23,802,370.00)
Investment in subsidiaries	(90,000,000.00)	(13,500,000.00)
Interest Income	11,353,505.88	16,003,957.81
<b>Net cash used in Investing Activities (B)</b>	<b>(185,708,815.12)</b>	<b>(21,296,412.19)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(5,203,995.53)	(10,405,676.33)
Proceeds of short term borrowings	89,977,839.45	216,537,363.21
Re-payment of short term borrowings	(268,483,641.10)	(19,970,669.00)
Proceeds of long term borrowings	(38,319.95)	2,598,862.00
Re-payment of long term borrowings	(1,105,938.00)	(37,814,157.74)
Proceeds of Unsecured Loan	-	(1,914,068.00)
Proceeds from issue of capital (including premium)	-	502,000,000.00
<b>Net Cash from Financing Activities (C)</b>	<b>(184,854,055.14)</b>	<b>651,031,674.14</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalent (A+B+C)</b>	<b>(344,881,514.63)</b>	<b>432,581,092.30</b>
<b>OPENING CASH BALANCE</b>	<b>443,815,829.82</b>	<b>11,234,737.52</b>
<b>CLOSING CASH BALANCE</b>	<b>98,934,315.19</b>	<b>443,815,829.82</b>

Notes on accounts form part of integral part of the cash flow statement.

See accompanying notes to the financial statements -  
As per our report of even date attached

For Surendra G. & Company  
(Chartered Accountants)  
Firm Registration No.001757C  
Sd/-

(Surendra Kumar Garg)  
Proprietor  
M.No. 070874  
Peer Review C. No. 004638

Place: Agra  
Dated: 30<sup>th</sup> May 2012

For and on behalf of the Board

(Neeraj Jain)  
Chairman & Managing Director

(Pankaj Jain)  
Director

(Akshay Kumar Jain)  
Director

(Ashish Mittal)  
Company Secretary

SEA TV NETWORK LIMITED  
148, Manas Nagar, Shahganj, Agra  
NOTES TO ACCOUNTS



1. SHARE CAPITAL

(a) AUTHORISED

1,70,00,000 Equity shares of Rs. 10/- each (Prev. year 1,70,00,000 equity Share of Rs.10/- each)	170,000,000.00	170,000,000.00
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(b) ISSUED, SUBSCRIBED AND FULLY PAID

	120,200,000.00	120,200,000.00
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(c) VALUE PER SHARE (Rs.)

10

TOTAL	120,200,000.00	120,200,000.00
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(d) RECONCILIATION OF SHARES

Opening Balance of Shares	12,020,000
Shares Issued	NIL
Buy-Back of Shares	NIL
Closing Balance of Shares	12,020,000

(e) RIGHTS, PREFERENCES AND RESTRICTIONS ON DISTRIBUTION OF DIVIDEND AND THE REPAYMENT OF CAPITAL

NIL

(f) SHARES HELD BY -

Holding Company	NIL
Subsidiaries Company	NIL
Associates Company	NIL

(g) SHARES HELD BY SHAREHOLDERS HOLDING MORE THAN 5% OF SHARES

(i) Mr. Neeraj Jain	6,770,800
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(h) SHARES RESERVED UNDER -

Options	NIL
Contracts/Commitments for the sale of shares/Disinvestment	NIL

(i) AGGREGATE NO. OF SHARES ALLOTTED AS FULLY PAID FOR THE PERIOD OF FIVE YEARS IMMEDIATELY PRECEDING

NIL

Pursuant to contract(s) without payment being received in cash	NIL
By way of bonus shares	NIL
Shares bought back	NIL

(j) SECURITIES CONVERTIBLE INTO EQUITY/ PREFERENCE SHARES

NIL

(k) CALLS UNPAID BY -

Directors and officers	NIL
Others	NIL

(l) FORFEITED SHARES (Amount originally paid up)

NIL

2. RESERVES AND SURPLUS

SECURITIES PREMIUM RESERVE

As per last balance sheet	409,589,226.42	
Add: Additions	-	451,800,000.00
Less: Share Issue Expenses	-	42,158,233.58
Less: Preliminary Expenditure	-	52,540.00
	<u>409,589,226.42</u>	<u>409,589,226.42</u>







#### GENERAL RESERVE

As per Last Balance Sheet	5,000,000.00	3,000,000.00
Add: Transferred from Profit & Loss A/c	2,000,000.00	2,000,000.00
Add: Additions during the year	-	-

	<u>7,000,000.00</u>	<u>5,000,000.00</u>
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#### SURPLUS i.e. BALANCE IN STATEMENT OF PROFIT AND LOSS

As per last balance sheet	45,767,512.06	30,975,574.07
Add: Profit as per statement of profit and loss	11,469,388.95	16,791,937.99
Less: Transfer to General Reserve	2,000,000.00	2,000,000.00

	<u>55,236,901.01</u>	<u>45,767,512.06</u>
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<b>TOTAL</b>	<u><b>471,826,127.43</b></u>	<u><b>460,356,738.48</b></u>
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### 3 LOAN TERM BORROWINGS

#### TERM LOANS

##### Secured

From Banks (Secured by hypothecation of cars and guaranteed by one director in one case and by three directors in another case)	1,717,781.00	2,862,038.96
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- a) Terms of repayment - Equated monthly instalments  
 b) Period and amount of continuing default as on balance sheet date in repayment of loan and interest, is nil.  
 From Other Parties

<b>TOTAL</b>	<u><b>1,717,781.00</b></u>	<u><b>2,862,038.96</b></u>
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##### Unsecured

From Banks	-	-
From Other Parties	-	-

<b>TOTAL</b>	<u><b>-</b></u>	<u><b>-</b></u>
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### 4 DEFERRED TAX LIABILITIES (Net)

#### Deferred Tax Liabilities arising on account of: Depreciation Differences

	12,390,580.00	9,408,443.00
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#### Loss : Deferred Tax Assets arising on account of: Provision for employee Benefits

	904,436.00	753,115.00
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<b>TOTAL</b>	<u><b>11,486,144.00</b></u>	<u><b>8,655,328.00</b></u>
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### 5 LONG TERM PROVISIONS

- (a) Provision For Employee Benefits  
 (b) Others

	2,787,168.00	2,166,882.00
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<b>TOTAL</b>	<u><b>2,787,168.00</b></u>	<u><b>2,166,882.00</b></u>
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### 6 SHORT TERM BORROWINGS

#### (a) LOANS REPAYABLE ON DEMAND

##### Secured

From Banks		
Overdraft (Secured by all movable property of the company whether existing or future and all book debts whether existing or future and guaranteed by pledge of immovable property of two directors)	29,251,936.90	29,945,349.00

Overdraft limit (Secured against pledged of FDRs)	18,326,926.00	196,139,317.55
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- a) Terms of repayment - On demand  
 b) Period and amount of continuing default as on balance sheet date in repayment of loan and interest is nil.

From Other Parties	-	-
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<b>TOTAL</b>	<u><b>47,578,864.90</b></u>	<u><b>226,084,666.55</b></u>
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Unsecured		
From Banks	-	-
From Subsidiary	-	-
From Other Parties	-	-
	<u>TOTAL</u>	<u>-</u>
<b>7 TRADE PAYABLES</b>		
(a) Trade Payables		
Payable to Subsidiaries	-	118,620.00
Others	31,929,519.50	5,854,571.00
(b) Others	-	-
	<u>TOTAL</u>	<u>5,973,191.00</u>
<b>8 OTHER CURRENT LIABILITIES</b>		
<b>INCOME RECEIVED IN ADVANCE</b>	9,256,617.60	601,355.64
<b>OTHER PAYABLES</b>		
Bank Overdraft	22,155,956.00	19,646,444.00
Security deposit from customers	153,000.00	30,000.00
Service tax/TDS payable	3,331,947.00	478,118.00
	<u>TOTAL</u>	<u>20,757,917.64</u>
<b>9 SHORT TERM PROVISIONS</b>		
(a) Provision for Employee Benefits	195,779.00	245,345.00
(b) Other Provisions -		
Provision For Income Tax (Net of Payments)	-	104,722.64
Provision For Expenses	184,016.00	28,242.00
	<u>TOTAL</u>	<u>378,309.64</u>
<b>11 NON-CURRENT INVESTMENTS</b>		
(a) <b>INVESTMENTS IN EQUITY INSTRUMENTS</b>		
<b>LONG TERM INVESTMENTS-SUBSIDIARY COMPANIES</b>		
Equity Shares-Fully paid up (Unquoted)		
<b>Sea News Network Limited</b>	49,500,000.00	4,500,000.00
49,50,000 Equity Shares of Rs.10 each (45,00,000 Equity Shares acquired during the period)		
<b>Jain Telemedia Services Limited</b>	49,500,000.00	4,500,000.00
49,50,000 Equity Shares of Rs.10 each (45,00,000 Equity Shares acquired during the period)		
<b>Sea Print Media and Publication Limited</b>	4,500,000.00	4,500,000.00
4,50,000 Equity Shares of Rs.10 each (NIL Equity Shares acquired during the period)		
	<u>TOTAL</u>	<u>13,500,000.00</u>
The basis of valuation - at cost		
Aggregate Amount of quoted investments	-	-
Aggregate Amount of unquoted investments	103,500,000.00	13,500,000.00
	<u>TOTAL</u>	<u>13,500,000.00</u>
<b>Aggregate provision made for diminution in value of investments</b>	-	-
<b>INVESTMENTS IN MUTUAL FUNDS</b>	-	-
During the period the company has not acquired and sold any investments in Mutual Fund.	-	-
<b>12 LONG-TERM LOANS &amp; ADVANCES</b>		
(a) <b>CAPITAL ADVANCES</b>	45,551,003.00	3,975,000.00
(b) <b>SECURITY DEPOSITS</b>	717,200.00	217,700.00
(c) <b>LOANS AND ADVANCES TO RELATED PARTIES</b>	-	-
(d) <b>OTHER LOANS AND ADVANCES</b>		
Advances recoverable in cash or in kind or for value to be received	611,198.00	2,096,884.00
Balance with Govt. Authorities	1,050,837.00	-
	<u>TOTAL</u>	<u>6289,584.00</u>





### 13 TRADE RECEIVABLES

(Unsecured, considered good unless otherwise stated)  
 Debts outstanding for a period exceeding six months  
 Considered good  
 Considered doubtful

73,347,312.57 52,244,715.45

73,347,312.57 52,244,715.45

Less : Provisions for doubtful debts

73,347,312.57 52,244,715.45

#### Other debts

Considered good

46,596,921.77 32,617,003.63

#### TOTAL

119,944,234.34 84,861,719.28

Debts due by directors or other officers of the company or any of them severally or jointly with any other person  
 Debts due by firms or private companies in which any director is a partner or a director or a member

- -

- -

### 14 CASH & CASH EQUIVALENTS

#### (a) BALANCE WITH BANKS

In Current Account

12,447,347.05 28,726,952.65

In Fixed Deposit Account

(pledged as security agst. Performance guarantee to BSE)

2,599,243.00 2,502,751.00

In Fixed Deposit Accounts

83,199,642.14 410,954,264.97

98,346,232.19 442,183,968.62

#### (b) CHEQUES, DRAFTS ON HAND

#### (c) CASH ON HAND

587,483.00 1,631,861.00

#### (d) OTHERS (Stamps in hand)

600.00 -

#### TOTAL

98,934,315.19 443,815,829.82

### 15 SHORT TERM LOANS & ADVANCES

#### (a) CAPITAL ADVANCES

100,692,730.00 149,266,115.00

#### (b) SECURITY DEPOSITS

2,600,000.00 2,600,000.00

#### (c) LOANS AND ADVANCES TO RELATED PARTIES

- -

#### (d) LOANS AND ADVANCES TO OTHERS

10,727,621.00 3,472,058.00

(Unsecured, considered good)

Advances to executives and staff

925,731.00 836,314.00

Prepaid expenses

4,187,308.00 98,594.00

Intercorporate loans

3,541,726.00 12,230,783.00

Balance with Govt. Authorities

1,175,258.69 8,342.74

Debts due by directors or other officers of the company or any of them severally or jointly with any other person

- -

Debts due by firms or private companies in which any director is a partner or a director or a member

- -

#### TOTAL

123,850,374.69 168,512,206.74

### 16 REVENUE FROM OPERATIONS

#### Sale of services

Carriage Fee

88,125,247.00 57,655,350.00

Time & Space Selling

18,353,232.00 24,441,762.00

Income From LCO

9,887,747.00 17,597,236.00

116,366,226.00 99,694,348.00

#### Other operating revenue

Rent earned

337,200.00 348,785.00

#### TOTAL

116,503,426.00 100,043,133.00





**17 OTHER INCOME**

(a) Other Operating Income		
Interest income		
Interest From Bank Fixed Deposit [TDS-1063092.50]	10,409,024.88	12,794,845.81
Interest on loan to subsidiary [TDS-3871]	38,712.00	-
Interest on loan to others [TDS-49276]	905,789.00	3,483,777.00
Misc. Income	30,957.79	903,270.98
	<u>11,384,463.67</u>	<u>17,181,893.79</u>
(b) Other Non-operating Income		
Managerial Remuneration Refunded	-	512,424.00
	<u>-</u>	<u>512,424.00</u>
<b>TOTAL</b>	<b><u>11,384,463.67</u></b>	<b><u>17,674,317.79</u></b>

**18 EMPLOYEE BENEFIT EXPENSE**

Salaries and Wages	28,377,130.00	19,584,216.00
Contribution to EPF & ESI	1,052,803.00	895,806.00
Employee Welfare & Other Amenities	332,620.00	228,412.00
Gratuity and Leave Encashment	610,545.00	1,005,439.00
	<u>28,373,098.00</u>	<u>21,711,873.00</u>

**19 FINANCE COSTS**

Interest expense		
Interest to Director		165,537.00
Interest to Subsidiaries	92,091.00	-
Interest to Others	5,111,904.53	10,279,611.89
	<u>5,203,995.53</u>	<u>10,445,148.89</u>

**20 OTHER EXPENSE**

Pay Channels	29,335,041.00	36,648,669.00
Carriage Fees Expenses	78,000.00	-
Line Maintenance Expenses	1,953,999.00	1,136,066.00
News Expenses	287,261.00	471,577.00
Programming Running Expenses	470,207.00	230,013.00
Power, Fuel & Electricity	920,389.00	618,021.00
Security Service Charges	137,926.00	26,136.00
Website & Software charges	16,131.00	37,533.00
WPC Fees	141,000.00	-
Rent	1,704,000.00	1,200,000.00
Rates and Taxes	2,906.00	4,621.00
Repairs and Maintenance Machinery	192,826.00	203,732.00
Insurance	96,689.00	71,313.00
Directors' Meeting Fees	15,000.00	47,000.00
Loss on Sale of Fixed Assets	235,545.00	-
Commission To Selling Agents	1,005,332.00	1,659,159.00
Travelling and Conveyance Expenses	1,893,737.00	888,894.00
Auditors Remuneration	123,500.00	125,000.00
Mobiles & Telephone Expenses	1,611,958.00	714,941.67
Advertisement and Publicity	1,052,547.00	263,915.00
Bad Debts Written Off	3,861,413.00	2,654,703.00
Miscellaneous Expenses	5,513,155.97	5,556,465.38
Teleport Charges	8,445,106.00	-
	<u>69,099,672.97</u>	<u>62,757,761.05</u>





**SEA TV NETWORK LIMITED, AGRA****Schedules forming part of Balance Sheet, Profit & Loss Account and Cash Flow Statement****NOTE NO. 21****NOTES ON ACCOUNTS****1. Significant Accounting Policies****a) AS - 1 Disclosure of Accounting policies**

The Financial Statements are prepared to compile with the Accounting Standards (AS) referred to in the Companies (Accounting Standard) Rules 2006 issued by the central government in exercise of the power conferred under sub-section (1)(a) of Section 642 and the relevant provisions of the Companies Act 1956 (the 'Act'). The accompanying financial statements are prepared in accordance with generally accepted accounting principles in India ("GAAP"), under the historical Cost convention on the accrual basis as a going concern. The company has consistently applied the accounting policies unless otherwise stated.

**b) AS - 2 Valuation of inventories**

Inventories are valued at Cost or Net Realizable Value whichever is lower. However Company is a service provider and it has no inventory.

**c) AS - 3 Cash Flow Statements**

The Cash flow statement is prepared under "Indirect method" and the same is annexed.

**d) AS - 4 Contingencies and events occurring after Balance Sheet Date**

There are no contingencies and events occurred after Balance Sheet date for reporting, except a demand notice by M/S Torrent Power Ltd. of an amount of Rs 65,24,741.20 for rented premises (Registered office) of the company, against which a petition will be filed by the company in the competent court after taking the expert legal opinion.

**e) AS - 5 Net Profit or loss for the period, prior period items and changes in accounting policies**

Details of prior period debits/credits to Profit and loss account:

	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Raw material consumed	0.00	0.00
Rates & Taxes	0.00	0.00
Interest & finance charges	1,10,922.00	39472.56
Other expenses/(income)	3,74,977.00/(3,94,161.00)	36,359.67/(2,67,599.00)

**f) AS - 6 Depreciation accounting**

Depreciation is charged on straight-line method (SLM) method as per rates specified in schedule XIV of the Companies Act, 1956.

In respect of additions/deductions during the year, pro-rata depreciation has been provided at the rates prescribed under schedule XIV.

Depreciation in respect of assets acquired during the year, whose cost does not exceed Rs.5000/- has not been charged @100%.therefore a sum of Rs.32835.22 has been less charged as depreciation.

**g) AS - 7 Construction Contracts**

The accounting standard is not applicable.

**h) AS - 8 Research & Development**

The accounting standard is withdrawn.

**i) AS - 9 Revenue recognition**

i) Income of the company is derived from services. Revenue is recognized on accrual basis on the basis of services provided to the clients.

ii) Income from Investment is credited to revenue in the year in which it accrues. Income is stated in full with tax thereon.

iii) Dividend is recognized as income as and when the right to receive such payment is established.

iv) Other Income is accounted for on accrual basis in accordance with Accounting Standard (AS) 9 - "Revenue Recognition".

v) The revenue and expenditure are accounted on a going concern basis.





#### j) AS - 10 Accounting for fixed assets

Fixed assets are stated at cost including directly attributable cost of bringing them to their respective working condition for intended use, less accumulated depreciation thereon.

	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Cost of Lands includes lands acquired under lease	NIL	NIL
Building includes buildings constructed on leasehold lands	NIL	NIL

#### k) AS - 11 Accounting for effects of changes in foreign exchange rates

##### (A) Payment for Purchase Fixed Assets

Particulars	31.03.2012		31.03.2011	
	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
USD (\$)	36,360	16,08,930	-	-
<b>TOTAL</b>	<b>36,360</b>	<b>16,08,930</b>	-	-

##### (B) Advance Payment for Purchase Fixed Assets

Particulars	31.03.2012		31.03.2011	
	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
USD (\$)	20,000	10,03,800	-	-
<b>TOTAL</b>	<b>20,000</b>	<b>10,03,800</b>	-	-

Company has paid advance for US\$ 20,000 on 19.03.2012 and the said transaction has been shown at the exchange rate as on 19.03.2012 as against exchange rate prevailing as on balance sheet date resulting non accounting of profit on exchange rate difference for Rs. 19,400.

#### l) AS - 12 Accounting for Government Grants

The company has not received any grants.

#### m) AS - 13 Accounting for Investments-

Investments are classified into current investments and long-term investments. The cost of investments includes acquisition charges such as brokerage charges, fees and duties. Current Investments are carried at lower of Cost and Fair Value.

Long-term investments are valued at cost. Provision for diminution is made to recognize the decline, other than temporary, in the carrying value of each investment.

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Investments made during the year	9,00,00,000.00	1,85,00,000.00
Investments realised during the year	0.00	50,00,000.00
Cost of Investments held as at Balance sheet date*	10,35,00,000.00	1,35,00,000.00

\*An investment of Rs. 180 by way of subscription in the equity shares of subsidiary companies is being held in the name of the nominees of the company.

#### n) AS - 14 Accounting for amalgamation

During the year there was no amalgamation.

#### o) AS - 15 Accounting for employee benefits

- Short Term employee benefits are recognized as an expense at the undiscounted amount in the Profit & Loss account of the year in which the related service is rendered.
- However no such expense has been recognised during the current period.

##### a) Defined Contribution Plan

**Contributions to Defined Contribution Plan, recognized as expense are as under:**



Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Employee Contribution To Provident Fund	4,92,647.00	4,27,085.00

b) Defined Benefit Plan

The employees' gratuity scheme is a Defined Benefit Plan (DBP). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

i) Reconciliation of opening and closing balances of DBP

TABLE SHOWING CHANGE IN PRESENT VALUE OF OBLIGATION OF GRATUITY		
Particulars	Amount (Rs.)	
	2011-12	2010-11
DBP at the beginning of the year	2,166,882	1,201,544
Interest Cost	1,84,185	98,856
Current Service Cost	5,22,125	444,575
Benefits Paid	-	-
Actuarial (gain)/loss	(86,024)	421,907
<b>DBP at the End of the year/ period</b>	<b>2,787,168</b>	<b>2,166,882</b>
<b>Current liabilities due with in one year</b>	<b>81,017</b>	<b>N.A.</b>
<b>Non current liabilities due after one year</b>	<b>27,06,151</b>	<b>N.A.</b>

\* However whole amount of obligation of gratuity for Rs.27,87,168.00 has been shown as long term liabilities in the balance sheet.

TABLE SHOWING CHANGE IN PRESENT VALUE OF OBLIGATION OF LEAVE ENCASHMENT		
Particulars	Amount (Rs.)	
	2011-12	2010-11
DBP at the beginning of the year	99,870	59,769
Interest Cost	8,489	4,917
Current Service Cost	37,090	30,844
Benefits Paid	-	-
Actuarial (gain)/loss	(55,320)	4,340
<b>DBP at the End of the year/ period</b>	<b>90,129</b>	<b>99,870</b>
<b>Current liabilities due with in one year</b>	<b>5,503</b>	<b>N.A.</b>
<b>Non current liabilities due after one year</b>	<b>84,626</b>	<b>N.A.</b>

\* However whole amount of obligation of leave encashment for Rs.90,129.00 has been shown as short term liabilities in the balance sheet.





i. Reconciliation of opening and closing balances of Fair Value of Plan Assets

(ii)

TABLE SHOWING CHANGES IN THE FAIR VALUE OF PLANNED ASSETS OF GRATUITY		
Particulars	Amount (Rs.)	
	2011-12	2010-11
Fair value of plan assets as at the beginning of the year:	-	-
Expected Return on plan assets	-	-
Contribution by Employer	-	-
Benefits Paid	-	-
Actuarial (gain)/loss	-	-
<b>Fair Value of Plan Asset at the end of the Year/Period</b>	-	-
<b>Funded Status</b>	<b>(27,87,168)</b>	<b>(21,66,882)</b>
<b>Excess of actual over estimated return on plan asset</b>	-	-

TABLE SHOWING CHANGES IN THE FAIR VALUE OF PLANNED ASSETS OF LEAVE ENCASHMENT		
Particulars	Amount (Rs.)	
	2011-12	2010-11
Fair value of plan assets as at the beginning of the year:	-	-
Expected Return	-	-
Contribution by Employer	-	-
Benefits Paid	-	-
Actuarial (gain)/loss	-	-
<b>Fair Value of Plan Asset at the end of the Year/Period</b>	-	-
<b>Funded Status</b>	<b>(90,129)</b>	<b>(99,870)</b>
<b>Excess of actual over estimated return on plan asset</b>	-	-

Actual Return on Plan Assets

(iii)

Actuarial (Gain)/Losses ON GRATUITY		
Particulars	Amount	
	2011-12	2010-11
Actuarial (gain)/loss-Obligation	86,024	4,21,907
Actuarial return on plan assets	-	-
<b>Total Actuarial (gain)/loss</b>	<b>(86,024)</b>	<b>4,21,907</b>
<b>Actuarial (gain)/loss recognized</b>	<b>(86,024)</b>	<b>4,21,907</b>
<b>Actuarial (Gain)/ Loss</b>	-	-



Actuarial (Gain)/Losses on LEAVE ENCASHMENT		
Particulars	Amount	
	2011-12	2010-11
Actuarial (gain)/loss-Obligation	55,320	4,340
Actuarial return on plan assets	-	-
Total Actuarial (gain)/loss	(55,320)	4,340
Actuarial (gain)/loss recognized	(55,320)	4,340
Actuarial (Gain)/ Loss	-	-

Reconciliation of amount recognized in Balance Sheet

iv.

The Amount to be Recognized in Balance Sheet of Gratuity		
Particulars	Amount (Rs.)	
	2011-12	2010-11
Present Value of the Obligation at the end of the period	2,787,168	2,166,882
Fair Value of Plan Asset at the end of the Period	-	-
Net Liability/(assets) recognised in Balance Sheet and related Analysis	2,787,168	2,166,882
<b>Funded Status</b>	<b>(2,787,168)</b>	<b>(2,166,882)</b>

The Amount to be Recognized in Balance Sheet of Leave Encashment		
Particulars	Amount (Rs.)	
	2011-12	2010-11
Present Value of the Obligation at the end of the period	90,129	99,870
Fair Value of Plan Asset at the end of the Period	-	-
Net Liability/(assets) recognised in Balance Sheet and related Analysis	90,129	99,870
<b>Funded Status</b>	<b>(90,129)</b>	<b>(99,870)</b>

Expense Recognized during the period in Profit & Loss A/c

v.

EXPENSES RECOGNISED IN PROFIT & LOSS ACCOUNT OF GRAUTITY		
Particulars	Amount	
	2011-12	2010-11
Interest Cost	1,84,185	96,856
Current Service Cost	5,22,125	444,575
Expected Return on Plan Asset	-	-
Net Actuarial (gain)/loss recognised in the period	(86,024)	421,907
<b>Expenses to be recognized in P/L Account</b>	<b>6,20,286</b>	<b>965,338</b>





EXPENSES RECOGNISED IN PROFIT & LOSS ACCOUNT OF LEAVE ENCASHMENT		
Particulars	Amount	
	2011-12	2010-11
Interest Cost	8,489	4,917
Current Service Cost	37,090	30,844
Expected Return on Plan Asset	-	-
Net Actuarial (gain)/loss recognised in the period	(65,320)	4,340
<b>Expenses to be recognized in P/L Account</b>	<b>(9,741)</b>	<b>40,101</b>

Principal Actuarial Assumptions:

vi.

ASSUMPTIONS EMPLOYED FOR CALCULATION OF GRATUITY & LEAVE ENCASHMENT		
Particulars	Period	Period
	01.04.11-31.03.12	01.04.10-31.03.11
Discount Rate	8.50% pa	8.25% pa
Salary Growth Rate	6.00% pa	5.00% pa
Mortality	LIC 1994-96	LIC 94-96 Ultimate
Expected Rate of Returns	-	-
Withdrawal Rate upto 30 years,	3.00% pa	2.00% pa (18 to 60 Years)
From 31 to 44 years	2.00% pa	
Above 44 Years	1.00% pa	

Projected unit credit (PUC) actuarial method has been followed in calculating the above liabilities as certified by M/s CHARAN GUPTA CONSULTANTS PVT LTD. (Actuary), New Delhi.

**p) AS - 16 Borrowing cost**

- The borrowing costs have been treated in accordance with accounting standard on borrowing cost issued by the ICAL.
- Amount of borrowing costs attributable to qualifying costs capitalized during the year.

Amount due within one year in respect of term Loans and vehicle Loans.

(Rs. in Lacs)

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Secured from banks	11.07	13.68
Secured from others	0.00	0.00
Unsecured from Banks	0.00	0.00
<b>TOTAL</b>	<b>11.07</b>	<b>13.68</b>





**q) AS - 17 Segment reporting**

The company is a single product, single location company and hence the requirements of Accounting Standard 17 on Segment Reporting is not applicable.

**r) AS - 18 Related party disclosure**

Disclosure is made as per the requirements of the standard and the same is furnished below:

List of related parties		
Reporting entity	Sea TV Network Limited	
Subsidiary companies	Sea News Network Limited Jain Telemedia Services Limited Sea Print Media and Publication Limited	
Holding companies	NIL	
Fellow subsidiaries	NIL	
Associate companies	NIL	
Joint Venture	NIL	
Group Company	Jirvani Media Venture Limited Namokar Global Broadcasting Limited	
Key Managerial Personnel	Mr. Neeraj Jain Mr. Pankaj Jain Mr. Akshay Kumar Jain	Chairman & MD Director Director
Relatives of Key Management Personnel	Mrs. Sonal Jain Mrs. Chhaya Jain Mr. Chakresh Kumar Jain	Wife of Mr. Neeraj Jain Wife of Mr. Pankaj Jain Brother of Mr. Akshay Kumar Jain

**Particulars of transaction with related parties**

Name of the transaction	Holding Company, Subsidiary, Group Company & Associates		Enterprise owned or significantly influenced by Key Personnel Management or their relatives		Key Management Personnel		Relative of Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Purchase of goods	-	-	-	-	-	-	-	-
Sale of goods	-	-	-	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-	-	-	-
Receipting of services	-	-	-	-	-	-	-	-
Issuing of services	-	1,31,800	-	-	-	-	-	-
Trade advances receivable during the year	-	-	-	-	-	-	-	-
Trade advances made/ received back during the year	-	-	-	-	-	-	-	-
Loans taken	85,57,861	-	-	-	-	40,80,000	-	-
Loans repaid	85,57,861	-	-	-	-	61,58,600	-	-
Outstanding balance of loans taken	-	-	-	-	-	-	-	-
Dividend received during the period	1,80,24,596	-	-	-	-	53,94,068	-	-
Remuneration to the management personnel	-	-	-	-	30,00,000	70,52,878	11,20,000	714,838
None	-	-	-	-	12,00,000	12,80,000	-	-
Interest Paid	92,391	-	-	-	-	1,88,557	-	-
Interest Received	36712	-	-	-	-	-	-	-
Shareholding	-	-	-	-	-	-	-	-
Loan given	2,13,40,714	-	-	-	-	-	-	-
Loan received back	1,85,44,800	-	-	-	-	-	-	-
Loans & advances receivable	32,95,808	-	-	-	-	-	-	-
Assets received	-	1,58,820	-	-	-	-	-	-
Obligations arising out of agreements	-	-	-	-	-	-	-	-
Investments made during the year	9,60,00,000	1,35,00,000	-	-	-	-	-	-





#### s) AS - 19 Accounting for leases

The company has not entered into lease agreements during the year.

Minimum Lease Payment	Year Ended on 31 March 2012	Year Ended on 31 March 2011
1. Payable not later than 1 Year	0.00	0.00
2. Payable later than 1 year and not later than five years.	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>

#### t) AS - 20 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The Company does not have any outstanding diluted Potential equity shares, consequently the basic and diluted earning per share of the Company remain the same.

Disclosure is made in the Profit and Loss A/c as per the requirements of the standard.

#### u) AS - 21 Consolidated financial statements

Company has three subsidiaries namely Sea News Network Ltd., Jain Telemedia Services Ltd and Sea Print Media and Publication Ltd. Consolidated financial statements for the year are required to be prepared and reported as per (AS) requirement.

#### v) AS - 22 Accounting for taxes on income

The Provisions for tax for the year ended 31.03.2012 is made in accordance with provisions of Income tax Act, 1961. Deferred tax Liability and assets are recognised based on timing deference using the tax rates substantively enacted on the Balance Sheet date.

Deferred tax Liability consists of	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Tax on Depreciation	29,82,137.00	25,83,220.00
Tax On expenses admissible on payment basis under IT Act 1961	0.00	0.00
<b>Sub Total</b>	<b>29,82,137.00</b>	<b>25,83,220.00</b>
Deferred tax asset consists of		
Tax on Expenses debited to profit and loss account, but will be allowed for tax purposes in subsequent years.	1,51,321.00	3,34,107.00
<b>TOTAL</b>	<b>28,30,816.00</b>	<b>22,49,113.00</b>



w) **AS - 23 Accounting for investments in associates in consolidated financial statements**

Not applicable

x) **AS - 24 Discontinuing operations**

During the year the company has not yet discontinued any of its operations

y) **AS - 25 Interim Financial reporting**

Company has not selected for any interim financial reporting.

z) **AS - 26 Accounting for intangible assets**

During the year company acquired the following assets falling under the definition of intangible assets as per account standard and the following discourse is made in respect of these assets.

(i) **Trademark**

- i. Esteemed useful life                      10 Year
- ii. Amortization rates used                10%each year as depreciation

Gross carrying amount in the beginning and at the end of year together with addition and deletion during the period.

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Opening	73,329.37	84,604.37
Addition	15,550.00	0.00
Total	88,879.37	84,604.37
Amortisation as depreciation	12,185.00	11,275.00
Closing Balance	76,694.37	73,329.37

**Software**

- i. Esteemed useful life                      3 Year
- ii. Amortisation rates used                33.33%each year as depreciation

Gross carrying amount in the beginning and at the end of year together with addition and deletion during the year.

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Opening	48,943.39	15,577.00
Addition	6,41,800.00	42,000.00
Total	6,90,743.39	57,577.00
Amortisation as depreciation	71,172.08	8,633.61
Closing Balance	6,19,571.31	48,943.39





Video Right

- i. Estimated useful life 10 Year
- ii. Amortisation rates used 10% each year as depreciation

Gross carrying amount in the beginning and at the end of year together with addition and deletion during the year:

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Opening	99,205.48	0.00
Addition	0.00	1,00,000.00
Total	99,205.48	1,00,000.00
Amortisation as depreciation	10,000.00	794.52
Closing Balance	89,205.48	99,205.48

**aa) AS - 27 Capital commitments of reporting entity in joint venture**

Not applicable

**ab) AS - 28 Impairment of assets**

The carrying amounts of assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any indications exist, the recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

**ac) AS - 29 Provisions, contingent liabilities and contingent assets**

i) Provision are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a) The company has a present obligation as a result of past event,
- b) A probable outflow of resources is expected to settle the obligation and
- c) The amount of obligation can be reliably estimated.

Reimbursements expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

ii) Contingent Liability is disclosed in the case of

- (a) A present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- (b) A possible obligation, of which the probability of outflow of resources is remote.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date. Contingent Assets are neither recognized nor disclosed.

iii) Contingent Liabilities are detailed in note no. 11 to notes on accounts.

**2. 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 disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**3. Acquisition/Subscription**

- (a) During the year the company subscribed to 4500000 equity shares for a total consideration of Rs.450 Lacs in its wholly owned subsidiary Sea News Network Limited.
- (b) During the year the company subscribed to 4500000 equity shares for a total consideration of Rs.450 Lacs in its wholly owned subsidiary Jain Telemedia Services Limited.



4. Amount of loan payable within one year:

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Secured - from banks	9,79,387.51	11,44,469.04
Secured - from others	0.00	0.00
Unsecured - from banks	NIL	NIL

5. Bank balances includes amount in respect of :

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Unclaimed Dividend	NIL	NIL
Balances lying with non scheduled banks	NIL	NIL
Maximum amount invested in non-scheduled banks at any time during the year.	NIL	NIL

6. Loans and advances include :

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Due from subsidiary companies	32,95,808.00	NIL
Due from an officer of the company	NIL	NIL
Maximum amount due from an officer of the company at any time during the year	NIL	NIL

In the opinion of Board, Loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

7. Sundry Debtors

Service Tax receivable from sundry debtors has been reduced from total sundry debtors in proportion to the periodical outstanding.

8. Sundry debtors, Short term loan accounts & advances, Short term creditors have been classified in view of management opinion that these assets and liabilities will be realized/paid within the period of one year from the date of balance sheet though in some cases old litigations are pending but expected to be completely closed within twelve months.

9. Income received in advance has been properly considered while preparing financial statements.

10. Sundry creditors include:

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Investors Education and Protection fund	NIL	NIL
Amount due to small scale industrial units	NIL	NIL
Amount due to other industrial units	NIL	NIL

In the opinion of Board, Sundry Creditors as stated in the balance sheet, though not individually confirmed by the respective parties are good and payable to the full extent in the ordinary course of business.

**Disclosure on the basis of information available with the company, under Micro, small and Medium Enterprises Development Act, 2006 :**

There are no micro, small and medium enterprises, as defined in the micro, small, medium enterprises development act, 2006, to whom the company owes dues.

This information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

11. Contingent liability not provided for:

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
On counter guarantee given to banks	24,20,000.00	24,20,000.00
On letter of credits	1,40,00,000.00	0.00
On bills discounted and purchased	NIL	0.00
On capital commitments towards capital expenditure	NIL	NIL







12. Liability contested and not provided for:

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Service Tax	NIL	NIL
Income Tax	NIL	NIL
Employee settlement claims	NIL	NIL

13. Tax deducted at source

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
TDS On Interest Income	11,32,368.50	16,06,283.36

14. Contribution to provident and other fund.

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Contribution towards gratuity	0.00	0.00
Contribution towards pension fund	3,42,008.00	2,91,482.00

15. Audit fees comprise:

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
As statutory auditors	1,20,000.00	1,00,000.00
Taxation Matters	0.00	21,000.00
Certification matters	6000.00	2,000.00
Other services	2500.00	2,000.00

16. Details of remuneration and other perquisites to managerial personnel:

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Salary	90,00,000.00	70,59,679.00
Other perquisites	-	-
Total	90,00,000.00	70,59,679.00
No. of Employees	3	3

17. Information pursuant to the provisions of part II of schedule VI of the Companies Act, 1956 (vide notification dated 30th October 1973 of the Department of Company Affairs, Government of India) is as under:

	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Licensed capacity	-	-
Installed capacity	-	-
Actual production	-	-
Raw Material Consumed	-	-
Imports (CIF-Value)	US\$ 56360	-
Other Expenditure In Foreign Currency	-	-
Earnings In Foreign Exchange	-	-
Sales	-	-
Opening Stock Of Goods Produced	-	-
Closing Stock Of Goods Produced	-	-





18. The previous year figures have been regrouped/restated wherever necessary to make them comparable with current year's figures.

Signature to notes 01 to 21 referred to above which form part of Balance Sheet, Profit and Loss account and Cash Flow Statement.

As per our report of even date attached  
**For SURENDRA G. & COMPANY**

Firm Regn. No. : 001757C  
Chartered Accountants

(S.K.GARG)  
Proprietor  
M.No. 070974

Place: AGRA  
Date: 30<sup>th</sup> May 2012

For and on behalf of the Board

(Neeraj Jain)  
Chairman & Managing Director

(Pankaj Jain)  
Director

(Akshay Kumar Jain)  
Director

(Ashish Mittal)  
Company Secretary





**SEA TV NETWORK LIMITED**  
14B, Manas Nagar, Shahganj, Agra  
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

(Amount in Rs.)

PARTICULARS	Note No.	FIGURES AS AT	
		31.03.2012	31.03.2011
<b>I EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS</b>			
a. Share Capital	1	120,200,000.00	120,200,000.00
b. Reserves & Surplus	2	472,548,743.94	460,377,875.46
c. Money received against share warrants			
		<u>592,748,743.94</u>	<u>580,577,875.46</u>
<b>2 SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			
		-	-
<b>3 NON-CURRENT LIABILITIES</b>			
a. Long-term borrowings	3	1,717,781.00	2,862,038.96
b. Deferred tax liabilities (Net)	4	12,640,885.00	8,655,328.00
c. Other Long term liabilities		-	-
d. Long-term provisions	5	2,787,188.00	2,166,882.00
		<u>17,145,834.00</u>	<u>13,684,248.96</u>
<b>4 CURRENT LIABILITIES</b>			
a. Short-term borrowings	6	47,578,864.90	226,084,666.55
b. Trade payables	7	42,486,496.50	5,864,829.00
c. Other current liabilities	8	46,606,094.60	8,634,917.64
d. Short-term provisions	9	958,215.00	378,842.64
		<u>137,700,671.00</u>	<u>240,963,255.83</u>
<b>TOTAL</b>		<u><b>747,004,248.94</b></u>	<u><b>835,225,380.27</b></u>
<b>II ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
<b>a. FIXED ASSETS</b>			
(i) Tangible assets	10	228,542,685.56	124,202,582.19
(ii) Intangible assets		834,787.17	221,478.24
(iii) Capital work-in-progress		43,403,113.00	5,941,672.00
(iv) Intangible assets under development		-	-
b. Non-current investments		-	-
c. Deferred tax assets (net)		-	-
d. Long-term loans and advances	11	53,233,400.00	6,289,584.00
e. Other non-current assets	12	663,381.00	457,187.00
		<u>326,677,366.72</u>	<u>137,202,503.43</u>
<b>2 CURRENT ASSETS</b>			
a. Current investments		-	-
b. Inventories	13	1,377,976.00	-
c. Trade receivables	14	169,309,940.34	84,861,719.28
d. Cash and cash equivalents	15	104,054,272.19	444,640,232.82
e. Short-term loans and advances	16	146,184,693.69	168,520,924.74
f. Other current assets		-	-
		<u>420,926,882.22</u>	<u>698,022,876.84</u>
<b>NOTES ON ACCOUNTS</b>	23		
<b>TOTAL</b>		<u><b>747,004,248.94</b></u>	<u><b>835,225,380.27</b></u>

See accompanying notes to the financial statements  
As per our report of even date attached

For Surendra G. & Company  
(Chartered Accountants)  
Firm Registration No.001767C  
SD/-  
(Surendra Kumar Gang)  
Proprietor  
M.No. 070974  
Peer Review C. No. 004638

Place: Agra  
Dated: 30<sup>th</sup> May 2012

For and on behalf of the Board

(Neesaj Jain)  
Chairman & Managing Director

(Parikaj Jain)  
Director

(Akhay Kumar Jain)  
Director

(Ashish Mittal)  
Company Secretary



**SEA TV NETWORK LIMITED**  
148, Manas Nagar, Shahganj, Agra  
CONSOLIDATED PROFIT AND LOSS  
FOR THE PERIOD 01.04.2011 TO 31.03.2012



(Amount in Rs.)

PARTICULARS	Note No.	FIGURES FOR THE PERIOD ENDED 31.03.2012	FIGURES FOR THE PERIOD ENDED 31.03.2011
I. Revenue from Operations	17	169,969,323.00	100,043,133.00
II. Other Income	18	14,971,334.67	17,674,317.79
III. Total Revenue (I + II)		<u>184,940,657.67</u>	<u>117,717,450.79</u>
<b>IV. Expenses :</b>			
Cost of material consumed	19	8,393,743.00	-
Purchase of stock in trade		-	-
Changes in inventories of finished goods, work in progress and stock in trade		-	-
Employee Benefit Expense	20	42,331,804.00	21,711,673.00
Finance costs	21	6,565,850.53	10,445,148.89
Depreciation and Amortization Expense		9,466,274.71	6,851,578.86
Other Expenses	22	99,754,591.97	52,731,620.05
Total expenses		<u>166,512,064.21</u>	<u>91,740,229.80</u>
V. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)		18,428,593.46	25,977,220.99
VI. EXCEPTIONAL ITEMS		-	-
VII. PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (V-VI)		18,428,593.46	25,977,220.99
<b>VIII. EXTRAORDINARY ITEMS</b>			
<b>IX. PROFIT BEFORE TAX (VII-VIII)</b>			
<b>X. TAX EXPENSE:</b>			
(1) Current Tax (including the interest on last year income tax)		2,272,168.00	6,915,033.00
(2) Deferred Tax		3,965,557.00	2,249,113.00
XI. PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS (IX-X)		12,170,868.46	16,813,074.99
<b>XII. PROFIT FROM DISCONTINUING OPERATIONS</b>			
<b>XIII. TAX EXPENSES OF DISCONTINUING OPERATIONS</b>			
<b>XIV. PROFIT FROM DISCONTINUING OPERATIONS (after tax) (XII-XIII)</b>			
XV. PROFIT FOR THE PERIOD (XI + XIV)		12,170,868.46	16,813,074.99
<b>XVI. Earnings per equity share:</b>			
(1) Basic		0.85	1.77
(2) Diluted		0.65	1.77
NOTES ON ACCOUNTS	23		

See accompanying notes to the financial statements  
As per our report of even date attached

For Surendra G. & Company  
(Chartered Accountants)  
Firm Registration No. 001757C  
SDF  
(Surendra Kumar Garg)  
Proprietor  
M.No. 070974  
Peer Review C. No. 004638

Place: Agra  
Dated: 30<sup>th</sup> May 2012

For and on behalf of the Board

(Rajraj Jain)  
Chairman & Managing Director

(Pankaj Jain)  
Director

(Akshay Kumar Jain)  
Director

(Ashish Mittal)  
Company Secretary





**SEA TV NETWORK LIMITED**  
148, Manas Nagar, Shahganj, Agra  
Consolidated Cash Flow Statement for the year ended 31st March 2012.

(Amount in Rs.)

PARTICULARS	FOR THE YEAR ENDED 31-March-2012	FOR THE YEAR ENDED 31-March-2011
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and after prior Period Adjustments	18,428,593.46	25,977,220.99
<b>Adjustments for:</b>		
Depreciation	9,466,274.71	8,851,578.86
Gratuity & Leave Encashment Provision	610,545.00	1,005,439.00
Interest Income	(14,940,376.88)	(18,003,957.81)
Loss on Sale of Assets	235,545.00	-
Interest & Finance Charges	6,565,850.53	10,405,676.33
Deferred Revenue & Miscellaneous Exp. Written Off	185,806.00	(457,187.00)
<b>Operating Profit before working capital changes</b>	<b>20,552,237.82</b>	<b>27,778,770.37</b>
<b>Adjustments for:</b>		
Sundry Debtors	(84,448,221.06)	(18,605,855.85)
Inventories	(1,377,976.00)	-
Loans & Advances	(22,452,071.35)	(168,647,643.50)
Current Liabilities	75,261,957.82	(3,319,128.29)
<b>Cash Generated from Operations</b>	<b>(12,484,072.77)</b>	<b>162,793,857.27</b>
Miscellaneous Expenses Incurred	392,000.00	36,470,507.58
Direct taxes paid	4,427,681.80	10,563,401.80
<b>Net Cash used in Operating Activities (A)</b>	<b>(17,283,754.37)</b>	<b>(209,827,766.65)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(152,026,673.00)	(23,802,370.00)
Investment in subsidiaries	-	-
Interest Income	14,940,376.88	18,003,957.81
<b>Net cash used in Investing Activities (B)</b>	<b>(137,086,296.12)</b>	<b>(7,798,412.19)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(6,565,850.53)	(10,405,676.33)
Proceeds of short term borrowings	(176,505,801.65)	198,566,694.21)
Re-payment of short term borrowings	-	-
Proceeds of long term borrowings	(1,144,257.96)	(35,215,275.74)
Re-payment of long term borrowings	-	-
Proceeds of Unsecured Loan	-	(1,914,068.00)
Proceeds from issue of capital (including premium)	-	502,000,000.00
<b>Net Cash from Financing Activities (c)</b>	<b>(186,215,910.14)</b>	<b>651,031,674.14</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalent (A+B+C)</b>	<b>(340,585,960.63)</b>	<b>433,405,495.30</b>
<b>OPENING CASH BALANCE</b>	<b>444,640,232.82</b>	<b>11,234,737.52</b>
<b>CLOSING CASH BALANCE</b>	<b>104,054,272.19</b>	<b>444,640,232.82</b>

Notes on accounts form part of integral part of the cash flow statement.

See accompanying notes to the financial statements  
As per our report of even date attached

For Surendra G. & Company  
(Chartered Accountants)  
Firm Registration No.001757C  
SD:-  
(Surendra Kumar Garg)  
Proprietor  
M.No. 070874  
Peer Review C. No. 004838

Place: Agra  
Dated: 30<sup>th</sup> May 2012

For and on behalf of the Board

(Neeraj Jain)  
Chairman & Managing Director

(Pankaj Jain)  
Director

(Akshay Kumar Jain)  
Director

(Ashish Mittal)  
Company Secretary



SEA TV NETWORK LIMITED  
148, Manas Nagar, Shahganj, Agra  
NOTES TO ACCOUNTS



(Amount in Rs.)

PARTICULARS		FOR THE YEAR ENDED 31-March-2012	FOR THE YEAR ENDED 31-March-2011
<b>SHARE CAPITAL</b>			
<b>(a) AUTHORISED</b>			
1,70,00,000 Equity shares of Rs. 10 <sup>/-</sup> each (Prev. year: 1,70,00,000 equity Share of Rs. 10 <sup>/-</sup> each)		<u>170,000,000.00</u>	<u>170,000,000.00</u>
<b>(b) ISSUED, SUBSCRIBED AND FULLY PAID</b>			
		<u>120,200,000.00</u>	<u>120,200,000.00</u>
	<b>TOTAL</b>	<u>120,200,000.00</u>	<u>120,200,000.00</u>
(c) VALUE PER SHARE (Rs.)	10		
<b>(d) RECONCILIATION OF SHARES</b>			
Opening Balance of Shares	12,020,000		
Shares Issued	NIL		
Buy-Back of Shares	NIL		
Closing Balance of Shares	12,020,000		
<b>(e) RIGHTS, PREFERENCES AND RESTRICTIONS ON DISTRIBUTION OF DIVIDEND AND THE REPAYMENT OF CAPITAL</b>			
	NIL		
<b>(f) SHARES HELD BY -</b>			
Holding Company	NIL		
Subsidiaries Company	NIL		
Associates Company	NIL		
<b>(g) SHARES HELD BY SHAREHOLDERS HOLDING MORE THAN 5% OF SHARES</b>			
(i) Mr. Neeraj Jain	6,770,800		
<b>(h) SHARES RESERVED UNDER -</b>			
Options	NIL		
Contracts/Commitments for the sale of shares/Disinvestment	NIL		
<b>(i) AGGREGATE NO. OF SHARES ALLOTTED AS FULLY PAID FOR THE PERIOD OF FIVE YEARS IMMEDIATELY PRECEDING</b>			
Pursuant to contract(s) without payment being received in cash	NIL		
By way of bonus shares	NIL		
Shares bought back	NIL		
<b>(j) SECURITIES CONVERTIBLE INTO EQUITY/ PREFERENCE SHARE</b>			
	NIL		
<b>(k) CALLS UNPAID BY -</b>			
Directors and officers	NIL		
Others	NIL		
<b>(l) FORFEITED SHARES (Amount originally paid up)</b>			
	NIL		
<b>2. RESERVES AND SURPLUS</b>			
<b>SECURITIES PREMIUM RESERVE</b>			
As per last balance sheet		409,589,226.42	-
Add: Additions		-	451,600,000.00
Less: Share Issue Expenses		-	42,158,233.58





Less: Preliminary Expenditure	-	52,540.00
<b>GENERAL RESERVE</b>	<b>409,589,226.42</b>	<b>409,589,226.42</b>
As per Last Balance Sheet	5,000,000.00	3,000,000.00
Add: Transferred from Profit & Loss A/c	2,000,000.00	2,000,000.00
Add: Additions during the year	-	-
	<b>7,000,000.00</b>	<b>5,000,000.00</b>
<b>SURPLUS i.e. BALANCE IN STATEMENT OF PROFIT AND LOSS</b>		
As per last balance sheet	45,788,649.06	30,975,574.07
Add: Profit as per statement of profit and loss	12,170,868.48	16,813,074.99
Less: Transfer to General Reserve	2,000,000.00	2,000,000.00
	<b>55,959,517.52</b>	<b>45,788,649.06</b>
<b>TOTAL</b>	<b>472,548,743.94</b>	<b>460,377,875.48</b>
<b>3 LOAN TERM BORROWINGS</b>		
<b>TERM LOANS</b>		
<b>Secured</b>		
From Banks (Secured by hypothecation of cars and guaranteed by one director in one case and by three directors in another case)	1,717,781.00	2,862,038.96
a) Terms of repayment - Equated monthly instalments		
b) Period and amount of continuing default as on balance sheet date in repayment of loan and interest is nil.		
From Other Parties	-	-
<b>TOTAL</b>	<b>1,717,781.00</b>	<b>2,862,038.96</b>
<b>Unsecured</b>		
From Banks	-	-
From Other Parties	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>
<b>4 DEFERRED TAX LIABILITIES (Net)</b>		
<b>Deferred Tax Liabilities arising on account of:</b>		
Depreciation Differences	13,545,321.00	9,408,443.00
<b>Less : Deferred Tax Assets arising on account of:</b>		
Provision for employee Benefits	904,436.00	753,115.00
<b>TOTAL</b>	<b>12,640,885.00</b>	<b>8,655,328.00</b>
<b>5 LONG TERM PROVISIONS</b>		
(a) Provision For Employee Benefits	2,787,168.00	2,166,882.00
(b) Others	-	-
<b>TOTAL</b>	<b>2,787,168.00</b>	<b>2,166,882.00</b>
<b>6 SHORT TERM BORROWINGS</b>		
<b>(a) LOANS REPAYABLE ON DEMAND</b>		
<b>Secured</b>		
From Banks		
Overdraft ( Secured by all movable property of the company whether existing or future and all book debts whether existing or future - and guaranteed by pledge of immovable property of two directors)	29,251,936.00	29,945,349.00
Overdraft limit (Secured against pledged of FDRs)	18,326,928.00	196,139,317.55
a) Terms of repayment - On demand		
b) Period and amount of continuing default as on balance sheet date in repayment of loan and interest is nil.		





From Other Parties	-	-
<b>TOTAL</b>	<b>47,578,864.90</b>	<b>226,084,666.55</b>
<b>Unsecured</b>		
From Banks	-	-
FROM Subsidiary	-	-
From Other Parties	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>
<b>7 TRADE PAYABLES</b>		
(a) Trade Payables		
Payable to Subsidiaries	-	-
Others	38,486,951.50	5,864,829.00
(b) Others	3,999,545.00	-
<b>TOTAL</b>	<b>42,486,496.50</b>	<b>5,864,829.00</b>
<b>8 OTHER CURRENT LIABILITIES</b>		
<b>INCOME RECEIVED IN ADVANCE</b>	11,453,573.60	601,355.64
<b>OTHER PAYABLES</b>		
Book Overdraft	31,249,585.00	7,525,444.00
Security deposit from customers	153,000.00	30,000.00
Service tax/TDS payable	3,829,956.00	478,118.00
<b>TOTAL</b>	<b>46,686,094.60</b>	<b>8,634,917.64</b>
<b>9 SHORT TERM PROVISIONS</b>		
(a) Provision for Employee Benefits	636,596.00	245,345.00
(b) Other Provisions -		
Provision For Income Tax (Net of Payments)	64,365.00	105,255.64
Provision For Expenses	257,254.00	28,242.00
<b>TOTAL</b>	<b>958,215.00</b>	<b>378,842.64</b>
<b>11 LONG-TERM LOANS &amp; ADVANCES</b>		
(a) <b>CAPITAL ADVANCES</b>	46,555,234.00	3,975,000.00
(b) <b>SECURITY DEPOSITES</b>	1,948,550.00	217,700.00
(c) <b>LOANS AND ADVANCES TO RELATED PARTIES</b>	-	-
(d) <b>OTHER LOANS AND ADVANCES</b>		
Advances recoverable in cash or in kind or for value to be received Balance with Govt. Authorities	3,317,329.00	2,096,884.00
	1,414,287.00	-
<b>TOTAL</b>	<b>53,233,400.00</b>	<b>6,289,584.00</b>
<b>12 OTHER NON-CURRENT ASSETS</b>		
<b>Preliminary Expenditure</b>		
Opening Balance	849,187.00	589,570.00
Less: Written Off During the Year	185,806.00	132,383.00
<b>TOTAL</b>	<b>663,381.00</b>	<b>457,187.00</b>
<b>13 INVENTORIES</b>		
(a) Raw Material	804,617.00	-
(b) Work-in-progress	-	-
(c) Finished goods	-	-
(d) Others (specify nature)	573,359.00	-
<b>TOTAL</b>	<b>1,377,976.00</b>	<b>-</b>
<b>14 TRADE RECEIVABLES</b>		
(Unsecured, considered good unless otherwise stated)		
Debt outstanding for a period exceeding six months		
Considered good	73,347,312.57	52,244,715.45







Considered doubtful	-	-
	<u>73,347,312.57</u>	<u>52,244,715.45</u>
Less : Provisions for doubtful debts	-	-
	<u>73,347,312.57</u>	<u>52,244,715.45</u>
<b>Other debts</b>		
Considered good	<u>95,962,627.77</u>	<u>32,617,603.63</u>
<b>TOTAL</b>	<u><b>169,309,940.34</b></u>	<u><b>84,861,719.28</b></u>

Debts due by directors or other officers of the company or any of them severally or jointly with any other person	-	-
Debts due by firms or private companies in which any director is a partner or a director or a member	-	-

#### 15 CASH & CASH EQUIVALENTS

<b>(a) BALANCE WITH BANKS</b>		
In Current Account	13,899,028.05	29,551,355.65
In Fixed Deposit Account		
(pledged as security agst. Performance guarantee to BSE)	2,699,243.00	2,502,751.00
In Fixed Deposit Accounts	<u>83,199,642.14</u>	<u>410,954,264.97</u>
	<u><b>99,797,913.19</b></u>	<u><b>443,008,371.62</b></u>
<b>(b) CHEQUES, DRAFTS ON HAND</b>		
<b>(c) CASH ON HAND</b>	4,255,759.00	1,831,861.00
<b>(d) OTHERS (Stamps in hand)</b>	600.00	-
<b>TOTAL</b>	<u><b>104,054,272.19</b></u>	<u><b>444,640,232.62</b></u>

#### 16 SHORT TERM LOANS & ADVANCES

<b>(a) CAPITAL ADVANCES</b>	109,547,321.00	149,266,115.00
<b>(b) SECURITY DEPOSITES</b>	2,952,000.00	2,600,000.00
<b>(c) LOANS AND ADVANCES TO RELATED PARTIES</b>	-	-
<b>(d) LOANS AND ADVANCES TO OTHERS</b>	13,015,758.00	3,472,058.00
(Unsecured, considered good)		
<b>Advances to executives and staff</b>	1,090,541.00	836,314.00
<b>Prepaid expenses</b>	<u>18,344,498.00</u>	<u>98,594.00</u>
Intercorporate loans	245,918.00	12,230,783.00
Balance with Govt. Authorities	<u>1,288,657.69</u>	<u>17,060.74</u>
Debts due by directors or other officers of the company or any of them severally or jointly with any other person	-	-
Debts due by firms or private companies in which any director is a partner or a director or a member	-	-
<b>TOTAL</b>	<u><b>146,184,693.69</b></u>	<u><b>168,520,924.74</b></u>

#### 17 REVENUE FROM OPERATIONS

##### Sale of services

Carriage Fee	88,125,247.00	57,655,350.00
Time & Space Selling	64,819,243.00	24,441,762.00
Sale of News of Publication	6,999,886.00	17,597,236.00
Income From LCO	<u>9,687,747.00</u>	<u>-</u>
	<u><b>169,632,123.00</b></u>	<u><b>99,694,348.00</b></u>

##### Other operating revenue

Rent earned	337,200.00	348,765.00
<b>TOTAL</b>	<u><b>169,969,323.00</b></u>	<u><b>100,043,113.00</b></u>





## 18 OTHER INCOME

### (a) Other Operating Income

Interest income		
Interest From Bank Fixed Deposit [TDS-1083092.50]	13,973,755.88	12,794,845.81
Interest on loan to Holding Company	-	-
Interest on loan to subsidiary	-	-
Interest on loan to others [TDS-49276]	966,621.00	3,463,777.00
Misc. Income	30,957.79	903,270.98
	<u>14,971,334.67</u>	<u>17,161,893.79</u>

### (b) Other Non-operating Income

Managerial Remuneration Refunded	-	512,424.00
	-	<u>512,424.00</u>

**TOTAL** 14,971,334.67 17,674,317.79

## 19 RAW MATERIAL CONSUMED

Inventories at the beginning of the Year	-	-
Add: Purchase During the Year	9,284,660.00	-
Loss: Sale of Damaged News Print	86,300.00	-
Less: Inventories At the End of the Year	804,617.00	-
	<u>8,393,743.00</u>	<u>-</u>

**TOTAL** 8,393,743.00 -

## 20 EMPLOYEE BEBENEFIT EXPENSE

Salaries and Wages	39,904,717.00	19,584,216.00
Contribution to EPF & ESI	1,373,624.00	895,806.00
Employee Welfare & Other Amenities	442,718.00	226,412.00
Gratuity and Leave Encashment	610,545.00	1,005,439.00
	<u>42,331,604.00</u>	<u>21,711,873.00</u>

## 21 FINANCE COSTS

Interest expense		
Interest to Director	-	165,537.00
Interest to Subsidiaries	-	-
Interest to Others	6,565,850.53	10,279,611.89
	<u>6,565,850.53</u>	<u>10,445,148.89</u>

**TOTAL** 6,565,850.53 10,445,148.89

## 22 OTHER EXPENSE

Pay Channels	39,335,041.00	36,848,699.00
Carriage Fees Expenses	10,780,988.00	-
News Paper Expenses	3,693,937.00	-
News Paper Printing Charges	4,407,091.00	-
Line Maintenance Expenses	1,953,999.00	1,136,068.00
News Expenses	3,565,022.00	471,577.00
Programming Running Expenses	1,098,241.00	230,013.00
Power, Fuel & Electricity	926,770.00	618,021.00
Security Service Charges	158,778.00	26,136.00
Website & Software charges	202,029.00	37,533.00
WPC Fees	141,000.00	-
Rent	2,161,000.00	1,200,000.00
Rates and Taxes	8,906.00	4,621.00
Repairs and Maintenance Machinery	258,795.00	203,732.00
News Paper Distribution Expenses	350,868.00	-
Insurance	96,689.00	71,313.00
Directors' Meeting Fees	15,000.00	47,000.00
Loss on Sale of Fixed Assets	235,545.00	-
Commission To Selling Agents	1,006,332.00	1,527,359.00
Traveling and Conveyance Expenses	2,315,404.00	888,694.00
Auditors Remuneration	153,500.00	135,258.00
Mobiles & Telephone Expenses	1,940,503.00	714,941.67
Advertisement and Publicity	6,268,945.00	263,915.00
Bad Debts Written Off	3,861,413.00	2,654,703.00
Miscellaneous Expenses	6,220,682.97	5,572,032.38
Preliminary Expenses Written off	150,004.00	79,843.00
Telephone Charges	8,448,106.00	-
	<u>99,754,591.97</u>	<u>52,731,628.05</u>

**TOTAL** 99,754,591.97 52,731,628.05







**SEA TV NETWORK LIMITED, AGRA**  
Schedules forming part of Consolidated Balance  
Sheet, Profit & Loss Account and Cash Flow Statement

NOTE NO. 23  
NOTES ON ACCOUNTS

**1. Basis of Preparation**

- (i) the consolidated financial statements are prepared in accordance with Accounting Standard (AS) 21 on consolidated financial statements notified pursuant to the companies (Accounting Standards) Rules, 2006 (as amended). The consolidated financial statements comprise the financial statements of Sea TV Network Limited (the company) and its subsidiaries. The company and its subsidiaries constitute the Sea TV group. Reference in these notes to the company or SEA TV shall mean to include Sea TV Network Limited and/or any of its subsidiaries, consolidated in these financial statements unless otherwise stated.
- (ii) The list of companies which are included in consolidation and the parent company's holdings therein are as under:-

Subsidiaries	31.03.2012	31.03.2011
1. Sea News Network Limited	100%	100%
2. Sea Print Media and Publication Limited	100%	100%
3. Jain Telemedia Services Limited	100%	100%

Each of the above companies is incorporated in India and financial statements are drawn up to the same reporting date as that of the parent company i.e. March 31, 2012.

- (iii) The consolidated financial statements have been prepared to comply in all material respect with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.
- (iv) The consolidated financial statements have been prepared under the historical cost convention on an accrual basis, except where impairment is made.
- (v) The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.
- (vi) The consolidated financial statements of the company and its subsidiary companies have been consolidated on a line-by-line basis by adding together the book value of like items as assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits/losses.
- (vii) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the manner as the Company's separate financial statements.

**2. 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 disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**3. Significant Accounting Policies**

**a) AS - 1 Disclosure of Accounting policies**

The Financial Statements are prepared to comply with the Accounting Standards (AS) referred to in the Companies (Accounting Standard) Rules 2006 issued by the central government in exercise of the power conferred under sub-section (1)(a) of Section 642 and the relevant provision of the Companies Act 1956 (the 'Act'). The accompanying financial statements are prepared in accordance with generally accepted accounting principles in India ("GAAP"), under the historical Cost convention on the accrual basis as a going concern. The company has consistently applied the accounting policies unless otherwise stated.



**b) AS - 2 Valuation of inventories**

Inventories are valued at Cost or Net Realizable Value whichever is lower.

**c) AS - 3 Cash Flow Statements**

The Cash flow statement is prepared under "Indirect method" and the same is annexed.

**d) AS - 4 Contingencies and events occurring after Balance Sheet Date**

There are no contingencies and events occurred after Balance Sheet date for reporting, except a demand notice by M/S Torrent Power Ltd. of an amount of Rs.65,24,741.20 for rented premises (Registered office) of the company, against which a petition will be filed by the company in the competent court after taking the expert legal opinion.

**e) AS - 5 Net Profit or loss for the period, prior period items and changes in accounting policies**

Details of prior period debits/credits to Profit and loss account:

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Raw material consumed	0.00	0.00
Rates & Taxes	0.00	0.00
Interest & finance charges	1,11,055.00	39472.56
Other expenses/(income)	3,74,977.09/(3,94,161.00)	36,359.67/(2,67,599.00)

**f) AS - 6 Depreciation accounting**

Depreciation is charged on straight-line method (SLM) method as per rates specified in schedule XIV of the Companies Act, 1956.

In respect of additions/deductions during the year, pro-rata depreciation has been provided at the rates proscribed under schedule XIV.

Depreciation in respect of assets acquired during the year, whose cost does not exceed Rs.5000/- has not been charged @100%, therefore a sum of Rs.74,207.20 has been less charged as depreciation.

**g) AS - 7 Construction Contracts**

The accounting standard is not applicable.

**h) AS - 8 Research & Development**

The accounting standard is withdrawn.

**i) AS - 9 Revenue recognition**

- Income of the company is derived from services. Revenue is recognized on accrual basis on the basis of services provided to the clients.
- Income from investment is credited to revenue in the year in which it accrues. Income is stated in full with tax thereon.
- Dividend is recognized as income as and when the right to receive such payment is established.
- Other income is accounted for on accrual basis in accordance with Accounting Standard (AS) 9 - "Revenue Recognition".
- The revenue and expenditure are accounted on a going concern basis.

**j) AS - 10 Accounting for fixed assets**

Fixed assets are stated at cost including directly attributable cost of bringing them to their respective working condition for intended use, less accumulated depreciation thereon.

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Cost of Lands includes lands acquired under lease	NIL	NIL
Building includes buildings constructed on leasehold lands	NIL	NIL



**k) AS - 11 Accounting for effects of changes in foreign exchange rates**

**(A) Payment for Purchase Fixed Assets**

Particulars	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
	<b>31.03.2012</b>		<b>31.03.2011</b>	
USD (\$)	36,360	16,08,930	-	-
<b>TOTAL</b>	<b>36,360</b>	<b>16,08,930</b>	-	-

**(B) Advance Payment for Purchase Fixed Assets**

Particulars	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
	<b>31.03.2012</b>		<b>31.03.2011</b>	
USD (\$)	20,000	10,03,800	-	-
<b>TOTAL</b>	<b>20,000</b>	<b>10,03,800</b>	-	-

Company has paid advance for US\$ 20,000 on 19.03.2012 and the said transaction has been shown at the exchange rate as on 19.03.2012 as against exchange rate prevailing as on balance sheet date resulting non accounting of profit on exchange rate difference for Rs. 19,400.

**l) AS - 12 Accounting for Government Grants**

The company has not received any grants.

**m) AS - 13 Accounting for Investments-**

Investments are classified into current investments and long-term investments. The cost of investments includes acquisition charges such as brokerage charges, fees and duties. Current Investments are carried at lower of Cost and Fair Value.

Long-term investments are valued at cost. Provision for diminution is made to recognize the decline, other than temporary, in the carrying value of each investment.

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Investments made during the year	0.00	50,00,000.00
Investments realised during the year	0.00	50,00,000.00
Cost of Investments held as at Balance sheet date	0.00	0.00

**n) AS - 14 Accounting for amalgamation**

During the year there was no amalgamation.

**o) AS - 15 Accounting for employee benefits**

- Short Term employee benefits are recognized as an expense at the undiscounted amount in the Profit & Loss account of the year in which the related service is rendered.
- However no such expense has been recognised during the current period.

**a) Defined Contribution Plan**

**Contributions to Defined Contribution Plan, recognized as expense are as under:**

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Employee Contribution To Provident Fund	4,95,081.00	4,27,085.00

**b) Defined Benefit Plan**

The employees' gratuity scheme is a Defined Benefit Plan (DBP). The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

**i) Reconciliation of opening and closing balances of DBP**



**TABLE SHOWING CHANGE IN PRESENT VALUE OF OBLIGATION OF GRATUITY**

Particulars	Amount (Rs.)	
	2011-12	2010-11
DBP at the beginning of the year	2,166,882	1,201,544
Interest Cost	1,84,185	98,856
Current Service Cost	5,22,125	444,575
Benefits Paid	-	-
Actuarial (gain)/loss	(86,024)	421,907
<b>DBP at the End of the year/ period</b>	<b>2,787,168</b>	<b>2,166,882</b>
Current liabilities due with in one year	81,017	N.A.
Non current liabilities due after one year	27,06,151	N.A.

\* However whole amount of obligation of gratuity for Rs.27,87,168.00 has been shown as long term liabilities in the balance sheet.

**TABLE SHOWING CHANGE IN PRESENT VALUE OF OBLIGATION OF LEAVE ENCASHMENT**

Particulars	Amount (Rs.)	
	2011-12	2010-11
DBP at the beginning of the year	99,870	59,769
Interest Cost	8,489	4,917
Current Service Cost	37,090	30,844
Benefits Paid	-	-
Actuarial (gain)/loss	(55,320)	4,340
<b>DBP at the End of the year/ period</b>	<b>90,129</b>	<b>99,870</b>
Current liabilities due with in one year	5,503	N.A.
Non current liabilities due after one year	84,626	N.A.

\* However whole amount of obligation of leave encashment for Rs.90,129.00 has been shown as short term liabilities in the balance sheet.

ii.Reconciliation of opening and closing balances of Fair Value of Plan Assets

**TABLE SHOWING CHANGES IN THE FAIR VALUE OF PLANNED ASSETS OF GRATUITY**

Particulars	Amount (Rs.)	
	2011-12	2010-11
Fair value of plan assets as at the beginning of the year	-	-
Expected Return on plan assets	-	-
Contribution by Employer	-	-
Benefits Paid	-	-
Actuarial (gain)/loss	-	-
<b>Fair Value of Plan Asset at the end of the Year/Period</b>	<b>-</b>	<b>-</b>
<b>Funded Status</b>	<b>(27,87,168)</b>	<b>(21,66,882)</b>
Excess of actual over estimated return on plan asset	-	-



**TABLE SHOWING CHANGES IN THE FAIR VALUE OF PLANNED ASSETS OF LEAVE ENCASHMENT**

Particulars	Amount (Rs.)	
	2011-12	2010-11
Fair value of plan assets as at the beginning of the year	-	-
Expected Return	-	-
Contribution by Employer	-	-
Benefits Paid	-	-
Actuarial (gain)/loss	-	-
<b>Fair Value of Plan Asset at the end of the Year/Period</b>	-	-
<b>Funded Status</b>	<b>(90,129)</b>	<b>(99,870)</b>
Excess of actual over estimated return on plan asset	-	-

iii. Actual Return on Plan Assets

Actuarial (Gain)/Losses ON GRATUITY		
Particulars	Amount	
	2011-12	2010-11
Actuarial (gain)/loss-Obligation	86,024	4,21,907
Actuarial return on plan assets	-	-
Total Actuarial (gain)/loss	(86,024)	4,21,907
Actuarial (gain)/loss recognized	(86,024)	4,21,907
Actuarial (Gain)/ Loss	-	-

Actuarial (Gain)/Losses on LEAVE ENCASHMENT		
Particulars	Amount	
	2011-12	2010-11
Actuarial (gain)/loss-Obligation	55,320	4,340
Actuarial return on plan assets	-	-
Total Actuarial (gain)/loss	(55,320)	4,340
Actuarial (gain)/loss recognized	(55,320)	4,340
Actuarial (Gain)/ Loss	-	-

iv. Reconciliation of amount recognized in Balance Sheet

The Amount to be Recognized in Balance Sheet of Gratuity		
Particulars	Amount (Rs.)	
	2011-12	2010-11
Present Value of the Obligation at the end of the period	2,787,168	2,166,882
Fair Value of Plan Asset at the end of the Period	-	-
Net Liability/(assets) recognised in Balance Sheet and related Analysis	2,787,168	2,166,882
<b>Funded Status</b>	<b>(2,787,168)</b>	<b>(2,166,882)</b>





The Amount to be Recognized in Balance Sheet of Leave Encashment		
Particulars	Amount (Rs.)	
	2011-12	2010-11
Present Value of the Obligation at the end of the period	90,129	99,870
Fair Value of Plan Asset at the end of the Period	-	-
Net Liability/(assets) recognised in Balance Sheet and related Analysis	90,129	99,870
<b>Funded Status</b>	<b>(90,129)</b>	<b>( 99,870)</b>

v). Expense Recognized during the period in Profit & Loss A/c.

EXPENSES RECOGNISED IN PROFIT & LOSS ACCOUNT OF GRATUITY		
Particulars	Amount	
	2011-12	2010-11
Interest Cost	1,84,185	98,656
Current Service Cost	5,22,125	444,573
Expected Return on Plan Asset	-	-
Net Actuarial (gain)/loss recognised in the period	(86,024)	421,907
<b>Expenses to be recognized in P/L Account</b>	<b>6,20,286</b>	<b>965,338</b>

EXPENSES RECOGNISED IN PROFIT & LOSS ACCOUNT OF LEAVE ENCASHMENT		
Particulars	Amount	
	2011-12	2010-11
Interest Cost	8,489	4,917
Current Service Cost	37,090	30,844
Expected Return on Plan Asset	-	-
Net Actuarial (gain)/loss recognised in the period	(55,320)	4,340
<b>Expenses to be recognized in P/L Account</b>	<b>(9,741)</b>	<b>40,101</b>

vi. Principal Actuarial Assumptions

ASSUMPTIONS EMPLOYED FOR CALCULATION OF GRATUITY & LEAVE ENCASHMENT		
Particulars	Period	Period
	01.04.11-31.03.12	01.04.10-31.03.11
Discount Rate	8.50% pa	8.25% pa
Salary Growth Rate	6.00% pa	5.00% pa
Mortality	LIC 1994-96	LIC 94-96 Ultimate
Expected Rate of Returns	-	-
Withdrawal Rate upto 30 years.	3.00% pa	2.00% pa (18 to 60 Years)
From 31 to 44 years	2.00% pa	
Above 44 Years	1.00% pa	

Projected unit credit (PUC) actuarial method has been followed in calculating the above liabilities as certified by M/s CHARAN GUPTA CONSULTANTS PVT.LTD. (Actuary), New Delhi.

**p) AS - 16 Borrowing cost**

- The borrowing costs have been treated in accordance with accounting standard on borrowing cost issued by the ICAI.
- Amount of borrowing costs attributable to qualifying costs capitalized during the year. Amount due within one year in respect of term Loans and vehicle Loans.



Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Secured from banks	11.07	13.68
Secured from others	0.00	0.00
Unsecured from Banks	0.00	0.00
<b>TOTAL</b>	<b>11.07</b>	<b>13.68</b>

q) AS - 17 Segment reporting

CONSOLIDATED AUDITED SEGMENTAL INFORMATION FOR THE YEAR ENED MARCH 31 2012 (Rs. in lacs)		
Particulars	Consolidated	Consolidated
	As at 31.03.2012	As at 31.03.2011
	Audited	Audited
<b>1. Segment Revenue</b>		
<b>(Net sale/income from each segment should be disclosed under this head)</b>		
(a) Segment – Cable Tv & Broadcasting	1,398.95	998.50
(b) Segment – Print Media	300.75	0.45
(e) Unallocated	149.71	177.56
<b>Total</b>	<b>1,849.41</b>	<b>1,174.50</b>
<b>Less: Inter Segment Revenue</b>	<b>-</b>	<b>-</b>
<b>Net sales/Income From Operations</b>	<b>1,849.41</b>	<b>1,174.50</b>
<b>2. Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)#</b>		
(a) Segment – Cable Tv & Broadcasting	242.56	361.90
(b) Segment – Print Media	7.38	0.01
(e) Unallocated	-	-
<b>Total</b>	<b>249.94</b>	<b>361.91</b>
<b>Less: (i) Interest**</b>	<b>65.66</b>	<b>104.06</b>
(ii) Other Un-allocable Expenditure net off	-	-
(iii) Un-allocable income	-	-
<b>Total Profit Before Tax</b>	<b>184.29</b>	<b>257.85</b>
<b>3. Capital Employed</b>		
<b>(Segment assets – Segment Liabilities)</b>		
(a) Segment – Cable Tv & Broadcasting	6,005.34	5,847.33
(b) Segment – Print Media	48.55	45.01
(e) Unallocated	-	-
<b>Total</b>	<b>6,053.90</b>	<b>5,892.33</b>





#### r) AS - 18 Related party disclosure

Disclosure is made as per the requirements of the standard and the same is furnished below:

List of related parties		
Reporting entity	Sea TV Network Limited	
Subsidiary companies	Sea News Network Limited Jain Telemedia Services Limited Sea Print Media and Publication Limited	
Holding companies	NIL	
Fellow subsidiaries	NIL	
Associate companies	NIL	
Joint Venture	NIL	
Group Company	Jivanti Media Venture Limited Nannokar Global Broadcasting Limited	
Key Managerial Personnel	Mr. Neeraj Jain Mr. Pankaj Jain Mr. Akshay Kumar Jain	Chairman & MD Director Director
Relatives of Key Management Personnel	Mrs. Sonal Jain Mrs. Chhaya Jain Mr. Chakresh Kumar Jain	Wife of Mr. Neeraj Jain Wife of Mr. Pankaj Jain Brother of Mr. Akshay Kumar Jain

#### Particulars of transaction with related parties:

Name of the transaction	Enterprises owned or significantly influenced by Key Personnel Management or their relatives		Key Management Personnel		Relatives of Key Management Personnel	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Purchase of goods	-	-	-	-	-	-
Sale of goods	-	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-	-
Rendering of services	-	-	-	-	-	-
Availing of services	-	-	-	-	-	-
Trade advances receivable during the year	-	-	-	-	-	-
Trade advances made/ received back during the year	-	-	-	-	-	-
Loan given	-	-	-	-	-	-
Loans taken	-	-	-	40,80,000	-	-
Loans Repaid	-	-	-	61,59,608	-	-
Maximum Balance during the period	-	-	-	55,94,088	-	-
Remuneration to key management personnel	-	-	90,00,000	70,59,079	12,40,000	714,808
Rent	-	-	12,00,000	12,00,000	-	-
Interest Paid	-	-	-	1,65,537	-	-
Interest Received	-	-	-	-	-	-
Security deposits	-	-	-	-	-	-
Loans & advances receivable	-	-	-	-	-	-
Security creditors	-	-	-	-	-	-
Obligations arising out of agreements	-	-	-	-	-	-
Investments made during the year	-	-	-	-	-	-



**s) AS - 19 Accounting for leases**

The company has not entered into lease agreements during the year.

Minimum Lease Payment	Year Ended on 31 March 2012	Year Ended on 31 March 2011
1. Payable not later than 1 Year	0.00	0.00
2. Payable later than 1 year and not later than five years.	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>

**t) AS - 20 Earning per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The Company does not have any outstanding diluted Potential equity shares, consequently the basic and diluted earning per share of the Company remain the same.

Disclosure is made in the Profit and Loss A/c as per the requirements of the standard.

**u) AS - 21 Consolidated financial statements**

Company has three subsidiaries namely Sea News Network Ltd., Jain Telemedia Services Ltd and Sea Print Media and Publication Ltd. Consolidated financial statements for the year are required to be prepared and reported as per (AS) requirement.

**v) AS - 22 Accounting for taxes on income**

The Provisions for tax for the year ended 31.03.2012 is made in accordance with provisions of Income tax Act, 1961.

Deferred tax Liability and assets are recognised based on timing deference using the tax rates substantively enacted on the Balance Sheet date.

Deferred tax Liability consists of	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Tax on Depreciation	41,36,878.00	25,83,220.00
Tax On expenses admissible on payment basis under IT Act 1961	0.00	0.00
<b>Sub Total</b>	<b>41,36,878.00</b>	<b>25,83,220.00</b>
Deferred tax asset consists of		
Tax on Expenses debited to profit and loss account, but will be allowed for tax purposes in subsequent years.	1,51,321.00	3,34,107.00
<b>TOTAL</b>	<b>39,85,557.00</b>	<b>22,49,113.00</b>

**w) AS - 23 Accounting for investments in associates in consolidated financial statements**

Not applicable

**x) AS - 24 Discontinuing operations**

During the year the company has not yet discontinued any of its operations.

**y) AS - 25 Interim Financial reporting**

Company has not selected for any interim financial reporting.

**z) AS - 26 Accounting for intangible assets**

During the year company acquired the following assets falling under the definition of intangible assets as per account standard and the following discourse is made in respect of these assets,





(i) Trademark

- i. Estimated useful life 10 Year
- ii. Amortisation rates used 10% each year as depreciation

Gross carrying amount in the beginning and at the end of year together with addition and deletion during the period.

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Opening	73,329.37	84,604.37
Addition	15,550.00	0.00
Total	88,879.37	84,604.37
Amortisation as depreciation	12,185.00	11,275.00
Closing Balance	76,694.37	73,329.37

Software

- i. Estimated useful life 3 Year
- ii. Amortisation rates used 33.33% each year as depreciation

Gross carrying amount in the beginning and at the end of year together with addition and deletion during the year.

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Opening	48,943.39	15,577.00
Addition	7,01,800.00	42,000.00
Total	7,50,743.39	57,577.00
Amortisation as depreciation	81,856.08	8,633.61
Closing Balance	6,68,887.31	48,943.39

Video Right

- i. Estimated useful life 10 Year
- ii. Amortisation rates used 10% each year as depreciation

Gross carrying amount in the beginning and at the end of year together with addition and deletion during the year.

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Opening	99,205.48	0.00
Addition	0.00	1,00,000.00
Total	99,205.48	1,00,000.00
Amortisation as depreciation	10,000.00	794.52
Closing Balance	89,205.48	99,205.48



aa) AS - 27 Capital commitments of reporting entity in joint venture

Not applicable

ab) AS - 28 Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any indications exist, the recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

ac) AS - 29 Provisions, contingent liabilities and contingent assets

i) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- The company has a present obligation as a result of past event,
- A probable outflow of resources is expected to settle the obligation and
- The amount of obligation can be reliably estimated.

Reimbursements expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

ii) Contingent Liability is disclosed in the case of

- A present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- A possible obligation, of which the probability of outflow of resources is remote.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

Contingent Assets are neither recognized nor disclosed.

- Contingent Liabilities are detailed in note no.8 to notes on accounts.

4. Acquisition/Subscription - NIL

5. Amount of loan payable within one year:

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
Secured - from banks	9,79,387.51	11,44,469.04
Secured - from others	0.00	0.00
Unsecured - from banks	0.00	0.00

6. Sundry Debtors

Service Tax receivable from sundry debtors has been reduced from total sundry debtors in proportion to the periodical outstanding.

7. Sundry debtors, Short term loan accounts & advances, Short term creditors have been classified in view of management opinion that these assets and liabilities will be realised/paid with in the period of one year from the date of balance sheet though in some cases old litigations are pending but expected to be completely closed with in twelve months.

8. Contingent liability not provided for:

Particulars	Year Ended on 31 March 2012	Year Ended on 31 March 2011
On counter guarantee given to banks	24,20,000.00	24,20,000.00
On letter of credits	1,40,00,000.00	0.00
On bills discounted and purchased	0.00	0.00
On capital commitments towards capital expenditure	0.00	0.00

9. The previous year figures have been regrouped/restated wherever necessary to make them comparable with current year's figures.

10. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the parent Company financial statements.

Signature to notes 01 to 21 referred to above which form part of Balance Sheet, Profit and Loss account and Cash Flow Statement.

As per our report of even date attached

**For SURENDRA G. & COMPANY**

Firm Regn. No. : 001757C  
Chartered Accountants

(S.K.GARG)  
Proprietor  
M.No. 070974

Place: AGRA  
Date: 30<sup>th</sup> May 2012

For and on behalf of the Board

(Neera Jain)  
Chairman & Managing Director

(Pankaj Jain)  
Director

(Akshay Kumar Jain)  
Director

(Ashish Mittal)  
Company Secretary





## NOTICE

Notice is hereby given that the 8th Annual General Meeting of the Company will be held on Saturday the 29th day of September 2012 at 03.15 P.M. at Hotel Marina, Hari Parvat Chauraha, Agra to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March 2012 and the Profit and Loss Account for the year ended on that date and the reports of Directors' and Auditors' thereon.
2. To appoint a director in place of Mr. Narendra Kumar Jain, who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** the retiring Statutory Auditors, M/s. Surendra G. & Company, Chartered Accountants, who being eligible, have offered themselves for re-appointment, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting at a remuneration to be mutually agreed between the Board of Directors and the Statutory Auditors."

### SPECIAL BUSINESS

#### 4. Appointment of Mr. Tika Ram Sharma as Director

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mr. Tika Ram Sharma who was appointed as Additional Director of the Company on 13/07/2012 and who holds the office upto the date of this AGM and in respect of whom the Company has received the notice in writing from a member proposing his candidature for the Director, be and is hereby appointed as NON EXECUTIVE INDEPENDENT DIRECTOR of the Company."

**"FURTHER RESOLVED THAT** Mr. Akshay Kumar Jain, Director of the Company be and is hereby authorized to file the necessary form with ROC to give effect to the above resolution"

#### 5. To borrow money in excess of Paid up Capital and Free Reserve of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act 1956, the consent of the shareholders be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs.500 Cr.(Rupees Five Hundred Crore only) [including the money already borrowed by the Company] in Indian Rupees or equivalent thereof in any foreign currency(ies) on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether domestic or international, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company's assets and effects or properties including stock in trade, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose".

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter called "the Board" which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) be and is hereby authorized for borrowing from time to time as it may think fit, any sum or sums of money but not exceeding Rs.500 Cr. (Rupees Five Hundred Crore only) in Indian Rupees or equivalent thereof in any foreign currency(ies) in aggregate (including the monies already borrowed by the Company) and on such terms and conditions as the Board may deem fit, by way of loans or in any other form whatsoever from, or issue of Bonds and/or Debentures or other Securities whether Convertible into Equity/Preference Shares and/or Securities with or without detachable warrants with a right exercisable by the warrant holder(s) to convert or subscribe to Equity/Preference Shares (hereinafter referred to as "Securities"), to Bank(s), Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not."





## 6. VARIATION IN TERMS OF PROSPECTUS

To consider and, if thought fit, to pass with or without modification, the following resolution as an Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 51 and other applicable provisions, if any, of the Companies Act, 1956 and other applicable rules, regulations, guidelines and other statutory provisions for the time being in force, approval of the Members of the Company be and is hereby accorded and the Board of Directors (hereinafter called the "Board" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), be and is hereby authorized to vary the terms referred to in the Prospectus dated October 04, 2010 filed by the Company with the Registrar of Companies, Kanpur, Uttar Pradesh (the "Prospectus") as under:

- 1) To change the interim use of the funds and authorize the Board of Directors to grant the Inter Corporate loans to the subsidiaries of Sea TV Network Ltd, provided no such loan shall be granted at the rate lower than the prevailing lending rate of the scheduled banks.
- 2) To allow the Board of Directors to purchase the land/property for the branch offices of the company including but not limited to residential land/property depending upon the requirements of the company, further Board of Directors are allowed to purchase such land or property from any employee, director or relative of any director provided proper disclosures shall be made in the meeting of Board of Directors in this regard.
- 3) To re-allocate the IPO proceeds in the objects of the issue i.e. Board of Directors is authorized to increase/decrease the allocation of fund in any particular object of the issue and use the same in any other object of the issue.
- 4) To revise the implementation Schedule as under;

Sl No	Particulars	Revised Implementation Schedule
1.	Setting up complete Digital Headend and network for implementation of Conditional Access System (CAS) to convert from the present Analog system to distribution to a Digital System.	December 2013
2.	Setting up network for complete IPTV solution.	After digitalization of Cable TV Network
3.	Setting up of own cable distribution (underground optical fibre) network capable of digital transmission throughout Agra City and adjoining areas	December 2012
4.	Setting up own 20 branch -offices in the city including in the adjoining areas with required infrastructure for receiving digital signals and re-transmitting the same without much value addition through co-axial cables to individual customers/subscribers.	December 2013
5.	Meeting the expenses of the issue	NA
6.	Investment in Equity Shares of Jinvani Telemedia Service Limited (A Wholly owned Subsidiary of Sea TV Network Limited)	DONE
7.	Investment in Equity Shares of Sea News Network Limited (A Wholly owned Subsidiary of Sea TV Network Limited)	DONE
	(Total Project cost including Internal Accruals & term loan of 945 Lacs)	

**"FURTHER RESOLVED THAT** Mr. Akshay Kumar Jain, Director of the Company be and is hereby authorized to file the necessary form with ROC to give effect to the above resolution"

By order of the Board of Directors  
For Sea TV Network Limited

Sd/-  
Ashish Mittal  
(Company Secretary)

Dated: 30th August, 2012

Place: Agra







NOTES:

- A. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- B. A blank Proxy Form is enclosed with this notice and if intended to be used, the form duly completed should be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of Annual General Meeting.
- C. Members/ Proxies are requested to bring a copy of this notice as no copies will be made available at the meeting. Under no circumstances, photocopies of the admission slip will be allowed for admission to the meeting place. Those members who do not receive copies of annual report can collect their copies from the Registered Office of the Company.
- D. Members/Proxies should bring the attendance slips duly filled in for attending the meeting.
- E. Corporate Members are requested to send a duly certified copy of the Board resolution/ Power of attorney authorizing their representative to attend and vote at the Annual General Meeting.
- F. Members can avail the nomination facility with respect to shares held, by submitting a request in writing to the Company or to M/s Link Intime India Private Limited, the Registrar and Share Transfer Agent of the Company.
- G. Mr. Narendra Kumar Jain, Director, retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Brief resume(s) of the director, with other details as required under clause 49 of the Listing Agreement entered into with the stock exchange(s), are provided in the Corporate Governance Report annexed in the annual report. On re-appointment of Mr. Narendra Kumar Jain would be an Independent Director. The Board of Directors recommends his respective re-appointment.
- H. The Registers of Members will be closed from Saturday the 15th day of September to Friday the 28th day of September, 2012, both days inclusive. The Transfer Books of the Company will also remain closed for the aforesaid period.
- I. All documents referred to in the accompanying notice are available for inspection at the Registered Office of the Company during working hours between 10:00 A.M. to 1:00 P.M. -except holidays up to the date of Annual General Meeting.
- J. The details of the stock exchanges, on which the securities of the Company are listed, are given separately in this Annual Report.
- K. Any query related to the accounts may be sent at the Registered Office of the Company at least 10 days before the date of the Annual General Meeting.
- L. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed hereto.
- M. **Members may please note that briefcase, bag, mobile phone and/or eatables shall not be allowed to be taken inside the hall for security reason.**





**Explanatory Statement Pursuant to Section 173 of Companies Act,  
1956 in respect of Special Business set out in the notice**

**Item No. 4**

Mr. Tika Ram Sharma was appointed as Additional Director in the Board Meeting held on 13/07/2012 and in terms of the provisions of section 260 of the Companies Act, 1956 hold office till forthcoming annual general meeting. The Company has received a notice from a member in writing proposing his candidature for directorship.

Mr. Tika Ram Sharma, aged 69 years is a Post Graduate in Economics and Law Graduate with an experience of nearly four Decades in Banking Sector. During his employment with State Bank of India he handled various portfolios like business planning, business development, training of employees apart from handling medium and large sized branches. he gained the rich experience of General Management & Administration during his employment.

Accordingly, the resolution set out under item No. 4 is submitted for the approval of the shareholders as an ordinary resolution.

None of the Director, except Mr. Tika Ram Sharma, is concerned or interested in the resolution.

**Item No. 5**

Looking into requirements of the business activities earned by the Company, it may require additional funds. Hence, the Board of directors of the Company should be authorized to borrow moneys from time to time, from Banks, Financial Institutions and any other sources. The moneys to be borrowed by the Company may exceed the aggregate of paid-up capital and its free reserves, provided however, the total amount of such borrowings shall not exceed the sum of Rs. 500 Crores (Rupees Five Hundred Crores) at any time. This authority can only be exercised by the Board in accordance with the provisions of section 293(1) (d) of the Companies Act, 1956. Hence, this resolution is proposed as an ordinary resolution for approval of the members.

Accordingly, the resolution set out under item No. 4 is submitted for the approval of the shareholders as an ordinary resolution. None of the Directors of the company, in any way are concerned or interested in the resolution.

**Item No. 6**

As the Shareholders are aware that company has commercially launched two satellite channels namely, "JINVANI" & "SEA NEWS UP & UK" and with the permission of shareholders company has invested Rs. 9.00 Cr in the subsidiaries operating these two channels but more funds are required for working capital of these companies and proposal of loan for the same is pending in the bank however the same is yet to be approved meanwhile IPO funds are available with the company utilization of which has been delayed due to change in the regulatory policies i.e. change in the deadline for implementation of Conditional Access System and Digital Cable in Metro cities, which is most likely to delay the implementation of Conditional Access System and Digital Cable in cities like Agra thereby reducing the demand of Set Top Boxes and also delaying the opening of branch offices, hence it is proposed to allow the Board of Directors to grant temporary inter corporate loans to the subsidiaries of Sea TV Network Ltd for a period not exceeding 12 months.

Since the nature of the business of your company is such that its branch offices can be operated in residential areas also and the same is also allowed by the Agra Development Authority besides the rate of commercial properties in the Agra have risen so steeply that it is impossible for the company to purchase the commercial land for branch offices in the given budget hence it is proposed to allow the Board of Directors to purchase the land residential as well as commercial as per the requirements of the company.

It is further proposed to allow the Board of Directors to purchase such property from any employee/ director/ relative of a director provided proper disclosures in this regard will be made in the board meeting.

It is proposed to allow the Board of Directors to re-allocate the fund of one object of the issue to another object of the issue or vice-versa, to enable the Board to utilize the IPO proceeds in more appropriate manner keeping the current economic and market scenario in mind.

Since the project has already been delayed due to circumstances beyond the control of the Board of Directors hence it is proposed to revise the implementation schedule as above.

Accordingly, the resolution set out under item No. 6 is submitted for the approval of the shareholders as a special resolution. None of the Directors of the company, in any way are concerned or interested in the resolution.

**For Sea TV Network Limited**

Sd/-

Ashish Mittal  
(Company Secretary)

**Dated:** 30th August, 2012

**Place:** Agra





SEA TV NETWORK LIMITED

Regd. Office: 148, Manas Nagar, Shahganj, Agra-282010

ATTENDANCE SLIP

08 TH ANNUAL GENERAL MEETING

Please complete this attendance slip and hand it over at the entrance of meeting hall

DP Id*	Name & Address of Registered Shareholders
Client Id*	
Regd. Folio. No.	
No. of Shares Held	

\* Applicable for shareholding in electronic form.

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company

I hereby record my presence at the 08th Annual General Meeting of the Company held on Saturday the 29th day of September 2012 at 03:15 P.M. at Hotel Marina, Hari Parvat Chauraha, Agra

Signature of Shareholder/Proxy

NOTE: 1. Members/Proxy holders are requested to bring this Attendance Slip duly filled in and signed with them when they come to the meeting. No Attendance Slip will be issued at the venue of the meeting.

FORM OF PROXY

08TH ANNUAL GENERAL MEETING

DP Id*	Name & Address of Registered Shareholders
Client Id*	
Regd. Folio. No.	
No. of Shares Held	

I/We ..... of ..... being a member/members of Sea TV Network Ltd hereby appoint ..... of ..... or failing him ..... of ..... or failing him ..... of ..... as my /our proxy to vote for me/ us and on my/our behalf at the Eight Annual General Meeting to be held on Saturday, the 29th Day of September, 2012 at 3:15 P.M. or at any adjournment thereof.

Signed this ..... day of ..... 2012.

\*Applicable for investors holding shares in electronic form

Affix a revenue Stamp

Signature of Shareholder/Proxy

Note: The Proxy 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 time for holding the aforesaid meeting. The Proxy need not be a member of the Company.





BLANK





**SEA TV NETWORK LIMITED**

148, Manas Nagar, Shahganj, Agra-282010  
Call: 0562-3021225, Fax NO: 0562-2511070  
[www.seatvnetwork.com](http://www.seatvnetwork.com)