



## CREATIVE EYE LIMITED

October 04, 2016.

The DCS-CRD,  
Bombay Stock Exchange Limited  
1<sup>st</sup> Floor, Pheeroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

The DCS-CRD,  
National Stock Exchange of India Ltd.  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No- 'C' Block, G Block  
Bandra-Kurla Complex  
Mumbai-400051

Dear Sir,

**Sub: Compliance under Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.**

**Ref: BSE Script Code: 532392 NSE Script Code: CREATIVEYE**

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, We are enclosing herewith Annual Report of the Company for the Financial year 2015-16, duly approved by the Member as per the provision of the Act.

Further it may kindly be noted that the copy of Annual Report for the year 2015-16 can be downloaded from our website [www.creativeeye.com](http://www.creativeeye.com).

You are requested to kindly take the note of the above.

Thanking you

Yours Faithfully,

For Creative Eye Limited

*Khushbu*

Khushbu Shah

Company Secretary & Compliance Officer

Encl: As above.





***Creative Eye Limited***



***Annual Report  
2015-16***



## Board of Directors

**Mr. Dheeraj Kumar**  
Chairman & Managing Director

**Mrs. Zuby Kochhar**  
Executive Director

**Mr. M. R. Sivaraman**  
Non Executive Director

**Mr. Shiv S. Sharma**  
Non Executive Director

**Mr. T. K. Choudhary**  
Non Executive Director

## Company Secretary

Ms. Khushbu G Shah

## Auditors

Uttam Abuwala & Co.,  
Chartered Accountants, Mumbai

## Bankers

Oriental Bank of Commerce  
Santacruz (west), Mumbai

## Corporate Directory

### Registered and Corporate Office

CIN: L99999MH1986PLC125721

"Kailash Plaza", Plot No.12-A,  
Opp. Laxmi Industrial Estate,  
New Link Road, Andheri (West),  
Mumbai- 400 053

Tel.: 022 2673 2613 (7 lines)

Fax: 022 2673 2296

E-Mail: [contact@creativeeye.com](mailto:contact@creativeeye.com)

Website: [www.creativeeye.com](http://www.creativeeye.com)

## Registrar and Transfer Agents

Karvy Computershare Pvt. Ltd.

46, Avenue-4, Street-1,  
Banjara Hills, Hyderabad- 500 034

Tel.: 040 23312454

Fax: 040 23311968

Website: [www.karvy.com](http://www.karvy.com)

## Annual General Meeting

Friday, 30th September, 2016.

at 10.30 a.m.

at "GMS Community Centre Hall",  
Sitladevi Complex, 1st Floor, D. N. Nagar,  
Opp. Indian Oil Nagar, Link Road,  
Andheri (West), Mumbai - 400 053.

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## NOTICE

**NOTICE** is hereby given that the **Thirtieth Annual General Meeting** of the Members of **CREATIVE EYE LIMITED** (CIN : L99999MH1986PLC125721) will be held on **Friday, 30th September, 2016 at 10.30 a.m.** at "GMS Community Centre Hall", Sitladevi Complex, 1st Floor, D. N. Nagar, Opp. Indian Oil Nagar, Link Road, Andheri (West), Mumbai - 400 053 to transact the following businesses:

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2016, Profit and Loss Account and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Mr. Dheeraj kumar Kochhar, (DIN 00018094) as a director, who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
3. To Re-appoint M/s. Uttam Abuwala & Co, Chartered Accountants, Mumbai, having Firm Registration No. 111184W, as Statutory Auditors of the company who shall hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

**"RESOLVED THAT** pursuant to Section 139,142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) M/s. Uttam Abuwala & Co, Chartered Accountants (Firm Registration No. 111184W), who have offered themselves for re-appointment and have confirmed their eligibility as Auditors of the Company, in terms of provision of Section 141 of the Act, and Rule 4 of the Rules, be and are, hereby re-appointed as Statutory Auditor of the Company, to hold office from the conclusion of this AGM to the conclusion of the next AGM of the Company on such remuneration to be decided by the Board of Directors."

### SPECIAL BUSINESS:

4. Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013:  
To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (incorporation) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the draft regulations contained in the new set of Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** any one of the Directors and the Company Secretary be and are hereby severally authorised to do such other acts, deeds and things as are necessary to give effect to this resolution."

Registered Office:

**CREATIVE EYE LIMITED**  
**(CIN: L99999MH1986PLC125721)**  
Kailash Plaza, Plot No.12-A,  
Opp. Laxmi Industrial Estate,  
New Link Road, Andheri (West),  
Mumbai - 400 053, India  
Tel :022 26732613 (7 Lines)  
Fax : 022 2673 2296  
E-mail: [contact@creativeeye.com](mailto:contact@creativeeye.com)  
Website : [www.creativeeye.com](http://www.creativeeye.com)

By Order of the Board of Directors

Sd/-  
**Khushbu G. Shah**  
Company Secretary

**Place: Mumbai**

**Date:- 28<sup>th</sup> May, 2016**



## NOTICE (contd....)

### NOTES:

1. A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. A person can act as a proxy on behalf of members not exceeding fifty members and holding in the aggregate not more than ten percent of the total equity share capital of the Company carrying voting rights. A member holding more than ten percent of the total equity share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The instrument appointing a proxy should be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
2. Members/proxies should bring the attendance slips duly filled in and PHOTO ID proof for attending the meeting.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed.
4. Members who hold their shares in dematerialized form are requested to write their client ID and DP ID number and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
5. In case of joint holders attending the Annual General Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members who wish to obtain information on the Financial Statements, Accounts and operations of the company for the year ended 31 March, 2016, are requested to address their queries/questions in writing at least seven days before the AGM to the Chief Compliance Officer & Company Secretary at the registered office of the Company or at Email ID: [investorscel@yahoo.com](mailto:investorscel@yahoo.com).
7. Pursuant to Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer books of the Company will remain closed from Friday, 23rd September 2016 to Friday, 30th September 2016 (both days inclusive).
8. While members holding shares in physical form are requested to notify change in their address, if any, quoting their folio number to the Registrar and Share Transfer Agents (M/s. Karvy Computershare Private Limited) and members holding shares in dematerialized/electronic form are requested to intimate all changes, pertaining to their bank details, ECS mandate, email address, nominations, change of address/ name etc to their Depository Participants.
9. Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting. A person so authorized shall have the right to vote, on behalf of the body corporate which he or she represents.
10. Consequent to the introduction of Section 56 (Section 109A of the Companies Act, 1956), of Companies Act 2013 shareholders are entitled to make nomination in respect of shares held by them in physical. Shareholders desirous of making nominations are requested to send their requests (which will be made available on request) to the Registrar and Transfer Agents, (M/s. Karvy Computershare Private Limited)
11. Electronic copy of the Annual Report for 2015-2016 with Notice of Thirtieth Annual General Meeting of the Company is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purpose unless any member has requested for the hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-2016 with Notice of Thirtieth Annual General Meeting of the Company is being sent in the permitted mode. The Annual Report may also be accessed in the Company's Corporate Website : [www.creativeeye.com](http://www.creativeeye.com).
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar.
13. Members are requested to bring their copies of Annual Report to the meeting.





## NOTICE (contd....)

### 14. E-Voting :

- A. In compliance with Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the Company is pleased to provide members facility to exercise their right to vote at the Thirtieth Annual General Meeting (AGM) by electronic means and all the business may be transacted through e-Voting Services provided by Karvy Computershare Private Limited .
- B. The E-voting period for all items of business contained in this Notice shall commence from Monday, the 26<sup>th</sup> September, 2016 at 9.00 a.m. and will end on Thursday, the 29<sup>th</sup> September, 2016 at 5.00 p.m. During this period equity shareholders of the Company holding shares either in physical form or in dematerialised form as on the cutoff date of 23<sup>rd</sup> September, 2016, may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting there after. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently. The voting rights of Members shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on 23<sup>rd</sup> September, 2016.
15. The facility for voting by way of Ballot / Poll paper shall also be made available at the venue of the AGM and members attending the AGM who have not already cast their vote by e-voting shall be able to exercise their right at the AGM.
16. The Members who have cast their vote by e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
17. The voting rights of Members either by way of e-voting prior to the AGM or by way Ballot / Poll paper at the AGM shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on the Cut-off date of September 23, 2016.
18. The Board of Directors at their meeting have appointed **Mr. Kaushal Doshi, Proprietor of M/s Kaushal Doshi & Associates, Practicing Company Secretary (ACS: 32178), Mumbai** as Scrutinizer to conduct the E-voting Process as well as Ballot/ Poll paper voting process in a fair and transparent manner The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
19. The Results of E-voting shall be declared at the AGM of the Company and the results along with Scrutinizer's report shall be placed on the website of the Company thereafter and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of AGM

### PROCEDURE AND INSTRUCTIONS FOR E-VOTING

The procedure and instructions for e-voting are as follows:

- 1) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
- 2) Enter the login credentials (i.e., user-id & password) mentioned in the Attendance Slip. Your folio/DP Client ID will be your User-ID.

User – ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- • Event no. followed by Folio Number registered with the company
Password	Your Unique password is printed on the Postal Ballot Form / via email forwarded through the electronic notice
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- 3) Please contact our toll free No. 1-800-34-54-001 for any further clarifications.

*"Success is simple. Do what's right, the right way, at the right time."*



## NOTICE (contd....)

- 4) Members can cast their vote online Monday, the 26<sup>th</sup> September, 2016 at 9.00 a.m. and will end on Thursday, the 29<sup>th</sup> September, 2016 at 5.00 p.m.
- 5) After entering these details appropriately, click on "LOGIN".
- 6) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 7) You need to login again with the new credentials.
- 8) On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
- 9) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and casted your vote earlier for any company, then your exiting login id and password are to be used.
- 10) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'
- 11) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- 12) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- 13) Corporate/Institutional Members (corporate /FIs/FILs/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [cs.kaushalcel@gmail.com](mailto:cs.kaushalcel@gmail.com) with copy to [evoting@karvy.com](mailto:evoting@karvy.com). The file scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no.".

Registered Office:

**CREATIVE EYE LIMITED**  
**(CIN: L99999MH1986PLC125721)**

Kailash Plaza, Plot No.12-A,  
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Fax : 022 2673 2296  
E-mail: [contact@creativeeye.com](mailto:contact@creativeeye.com)  
Website : [www.creativeeye.com](http://www.creativeeye.com)

By Order of the Board of Directors

Sd/-  
**Khushbu G. Shah**  
Company Secretary

**Place: Mumbai**

**Date:- 28<sup>th</sup> May, 2016**



## NOTICE (contd....)

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013.

#### ITEM NO. 4

The existing Articles of Association ("AOA") are based on the Companies Act, 1956 and several regulations in the existing AOA contain reference to the specific sections of Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Companies Act, 2013 ("the Act").

With the enactment of the Companies Act, 2013, several regulations of the existing AOA of the Company require alteration or deletions. Given this situation, it is considered expedient to wholly replace the existing AOA by new set of Articles.

The new AOA to be substituted in place of the existing AOA. The new AOA is largely based on Table 'F' of the Act which sets out the model articles of association for a Company limited by shares.

A copy of the new Articles of Association of the Company is available for inspection by the members at the Registered Office of the Company on all working days during usual business hours.

None of the Directors, Key Managerial Personnel or their Relatives, is concerned or interested in the resolution.

The Board recommends the resolution as set out in Item No.4 of the Resolution for your approval.

#### Information Pursuant to the Listing Regulations and Secretarial Standards in respect of Appointment/ Re-appointment of Directors:

Name of the Director: **Mr. Dheeraj Kumar Kochhar**

DIN: 00018094

Date of Birth: **27/09/1946**

Type of appointment: **Director Retiring by Rotation**

Date of Appointment/ Re-appointment: **01/06/2014**

Areas of Specialization: **Creative and Business Planning**

Qualifications: **Graduate from Films and Television Institute of India, Pune.**

No. of Shares Held in the Company: **3995544**

List of Directorship held in other Public Limited Companies (Non Listed) : **1(one)**

Chairman/member of the Committee of the Board of Directors of this Company: **Nil**

Chairman/member of the Committee of the Board of Directors of other Companies: **NIL**

Experience in Special Functional Area: Long experience of Industry with rich business knowledge.

Your directors recommend the above ordinary resolution for approval.





## Directors' Report

### Dear Members,

Your Board of Directors are pleased to present the 30<sup>th</sup> Annual Report on the business and operations of the Company along with the Audited Financial Statements of the company for the year ended March 31, 2016.

### FINANCIAL RESULTS

The Financial Performance of your Company for the year ended March 31, 2016 is summarized below:

PARTICULARS	(₹ In Lacs)	
	31.03.2016	31.03.2015
Sales	509.72	1349.90
Less: Cost of Software	483.97	1519.69
Gross Profit	25.75	(169.79)
Other Income	124.54	151.63
Total	150.29	(18.16)
Less: Other Expenses before interest and Depreciation	248.58	252.89
Operating Profit/(Loss)	(98.29)	(271.05)
Less: Interest	18.18	35.95
Less: Depreciation	24.96	29.14
Net Profit/(Loss) before Tax	(141.43)	(336.14)
Less: Provision for Deferred Tax	0.00	0.00
Less: Current Tax ( MAT)	0.00	0.00
Add: MAT Credit Entitlement	0.00	0.00
Net Profit/(Loss) after tax	(141.43)	(336.14)
Earning per share		
Basic	(0.71)	(1.68)
Diluted	(0.71)	(1.68)
Dividend Rate	---	---

### REVIEW OF PERFORMANCE

During the year under review, the turnover was Rs. 509.72 Lacs as compared to Rs. 1349.90 Lacs of last year showing a decline by 62.24 % over last year. The net loss for the year was Rs. 141.43 lacs as compared to net Loss of Rs. 336.14 Lacs of last year. As on 31<sup>st</sup> March, 2016 Reserves and Surplus of your Company were at Rs. 36.53 Crores.

### DIVIDEND

In view of the loss suffered by the company the board is unable to recommend any dividend for the year under review.

### FUTURE PLANS/ OUTLOOKS

Your Company is in the process of launching a new unique comedy show Y.A.R.O Ka Tashan which is under production stage and will be launched in last week of July,2016 on Sony Sab Channel. The story of the series is based on Robo. YARO is an amazing concept and should go a long way on the channel. It's basically an emotional subject which will appeal to the family audiences especially the children.

Besides this, your Company is developing various other interesting concepts of different genres which are in pipe line at this stage and will be approved shortly.

The company is focusing to meet the above plans so as to deliver better results which would enhance the value of all stakeholders.

### FUND UTILIZATION

Up to the financial year ending 31st March, 2016, the Company has utilized Rs. 1414.95 Lacs from the funds received from the Initial Public Issue. The balance unutilized funds which have been invested in fixed deposits, will be utilized in the near future, as and when required.

*Success is going from failure to failure without losing enthusiasm."*



## Directors' Report (contd....)

### PUBLIC DEPOSIT

During the year under review your company has not accepted any public deposit.

### INTERNAL AUDITOR AND REPORT

In Compliance with the provisions of the section of 138 of the Companies Act, 2013, M/s Jayram & Co., Chartered Accountants, Mumbai was the independent Internal Auditor of the company for the Financial Year under consideration to conduct the internal audit of the company that reviews internal controls, internal check and operating systems and procedures etc.

### SECRETARIAL AUDITOR AND REPORT

During the year, Secretarial Audit was carried out by **Mr. Kaushal Doshi, Practicing Company Secretary (ACS No. 32178), Mumbai** in compliance with Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The report of Secretarial Auditor forming part of this Annual report does not contain any qualification, reservation or adverse remarks.

### STATUTORY AUDITORS AND AUDIT REPORT

M/s Uttam Abuwala & Co., Chartered Accountants, (Firm Registration No. 111184W) Mumbai, Independent Auditors of the Company will retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The Company has received a confirmation from M/s Uttam Abuwal & Co., Chartered Accountants, to the effect that their re-appointment as Statutory Auditors, if made, would be within the limits under the section 141 of Companies Act 2013 read with the Rule 4 of Companies (Audit & Auditors) Rules 2014. It is proposed to reappoint them from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, subject to the approval of shareholders.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

Further the Auditors' Report for the financial year ended, 31st March, 2016 is annexed with this annual report for your kind perusal and information.

### CORPORATE SOCIAL RESPONSIBILITY

The company does not fall under the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, hence the said provision is not applicable to the Company.

### THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, and rules made there under, your Company has adopted a policy for prevention of sexual harassment at workplace and constituted an 'Internal Complaints Committee'. During the year, the committee has not received any complaints on sexual harassment under the said Act.

### LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any Loan or Guarantee nor has made any Investment during the year under reporting attracting the provisions of Section 186 of the Companies Act, 2013, hence the said provision is not applicable to the Company.

### EXTRACT OF THE ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, in the prescribed Form MGT-9 is annexed with this annual report for your kind perusal and information.

### MEETINGS OF THE BOARD OF DIRECTORS

Your Company's Board of Directors met four times during the financial year under Review. Details of the same forms part of the Corporate Governance Report which is annexed with this annual report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and in compliance with listing regulation.

*"If you want to make an easy job seem mighty hard, just keep putting off doing it."*



## Directors' Report (contd....)

### RELATED PARTY TRANSACTIONS

In compliance with the Regulation 23 of Listing Obligation and Disclosures Regulations, 2015 the Company has adopted a policy on materiality of related party transactions (RPT). The RPT Policy is available on the Company website viz. [www.creativeeye.com](http://www.creativeeye.com) on the Investors page.

Apart from the Related Party Transactions in the ordinary course of business, details of which are given in the notes to the financial statements, there were no other Related Party Transactions requiring disclosure in the Directors' Report.

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

Considering the nature of business of the company, the particulars required to be furnished pursuant to applicable Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable to the company. There were no foreign exchange earnings and outgo during the current period.

### DIRECTORS

#### A) Changes in Directors

The individual details of Directors seeking re-appointment at the ensuing Annual General Meeting of the Company are annexed to the notice of Annual General Meeting. There were no change in Directors for the year under review.

#### B) Declaration by an Independent Director(s)

Pursuant to section 134(3)(d) of the Act, your Company confirm having received necessary declarations from all the Independent Directors under section 149(7) of the Companies Act, 2013 declaring that they meet the criteria of independence laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### C) Appointment and Remuneration

Considering the requirement of skill, eminent people having an independence standing in their respective field, profession and who can effectively contribute to company's business and policy decision are considered by the Nomination and Remuneration Committee for appointment as an independent director on the board. The Committee considers ethical standards of integrity, qualifications, expertise and experience of the person as appointment as director and not disqualified under the Companies Act, 2013 and rules made there under and accordingly recommended to the board for appointment.

Remuneration to Whole Time Director/ Executive Directors is governed under the relevant provisions of the Companies Act, 2013 and the Rules made there under. Independent/ Non-Executive Directors are paid sitting fees for attending the meeting of board/committees thereof.

#### D) Familiarisation Programme for the Independent Directors

In Compliance with the requirements of SEBI Regulations, your Company has put in place a familiarisation programme for the Independent Directors to familiarise them with their role, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model, etc. It is also available on the Company website viz. [www.creativeeye.com](http://www.creativeeye.com).

### CORPORATE GOVERNANCE REPORT

As a Listed Company, necessary measures are taken to comply with the Listing Obligations & Disclosures Requirement, Regulations, 2015 with the Stock Exchanges. A report on Corporate Governance along with Certificate of compliance from the Statutory Auditors, forms an Integral part of this Annual Report.

In order to maximize shareholder value on a sustained basis, your Company has been constantly reassessing and benchmarking itself with well-established Corporate Governance practices besides strictly complying with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') and applicable provisions of Companies Act, 2013.

### RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy and implemented a mechanism for risk assessment and management. The policy provides for identification of possible risks associated with the business of the Company, assessment of the same at regular intervals and taking appropriate measures and controls to manage, mitigate and handle them. The key categories of

*"The successful man is the one who finds out what is the matter with his business before his competitors do."*





## Directors' Report (contd....)

risk jotted down in the Policy are Strategic Risks, Financial Risks, Operational Risks and such other risk that may potentially affect the working of the Company. The risk management framework is supported by the Board of Directors, Management and the Audit Committee. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework. At present, in the opinion of the Board of Directors, there are no risk which may threaten the existence of the Company.

### BOARD EVALUATION

Pursuant to the section 134(3) of Companies Act, 2013 and Schedule II part D of the Listing Obligation & Disclosures Regulations, 2015, the Performance Evaluation of Independent Directors was done by the entire Board excluding the Director being evaluated and evaluation of the Board as a whole was done by Independent Directors in a separate meeting. The performance evaluation consists of maintaining confidentiality, maintaining transparency, participation in company meetings, contribution from each directors, efficient discharge of their role and responsibility, monitoring compliances, sharing the knowledge and experience for the benefit of the company etc.

### PARTICULARS OF REMUNERATION TO EMPLOYEES

There were no employees covered under the preview of section 197 of the Companies Act, 2013 read with Rule and amendments made under in Companies Act 2013. Remuneration paid to Directors and Key Managerial Persons during the year reported in MGT 9 ( Extract of Annual Return) annexed with this annual report. Also the ratio of the remuneration of each director to the median remuneration of the employees reported in (Particulars of Remuneration of Employees) annexed with this annual report.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, in relation to the Audited Financial Statements for the Financial Year 2015-2016, your Directors confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The accounting policies have been consistently applied and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss account of the company for that period as disclosed in the enclosed accounts.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts on a "going concern" basis.
- v) The internal financial controls are adequate and were operating effectively.
- vi) The proper systems are made to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation to its Stakeholders, Bankers, Customers, vendors, Government Authorities, regulatory authorities viz Ministry of Corporate Affairs, Reserve Bank of India, Securities Exchange Board of India, the Stock Exchanges and Depositories for their Co-operation and support and looks forward to their continued support in future. Your Directors also place on record, their deep sense of appreciation for the committed services by the employees of the Company.

For and on behalf of the Board of Directors  
**Creative Eye Limited**

Sd/-

**Place: Mumbai**  
**Date: 28<sup>th</sup> May, 2016**

**Dheeraj Kumar Kochhar**  
Chairman & Managing Director  
DIN-00018094



## Management Discussion and Analysis Report

### Indian Economy Overview

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17.

The improvement in India's economic fundamentals has accelerated in the year 2015-16 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices. India was ranked the highest globally in terms of consumer confidence during the year 2015-16, continuing its earlier trend of being ranked the highest during first three quarters of 2015.

The Indian Economy shifted gears and the macro- economic fundamentals are in better shape. As per the Global Economic Outlook among emerging markets, India is well insulated against most of the global risks, viz., EU crisis, Dollar appreciation and Fed rate hike.

According to IMF World Economic Outlook (April-2016), GDP growth rate of India in 2015-16 is 7.34% and India is 9th fastest growing nation of the world and it is expected to be grow at 7.5% in the next fiscal year. In the Year 2014-15, India was 14th fastest growing nation of the world with GDP growth rate of 7.24%

### Media And Entertainment Industry

(Source: KPMG-FICCI Indian Media and Entertainment Industry Report 2016)

#### Overview:

India's Media and Entertainment (M&E) Industry is one of the fastest growing industries in the country. As per the FICCI –KPMG Report 2015, during the last five calendar years (2011-2015), the Indian Media and Entertainment (M&E) industry has grown in double-digits every year. Despite turbulence in the broader economy, the India M&E industry grew by 12.8% from ₹ 1,026 billion in 2014 to ₹ 1,157 billion in 2015. The industry is expected to grow to INR 2,260 billion by 2020 at a CAGR of 14.3% during 2015-2020, which is more than double the rate of growth of global M&E Industry

Overall advertising revenues grew by 14.7% from ₹ 414 billion in 2014 to ₹ 475 billion in 2015 contributing to 41% of the total Media & Entertainment industry revenues. Unlike 2014, 2015 was not the year of high spends during elections; the major growth drivers were e-commerce advertising, language consumption and pervasive growth in radio segment. Currently, advertising revenue in India contributes less than 0.5% of the GDP, compared to the average 1% contribution across most developed economies. It is expected that advertising will increasingly contribute a higher share to the GDP in the coming years and is projected to double to ₹ 994 billion by 2020 growing at a CAGR of 16% during 2015-2020.

#### Television

Year 2015 has been another pivotal year for the Indian television industry. For the first time our measurement systems offered a glimpse of our rural consumers viewership preferences. On the Advertising front, the industry has witnessed strong growth aided by new entrants and a stable economic environment.

The television industry in India is estimated at ₹ 542 billion in 2015, and is expected to grow at a CAGR of 15 % to reach ₹ 1,098 billion in 2020. Subscription revenue is estimated to grow at a CAGR of 15% on account of the increased monetization while advertising revenue growth is also estimated to remain strong. Growing at a CAGR of 15%.

The number of TV households in India increased to 175 million in 2015. Implying a TV penetration of 62 % The number of Cable and satellite (C & S) subscribers is estimated at 145 million in 2015, implying a paid C & S penetration of 83%. TV households are expected to increase to 200 million by 2020. With paid C & S subscriber base expected to grow to 174 million by 2020 Representing 87% of the TV Households.

#### Print Media

India's print industry experienced a dynamic growth situation in 2015. As per the KPMG-FICCI Indian M&E Industry Report 2016, Indian print industry grew at a robust rate of 7.6% from ₹ 263 billion in 2014 to ₹ 283 billion in 2015. It is expected to grow at a CAGR of 7.8% for the period CY 2015-2020. While print advertisement revenues grew at 7.3% and reached ₹ 189 billion, revenues from circulation grew at 8.2% and touched ₹ 94 billion. If we consider newspapers alone, then total revenues grew at 8% and reached ₹ 269 billion. Further, newspapers are expected to grow at a CAGR of 8.2% for the period CY 2015-2020.



## Management Discussion and Analysis Report (contd....)

### Digital Media:

Like the previous year, advertising on digital media grew at the fastest rate among all other platforms. It grew at 38.2%, from ₹ 43.5 billion in 2014 to ₹ 60.1 billion in 2015 driven by increased allocation of budgets to customer engagement, usage of digital channels by traditional companies in businesses operations, and enhanced spends from e-commerce companies. Significant rise in online video content also played a huge role in driving digital revenues.

### Mobile Advertisement:

Mobile advertisement spend in 2015 was estimated to be ₹ 9 billion projected to grow at a CAGR of 62.5% to reach ₹ 102.1 billion in 2020 driven by better monetisation by publishers, growing penetration of smart phones and increased consumption of content on mobile devices.

### Radio

The radio industry grew by 15.1% in 2015, achieving revenue of ₹ 19.8 billion, growing at a CAGR of 14.5% 2011-2015. Two factors are primary drivers of this growth. First, volume enhancement in Tier-II and III cities, and second, increase in Ad rates. In 2015, automobile, retail, consumer durables, and services continued to drive growth while e-commerce companies emerged as big spenders seeking uniqueness, contextualisation in market communication and content differentiation.

### Challenges and Threats

- 1) **Competition from other players:** Company operates in a highly competitive environment across all its business segments. This means new innovations, changes and varying levels of resources available to each player across segments. Failure to remain ahead of the curve, or respond to competition may harm the business.
- 2) **Changing trends in Media sector:** It may not be possible to always predict evolving audience preferences. Consumer tastes vary and change with great speed in line with their ecosystem. It is virtually impossible to accurately predict the success of any particular edition in the marketplace. With significant investments going into new markets and product innovations, failures can adversely impact bottom line.
- 3) **Macroeconomic Environment:** Macroeconomic environment can be a potential source of risk. Moderating growth, along with high inflation, can adversely impact advertising revenues of the Company, which forms the largest component of the Company's revenues.
- 4) **Differentiated Products:** Due to increase in the number of channels the content produced in them needs to be unique to attract viewers.
- 5) **Increased Payouts:** With a view to produce differentiated content, the production cost has increased.
- 6) **Consistency:** Consistency of programming quality and life is essential to maintain targeted revenues.

### Business Risks

- 1) **Change in Consumer Preference Risks:** The Content developed by the Company need not appeal the target audience always as the target audience preferences are bound to change. The level of creativity required for the audience targeted varies with the available options to the consumers.
- 2) **Revenue Risks:** The Company earns revenue by selling commissioned programs or Syndication to various broadcasters, aggregators and satellite networks. The sustainability of the programs is mainly dependent on the concept, content and the technical expertise. Apart from this, Television Rating Points (TRP) is one of the key indicators, which decide the popularity of the program as well as sustainability of the program.
- 3) **Technological Risks:** Advancement of the technology for creation of the content is necessary with the new technologies being adopted by the competitors.
- 4) **Regulatory Matters:** The business may have a positive or a negative impact on the revenues in future due to changes in the regulatory framework and tax laws as compared to the current scenario.

Management continuously monitors and makes efforts to arrest decline or adverse output due to any of these factors.





## Management Discussion and Analysis Report (contd....)

### Risk Management & Controls

Risk Management is an integral component of the Company's business model. The Company firmly believes the need to manage risks together with operations is crucial to maximizing returns. Company has put in place a robust process to identify key risks across the Group and priorities relevant mitigating actions. The Risk Management framework is reviewed periodically by the Board and the Audit Committee. This review includes discussions on the management's submissions on risks, prioritizing key risks and approving relevant action plans that address these risks.

### Segment-wise or Product-wise performance

The Major segment of the Company's turnover is from production of TV Contents. Turnover of the segment is as follows:

(Amount in lacs)

Segment	31st March 2016
TV Contents	509.72
<b>Total</b>	<b>509.72</b>

Profitability of the segment of the Company is given hereunder:

(Amount in lacs)

Segment	Sales	Cost of Software	Gross Profit
TV Contents	509.72	483.97	25.75
<b>Total</b>	<b>509.72</b>	<b>483.97</b>	<b>25.75</b>

### Financial performance with respect to operational performance

The highlights of the financial performance of the Company for the financial year 2015-2016 are as under:

(₹ in lacs)

Particulars	31.03.2016	31.03.2015
Income	634.26	1501.53
EBIDT	(98.29)	(271.05)
Interest	18.18	35.95
Depreciation	24.96	29.14
Profit/ (Loss) before tax	(141.43)	(336.14)
Profit/ (Loss) after tax	(141.43)	(336.14)

The operations/business and financial review in detail is covered in Directors report and is to be read as a part of this report itself.

### Human Resources

The Company believes employees are the most valuable resource for any organization. The Company has laid down stringent measures to make sure that the safety and health of its employees are secured. The Company has a professional and healthy work culture built around strong corporate values. It also encourages and supports its employees to upgrade their skills on a continual basis through organizing skill development programmes. Employees are also encouraged to participate in professional skills and training development courses. The company believes that the employee's role and contribution is important in the growth of the business.

### Internal control system

The Company has in place adequate internal control systems and procedures commensurate with the size and nature of its business. Our internal control system is designed in such a manner that financial and other records are completely reliable and authentic for preparing the financial statements. The management and independent internal auditor of the company also keep watch on the internal control system and consistently take necessary steps to further strengthen the internal control system and procedures of the company.

*There are two types of people who will tell you that you cannot make a difference in this world: those who are afraid to try and those who are afraid you will succeed*



## Management Discussion and Analysis Report (contd....)

### Cautionary Statement

Estimates and expectations stated in the Management Discussion Analysis Report may be “forward looking statements” within the applicable securities law and regulations. Actual results might differ substantially or materially from those expressed or implied due to the external factors, which are beyond the control of the Company. Important factors that could make a difference to Your Company’s operation include the channels decision, changes in the government regulations, tax laws, statutes and other incidental factor.

### Acknowledgement

Your Directors wish to express their grateful appreciation for the valuable support and cooperation received from the lenders, Business associates, bank, Financial institutions, shareholders and society at large. Your Director also places on record their appreciation for the contribution, Commitment and dedication of the employees of the Company.

For and on behalf of the Board of Directors  
**Creative Eye Limited**

**Place: Mumbai**  
**Date: 28<sup>th</sup> May, 2016**

Sd/-  
**Dheeraj Kumar**  
**Chairman & Managing Director**





## Report on Corporate Governance

### 1. Company's Philosophy on Code of Governance

The Company is committed to adopt the best Corporate Governance practices and Endeavour continuously to implement the code of Corporate Governance in its true spirit. The philosophy of the Company in relation to Corporate Governance is to ensure transparency in all its operations, make disclosures and enhance shareholders' value without compromising in any way in complying with the laws and regulations. The Board of Directors, the Company's highest policymaking body, is committed in its responsibility for all decisions to all constituents, including investors, employees and regulatory authorities. The Company recognizes that the shareholders are ultimately the persons who are catalyst to the economic activities and also the ultimate beneficiaries thereof.

The Company strongly believes that good corporate governance ultimately leads to growth and competitive strength and the corporate governance norms are foundations of procedure at the Board and operational levels.

### 2. Board of Directors

The Chairman & Managing Director of the Company is Executive & Promoter Director. The Board consists of total Five (5) Directors out of which Two (2) are Executive Directors and Three (3) are Independent & Non Executive Directors in terms of Regulation 17(1) of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015.

None of the Directors on the Board are a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors as per the requirement of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details as on date, of the composition of the Board, category of the Directors and their attendance at the Board meetings and the last Annual General Meeting, their Directorship in other companies and Membership and Chairmanship on the committees of other companies are as under:

Name of Directors	Category	Number of shares held	Attendance Particulars		Number of other Directorships and Committee Member / Chairpersonships		
			Board Meetings	Last AGM	Other Directorship (Excluding the alternate directorships & directorship in foreign and Pvt. Ltd. Companies)	Committee Memberships (Excluding the Company)	Committee Chairpersonships (Excluding the Company)
Mr. Dheeraj Kumar <b>Chairman &amp; Managing Director</b>	CMD	3995544	4	Yes	1	Nil	Nil
Mrs. Zuby Kochhar <b>Whole-time Director</b>	E.D	7140150	4	No	1	Nil	Nil
Mr. M.R. Sivaraman <b>Director</b>	I.N.E.D	-	4	Yes	1	1	1
Mr. Shiv S. Sharma <b>Director</b>	I.N.E.D	-	1	No	1	Nil	Nil
Mr. T.K. Choudhary <b>Director</b>	I.N.E.D	-	3	No	0	Nil	Nil

CMD - Chairman & Managing Director, E.D - Executive Director, I.N.E.D – Independent Non-Executive Director.

The Board meetings are scheduled well in time and Board members are given notice well in advance before the meeting date. The Board members are provided with well structured and comprehensive agenda papers. All major agenda items are backed by in-depth background information and analysis, wherever possible, to enable the Board to take appropriate and informed decisions. The board has reviewed the compliance of all laws applicable to the company.

During the year Four (4) Board Meetings were held on 25.05.2015, 12.08.2015, 09.11.2015 and 10.02.16.





## Report on Corporate Governance (contd....)

### 3. Audit Committee

#### Composition and Attendance at meeting.

The Board of the Company has constituted an Audit Committee comprising of three Independent Non-Executive Directors viz. Mr. T. K. Choudhary (Chairman), Mr. M. R. Sivaraman and Mr. Shiv S. Sharma. The Managing Director, Mr. Dheeraj Kumar is a permanent invitee to the meetings of the Audit Committee. The Company Secretary acts as Secretary of the Audit Committee.

The Audit Committee generally meets once in a quarter, inter-alia, to review the quarterly performance and the financial results. The Audit Committee met four times during the year on 25.05.2015, 12.08.2015, 09.11.2015 and 10.02.16.

The details of the composition, position and attendance at the Audit Committee meetings during the year are as under:

Name of Members	Position	No. of meetings held	No. of meetings Attended
Mr. M.R. Sivaraman	Member	4	4
Mr. Shiv S. Sharma	Member	4	1
Mr. T.K. Choudhary	Chairman	4	3

The meetings of the Audit Committee were also attended by the Statutory Auditors, Internal Auditors and Chief Financial Officer of the Company to provide information and answer the queries raised by the Committee members.

#### Terms of reference:

The Audit Committee of the Company, inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures. Apart from all the matters provided in Regulation 18(3) read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act, 2013, the Committee reviews accounting and financial reporting process of the company, reports of the Internal Auditors, risk management, meets Statutory Auditors periodically and discusses their findings, suggestions, internal control systems, scope of audit, observations of the Auditors and reviews accounting policies followed by the Company. The Committee reviews with the management, quarterly / half yearly and annual financial statements before its submission to the Board. The minutes of the Audit Committee meetings are placed and noted at the subsequent meeting of the Board of Directors of the Company.

### 4. Nomination and Remuneration Committee

#### Composition

The Committee's constitution and terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013, Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee consists of three Independent, Non-Executive Directors viz. Mr. M. R. Sivaraman (Chairman), Mr. Shiv S. Sharma and Mr. T. K. Choudhary .

Further, based on the requirements of the Act and the applicable Listing Regulation, the constituted Committee has the following terms of reference:

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
2. Recommend to the Board a policy relating to the remuneration for the directors (including specific remuneration packages for Executive Directors including pension rights and any compensation payment), key managerial personnel and other employees. While formulating the policy, it shall ensure that –
  - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.



## Report on Corporate Governance (contd....)

- (c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
  - Carry out evaluation of every director's performance and key managerial performance.
  - Take steps to refresh the composition of the Board from time to time

### Remuneration Policy

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. The remuneration policy is in consonance with the existing practice in the Industry.

### Remuneration of Executive and Non-Executive Directors

The remuneration structure comprises of sitting fees to Non-Executive Directors and Salary & Perquisites paid to Executive Directors within the limit approved by the Members.

Details of the remuneration to the Directors for the year ended 31st March, 2016:

Name	Designation	Remuneration for 2015-16 (in Rs.)				No. of shares held
		Salary	Sitting fees	Employer contribution to provident fund	Total	
Mr. Dheeraj Kumar	Chairman & Managing Director	3409250	Nil	188820	3598070	3995544
Mrs. Zuby Kochhar	Whole-time Director	1703000	Nil	94320	1797320	7140150
Mr. M.R. Sivaraman	Director	Nil	28000	Nil	28000	Nil
Mr. Shiv S. Sharma	Director	Nil	7000	Nil	7000	Nil
Mr. T. K. Choudhary	Director	Nil	21000	Nil	21000	Nil

The Company does not have any scheme for grant of stock options.

### 5. Stake Holder Relationship Committee

#### Composition:

Stake Holder Relationship Committee comprises of three Independent, Non-Executive Directors viz. Mr. M. R. Sivaraman (Chairman), Mr. Shiv S. Sharma and Mr. T. K. Choudhary .

During the year under review, Stakeholders Relationship Committee met on 10.02.2016 and approves all matters related to shares viz..transfers, transmissions, dematerialization and re-materialization of shares etc.

#### Terms of Reference:

The Stakeholder Relationship Committee of the Board is empowered to oversee the redressal of investors' complaints pertaining to share/debenture transfers, non-receipt of annual reports, interest/dividend payments, issue of duplicate certificates, transmission (with and without legal representation) of shares and debentures, matters pertaining to Company's fixed deposit program and other miscellaneous complaints. The Company Secretary is the Compliance Officer of the Company for matters relating to Shareholders, Stock Exchanges, SEBI and other related regulatory authorities.

During the year under review, all requests/ complaints were attended promptly and resolved to the satisfaction of the shareholders. No request for transfer and no request for dematerialization were pending for approval as on 31st March, 2016.



## Report on Corporate Governance (contd....)

### 6. General Body Meetings

The location, date and time of the Annual General Meetings held during last 3 years along with Special Resolution(s) passed at these meetings are:

Year	Location	Date	Time	Special Resolutions	Postal Ballot
2012-2013	"GMS Community Centre Hall", Sitladevi Complex, 1st Floor, D. N. Nagar, Opp. Indian Oil Nagar, Link Road, Andheri (West), Mumbai 400053	30.09.2013	10.30 a.m.	Nil	N.A.
2013-2014	"GMS Community Centre Hall", Sitladevi Complex, 1st Floor, D. N. Nagar, Opp. Indian Oil Nagar, Link Road, Andheri (West), Mumbai 400053	30.09.2014	10.30 a.m.	5	N.A.
2014-2015	"GMS Community Centre Hall", Sitladevi Complex, 1st Floor, D. N. Nagar, Opp. Indian Oil Nagar, Link Road, Andheri (West), Mumbai 400053	30.09.2015	10.30 a.m.	Nil	N.A.

None of the resolutions proposed to be passed at the ensuing Annual General Meeting requires to be put through postal ballot.

### 7. Disclosures

#### a) Related parties transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business. There were no materially significant transactions with Related Parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS17) has been made in the notes No. 26 of the Notes to Accounts to the Balance Sheet as at 31st March 2016.

The Board has approved a Policy for Related Party Transactions which has been uploaded on the Company's website i.e. [www.creativeeye.com](http://www.creativeeye.com).

#### b) Compliances by the Company

There has been no instance of non-compliance by the Company on any matters related to the capital markets during the last three years and hence no penalties / strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities relating to the above.

#### c) Whistleblower policy

The Audit Committee has established a Vigil Mechanism and adopted a Revised Whistle-Blower Policy at its meeting held on May 30, 2014, which provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no director or employee of the Company has been denied access to the Audit Committee.

#### Compliance with Non-Mandatory Requirements

The Company has complied with all mandatory requirements of the Listing Regulations and the status of compliance with non-mandatory requirements of SEBI Listing Regulations are as detailed hereunder:

**Audit Qualifications:** During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.





## Report on Corporate Governance (contd....)

**The Board:** The Non-Executive Chairman maintains a separate office, for which the Company does not reimburse expenses.

**Chairman and CEO:** The Company CMD also acts as CEO.

**Shareholder Rights:** Details are given under the heading "Means of Communications".

### 8. Means of Communication

1. The quarterly, half-yearly and yearly results are regularly submitted to the Stock Exchanges in accordance with the Listing Regulations. and the same are published in The Free Press Journal, National Newspaper (English) and Navshakti, Regional Newspaper (Marathi).
2. The financial results and official news/releases are available on the Company's website **www.creativeeye.com**.
3. The financial and other information are filed by the Company on electronic platforms of NSE and BSE.
4. Official news/ press release are sent to the Stock Exchanges, where the equity shares of the Company are listed.
5. The Company has designated the email-id [investorscel@yahoo.com](mailto:investorscel@yahoo.com) exclusively for investor servicing.
6. Green Initiative: In support of the "Green Initiative" undertaken by Ministry of Corporate Affairs, during the year 2015-16 the company had sent various communications by email to those shareholders whose email addresses were made available to the depositories or the Registrar and Transfer Agents. Physical copies were sent to only those shareholders whose email addresses were not available. The Annual Report is available on the Company's website.

### 9. General Shareholder Information

<b>A. Annual General Meeting:</b>	<b>30th Annual General Meeting</b>
Date:	30 <sup>th</sup> September, 2016
Time:	10.30 a.m.
Venue:	"GMS Community Centre Hall", Sitladevi Complex, 1st Floor, D. N. Nagar, Opp. Indian Oil Nagar, Link Road, Andheri (West), Mumbai 400 053
<b>B. Financial Calendar:</b>	2016-2017 (Tentative)
Adoption of Quarterly Results	
Ist Quarter	Within 45 days of the end of June, 2016
II <sup>nd</sup> Quarter	Within 45 days of the end of September, 2016
III <sup>rd</sup> Quarter	Within 45 days of the end of December, 2016
IV <sup>th</sup> Quarter	Within 60 days of the end of March, 2017
AGM for the year ending 31st March, 2017	September, 2017
<b>C. Book Closure Dates:</b>	Friday, 23 <sup>rd</sup> September 2016 to Friday, 30 <sup>th</sup> September 2016 (both days inclusive)
<b>D. Cut-off Date.</b>	23 <sup>rd</sup> September, 2016
<b>E. Listing on Stock Exchanges:</b>	<b>Bombay Stock Exchange Limited (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 <b>The National Stock Exchange of India Ltd (NSE)</b> Exchange Plaza, 5 <sup>th</sup> Floor, Bandra Kurla Complex, Bandra East, Mumbai 400 051
<b>F. Listing Fees.</b>	Listing fees of both the Stock Exchanges for the year 2015-16 have been paid.
<b>G. Trading Symbol</b> at Bombay Stock Exchange National Stock Exchange	Scrip Code – 532392 Scrip Symbol - CREATIVEYE
<b>H. Demat ISIN Number (NSDL &amp; CDSL)</b>	INE230B01021



## Report on Corporate Governance (contd....)

### I. Stock Market Data

Month	Bombay Stock Exchange (BSE) In (Rs.)		National Stock Exchange (NSE) In (Rs.)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April, 2015	4.45	3.12	4.35	2.80
May, 2015	3.87	3.01	3.70	3.00
June, 2015	3.38	2.60	3.25	2.55
July, 2015	3.50	2.60	3.45	2.70
August, 2015	4.00	2.70	4.2	2.85
September, 2015	3.97	2.70	3.95	2.65
October, 2015	4.40	3.00	3.90	3.10
November, 2015	4.48	3.28	4.55	3.20
December, 2015	5.79	3.37	5.85	3.40
January, 2016	5.20	3.36	5.25	3.45
February, 2016	4.02	3.14	4.00	3.00
March, 2016	3.71	2.96	3.65	3.00

### J. Registrar and Transfer Agents:

M/s. Karvy Computershare Pvt. Ltd.  
(Unit: Creative Eye Limited)  
Karvy House, 46, Avenue 4, Street No.1,  
Banjara Hills, Hyderabad 500034  
Phone No. 040-23312454  
Fax: 040 23311968.

### K. Share Transfer System

The Company has entrusted the administrative work of share transfers, transmissions, issuance of duplicate certificates and all tasks related to shareholdings to M/s. Karvy Computershare Pvt. Ltd., the Registrars and Share Transfer Agents.

### L. Dematerialisation of equity shares

As on 31st March, 2016, 1,99,22,973 shares were dematerialized. The percentage of total Capital was 99.33%.

### M. Distribution of Shareholdings as on 31st March, 2016

Shareholding of Nominal value of	Shareholders		Share Amount	
	Numbers	% to Total Nos.	In (Rs.)	% of Total Amount
1 – 5000	6363	85.21	9926780.00	9.90
5001 – 10000	497	6.65	4058080.00	4.04
10001 – 20000	276	3.70	4049385.00	4.04
20001 – 30000	120	1.61	2981910.00	2.97
30001 – 40000	50	0.67	1757730.00	1.75
40001 – 50000	37	0.50	1753455.00	1.75
50001 – 100000	59	0.79	4087970.00	4.08
100001 and Above	65	0.87	71675940.00	71.47
<b>Total</b>	<b>7467</b>	<b>100.00</b>	<b>100291250.00</b>	<b>100.00</b>



## Report on Corporate Governance (contd....)

### N. Shareholding Pattern as on 31st March, 2016

Category of Shareholders	No. of Shares	Holding %
Promoters / Directors/Relatives – Indian	11360694	56.64
International Investors (FIIs/NRIs/OCBs)	20289	0.10
Bodies Corporate	877510	4.37
Resident Indians	7791007	38.84
Others	8750	0.05
<b>Total</b>		<b>100.00</b>

### O. Address for Investors Correspondence:

(For transfer/dematerialisation of Shares and any other query)

M/s. Karvy Computershare Pvt. Ltd  
(Unit: Creative Eye Ltd.)  
Karvy House, 46, Avenue 4,  
Street No.1, Banjara Hills,  
Hyderabad 500 034  
[investorscel@yahoo.com](mailto:investorscel@yahoo.com)

Email Id for investor's correspondence:

### P. Any query on Annual Report:

Company Secretary  
Registered Office of the Company.

### Declaration by Managing Director Under Part D of Schedule V of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

In accordance with Regulation 26(3) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, I, **Dheeraj Kumar Kocchar** Managing Director of Creative Eye Limited hereby confirm that all the Board of Directors and the Senior Management Personnel of the Company have affirmed compliance with the Company's code of conduct for the financial year ended 31st March, 2016.

On behalf of the Board of Directors of  
**Creative Eye Limited**

Place: Mumbai  
Date: 28<sup>th</sup> May, 2016

Sd/-  
**Dheeraj Kumar**  
Chairman & Managing Director  
(DIN: 00018094)



## Report on Corporate Governance (contd....)

### Auditors ' Certificate regarding Compliance of Corporate governance

To

The Members of

**CREATIVE EYE LIMITED**

"Kailash Plaza", Plot No.12-A,  
New Link Road, Andheri (West),  
Mumbai 400 053

Dear Shareholders,

We have examined the compliance of the conditions of Corporate Governance by **Creative Eye Limited**, ("the Company") for the year ended on 31st March, 2016 as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 1<sup>st</sup> April, 2015 to 30<sup>th</sup> November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016.

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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on representation made by the Management, We certify that the Company has complied with conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/ Listing Regulations, as applicable.

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

**For Uttam Abuwala & Co.**  
**Chartered Accountants**  
**Firm Regn. No. : 111184W**

**Place: Mumbai**  
**Dated: 28<sup>th</sup> May, 2016**

Sd/-  
**CA Urmish Mehta**  
**(Partner)**  
**M.No.137150**





## Report on Corporate Governance (contd....)

### Chief Executive Officer & Chief Financial Officer Certification

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

We, Dheeraj Kumar, Chairman & Mg. Director and Sunil Gupta, Chief Financial Officer of Creative Eye Limited ('the Company'), to the best of our knowledge and belief certify that;

1. We have reviewed the financial statements and cash flow statement of the Company for the year ended 31st March, 2016 and that to the best of our knowledge and information,

We state that :

- a) These statements do not contain any materially untrue statement or omit to state a material fact or contains statement that might be misleading.
  - b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
  3. we accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to taken to rectify these deficiencies.
  4. We have indicated to the Auditors and Audit Committee that:
    - a) There are no significant change in internal control over financial reporting during the year;
    - b) There are no significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
    - c) There are no instances of significant frauds of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

We further declare that all board members and senior management have affirmed compliance with the code of conduct.

**For Creative Eye Ltd.**

**For Creative Eye Ltd.**

Sd/-

**Dheeraj Kumar**

Chairman & Mg. Director

Sd/-

**Sunil Gupta**

Chief Financial Officer

**Place: Mumbai**

**Dated: 28th May, 2016**



## SECRETARIAL AUDIT REPORT

### Form No. MR-3

For the financial year ended 31<sup>st</sup> March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

**The Members,**

**Creative Eye Limited**

**CIN-L99999MH1986PLC125721**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Creative Eye Limited** (hereinafter called the company) Secretarial Audit as required under Companies Act was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon:

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Creative Eye Limited** ("the Company") for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings. (Not Applicable during the audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14<sup>th</sup> May 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (w.e.f 15<sup>th</sup> May 2015);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation 2014; (Not Applicable during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding Companies Act dealing with the company.
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable during the audit period)



## SECRETARIAL AUDIT REPORT (contd....)

- (vi) We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major heads/groups of Acts, laws and Regulations as applicable to the Company are listed below:
- a. Income tax Act and other indirect taxes.
  - b. Shop and Establishment Act
  - c. Payment of Bonus Act and other Labour legislation governing the Company
  - d. Employee State Insurance Act and Professional Tax
  - e. All applicable Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc;
  - f. As informed by the management, there are no laws that are specifically applicable to the Company based on their sector/industry.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement/SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

To the best of our knowledge and belief, during the period under review, the company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as required under Companies Act, 2013. There were no change in composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

While Majority decision is carried through, the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period the company has co-operated with us and have produced before us all the required forms information, clarifications, returns and other documents as required for the purpose of our audit.

**For Kaushal Doshi & Associates  
Company Secretaries**

**Sd/-  
Kaushal Doshi  
(Proprietor)**

**ACS- 32178 / COP- 13143**

**Place : Mumbai  
Date : 28<sup>th</sup> May, 2016**



**Annexure I**  
**(Integral part of Secretarial Audit Report)**

To,  
The Members,  
**Creative Eye Limited**  
**CIN-L99999MH1986PLC125721**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Kaushal Doshi & Associates**  
**Company Secretaries**

Sd/-  
**Kaushal Doshi**  
(Proprietor)  
ACS- 32178 / COP- 13143

**Place : Mumbai**  
**Date : 28<sup>th</sup> May, 2016**





## FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

As On Financial Year Ended On 31.03.2016

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

#### I REGISTRATION & OTHER DETAILS:

i	CIN	L99999MH1986PLC125721
ii	Registration Date	28/07/1986
iii	Name of the Company	Creative Eye Limited
iv	Category/Sub-category of the Company	Public Limited Company by Shares/ Indian Non- Government Company
v	Address of the Registered office & contact details	Kailash Plaza, Plot No. 12-A, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai - 400 053 Tel No. -022-26732613 (7 Lines) Fax No.- 022-26732296
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Karvy Computershare Pvt. Ltd. Karvy House, 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500034 Tel. No.- 040-23312454 Fax No.- 040- 23311968

#### II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	T.V. Serials/Programs	92132	100

#### III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1					
2			NIL		
3					

#### IV Shareholding Pattern (Equity Share Capital break up as percentage of Total Equity)

##### i) Category wise Share Holding.

Category Code	Category of shareholder	No. of shares held at the beginning of the year 01/04/2015.				No. of shares held at the end of the year 31/03/2016				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	11444719	0	11444719	57.06	11135694	0	11135694	55.52	1.54
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	225000	0	225000	1.12	225000	0	225000	1.12	0.00
	Sub-Total A(1) :	11669719	0	11669719	58.18	11360694	0	11360694	56.64	1.54

*What seems to us as bitter trials are often blessings in disguise.*



## FORM NO. MGT 9 (contd....)

Category Code	Category of shareholder	No. of shares held at the beginning of the year 01/04/2015.				No. of shares held at the end of the year 31/03/2016				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(2)	<b>FOREIGN</b>									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter A=A(1)+A(2)</b>	<b>11669719</b>	<b>0</b>	<b>11669719</b>	<b>58.18</b>	<b>11360694</b>	<b>0</b>	<b>11360694</b>	<b>56.64</b>	<b>1.54</b>
(B)	<b>PUBLIC SHAREHOLDING</b>									
(1)	<b>INSTITUTIONS</b>									
(a)	Mutual Funds /UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Financial Institutions /Banks	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(1) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
(2)	<b>NON-INSTITUTIONS</b>									
(a)	Bodies Corporate	940281	0	940281	4.69	877510	0	877510	4.37	0.31
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	5331293	88027	5419320	27.02	5191068	88027	5279095	26.32	0.70
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	1921335	47250	1968585	9.81	2464662	47250	2511912	12.52	-2.71
(c)	Others									
	CLEARING MEMBERS	37707	0	37707	0.19	8750	0	8750	0.04	0.14
	NON RESIDENT INDIANS	22638	0	22638	0.11	20289	0	20289	0.10	0.01
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(2) :</b>	<b>8253254</b>	<b>135277</b>	<b>8388531</b>	<b>41.82</b>	<b>8562279</b>	<b>135277</b>	<b>8697556</b>	<b>43.36</b>	<b>-1.54</b>
	<b>Total Public Shareholding B=B(1)+B(2) :</b>	<b>8253254</b>	<b>135277</b>	<b>8388531</b>	<b>41.82</b>	<b>8562279</b>	<b>135277</b>	<b>8697556</b>	<b>43.36</b>	<b>-1.54</b>
	<b>Total (A+B) :</b>	<b>19922973</b>	<b>135277</b>	<b>20058250</b>	<b>100.00</b>	<b>19922973</b>	<b>135277</b>	<b>20058250</b>	<b>100.00</b>	<b>0.00</b>
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>GRAND TOTAL (A+B+C) :</b>	<b>19922973</b>	<b>135277</b>	<b>20058250</b>	<b>100.00</b>	<b>19922973</b>	<b>135277</b>	<b>20058250</b>	<b>100.00</b>	

**FORM NO. MGT 9 (contd....)****(ii) SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	ZUBY KOCHHAR	7139700	35.59	0	7139700	35.59	0	0
2	DHEERAJ KUMAR KOCHHAR	3925941	19.57	0	3925941	19.57	0	0
3	DHEERAJ KUMAR (Employee Welfare Trust)	225000	1.12	0	225000	1.12	0	0
4	DHEERAJ KUMAR KOCHHAR	69603	0.35	0	69603	0.35	0	0
5	ZUBY KOCHHAR	450	0	0	450	0	0	0
6	DEVENDRA DAS KOCHHAR	216375	1.08	0	0	0	0	1.08
7	KAMAL KOCHHAR	92650	0.46	0	0	0		0.46
	Total	11669719	58.18	0	11360694	56.64	0	1.54

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)**

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	11669719	58.18	11669719	58.18
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	* -309025	-1.54	11360694	56.64
	At the end of the year	11360694	56.64	11360694	56.64

\* Decrease of 216375 shares held by Devendra Dass kochhar pursuant to change in catogery from promoter to Public -Resident Individual

\* Decrease of 92650 shares held by Kamal Kocchar pursuant to change in catogery from promoter to Public -Resident Individual.

**(iv) Shareholding Pattern of ten shareholders (other than Direcors, Promoters & Holders of GDRs & ADRs)**

Sl. No.	Shareholder's Name	Share holding at the beginning of the Year		Share holding at the end of the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	MANI BALA KHEMKA	335257	1.67%	329316	1.64%
2	PRIYA DAGA	179800	0.90%	179800	0.90%
3	MANJULA JAIN	100000	0.50%	100000	0.50%
4	ASHOK KUMAR MEHRA	96276	0.48%	96276	0.48%
5	ARIHANT CAPITAL MKT. LTD	85302	0.43%	31300	0.16%
6	SATYA NARAIN KHEMKA	78524	0.39%	83596	0.42%
7	GIRDHARILAL AGRAWAL	68000	0.34%	68000	0.34%
8	BANHEM STOCK BROKING PRIVATE LIMITED	60000	0.30%	0	0.00%
9	VEENA KHEMKA	53894	0.27%	64579	0.32%
10	SHAH NARESHBHAI MANUBHAI	50000	0.25%	50000	0.25%

*If you don't value your time, neither will others. Stop giving away your time and talents. Value what you know and start charging for it.*



## FORM NO. MGT 9 (contd....)

### (v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	11360694	56.64	11360694	56.64
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NIL	NIL	11360694	56.64
	At the end of the year			11360694	56.64

### V INDEBTEDNESS

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

	Secured Loans excluding deposits*	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	31586027	0	0	31586027
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	31586027	0	0	31586027
<b>Change in Indebtedness during the financial year</b>				
Additions	0	0	0	0
Reduction	4337359	0	0	4337359
<b>Net Change</b>	4337359	0	0	4337359
<b>Indebtedness at the end of the financial year</b>	27248668	0	0	27248668
i) Principal Amount	27248668	0	0	27248668
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	27248668	0	0	27248668

\*Secured Loan represents Vehicle finance and Cash Credit facility.

### VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl. No	Particulars of Remuneration	Name of the MD/WT/Manager		Total
		Mr. Dheeraj Kumar	Mrs. Zubby Kochhar	
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	3409250	1703000	5112250
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	as % of profit	0	0	0
	others (specify)	0	0	0
5	Others ( Contribution to PF)	188820	94320	283140
	<b>Total</b>	3598070	1797320	5395390

*Nothing is less productive than to make more efficient what should not be done at all.*





## FORM NO. MGT 9 (contd....)

### B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors			Total
1	Independent Directors	Mr. M. R. Sivaraman	Mr. T. K. Choudhary	Mr. Shiv S. Sharma	
	(a) Fee for attending board committee meetings	28000	21000	7000	56000
	(b) Commission	0	0	0	0
	(c ) Others, please specify	0	0	0	0
	<b>Total (1)</b>	28000	21000	7000	56000
2	Other Non Executive Directors	0	0	0	0
	(a) Fee for attending board committee meetings	0	0	0	0
	(b) Commission	0	0	0	0
	(c ) Others, please specify.	0	0	0	0
	<b>Total (2)</b>	0	0	0	0
	<b>Total</b>	28000	21000	7000	56000

### C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
1	Gross Salary	CFO	Company Secretary	Company Secretary	
	Name.	Mr. Sunil Gupta.	* Miss Jinal Sheth	* Miss Khushbu G Shah	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1957500	45000	291666	2294166
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0	0
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	as % of profit	0	0	0	0
	others, specify	0	0	0	0
5	Others ( Contribution to PF)	108000	2700	17150	127850
	<b>Total</b>	2065500	47700	308816	2422016

\*Jinal Bhupendra Sheth has Resigned from the post of Company Secretary w.e.f. 1st July ,2015

\* Miss Khushbu G. Shah has been appointed as Company Secretary and Compliance Officer of the a Company w.e.f 27th July, 2015.

### VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeall made if any (give details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

*Live as if you were to die tomorrow. Learn as if you were to live forever*



## Particulars of Remuneration of Employees

{Pursuant to Section 197 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

A. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase in remuneration during the financial year, ratio of remuneration of Directors to the Median remuneration of employees:

Name of Director/ Key Managerial Person	Remuneration Paid for the F.Y 2015-16 (Amount in Rs.)	% Increase in Remuneration	Ratio of Directors remuneration to Median remuneration of Employees
<b>Non executive Directors</b>			
Mr. M.R. Sivaraman	28000	Nil	0.11:1
Mr. Shiv S Sharma	7000	Nil	0.03:1
Mr. T.K. Choudhary	21000	Nil	0.08:1
<b>Executive Directors</b>			
Mrs. Zuby Kochhar	1797320	Nil	7.21:1
<b>Key Managerial Personnel</b>			
Mr. Dheeraj Kumar Kochhar	3598070	Nil	14.44:1
Mr. Sunil Gupta	2065500	1.30%	8.29:1
* Ms. Jinal Sheth	47700	Nil	0.19:1
*Ms. Khushbu Shah	308816	Nil	1.24:1

\* Jinal Bhupendra Sheth has Resigned from the post of Company Secretary w.e.f. 1st July ,2015

\* Khushbu G. Shah has been appointed as Company Secretary and Compliance Officer of the a Company w.e.f 27th July, 2015.

**Note:** 1) Non executive Directors Remuneration represents only sitting fees

2) Remuneration of Executive Directors & Key Managerial Personnel includes Salary, Allowances, Company's Contribution to Provident Fund, Medical Benefits & Other Perquisites and benefits valued on the basis of the provisions of Income Tax Act, 1961.

Sr. No	Requirements	Disclosures
1	Percentage increase in median remuneration of employees in the financial year	Nil.
2	Number of permanent employees of the Company.	12
3	Explanation on average increase in remuneration and company's performance	NA.
4	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	The increase in the remuneration of the Chief Financial Officer is nominal which is due to increase in perquisites.
5	Average percentile increase already made in the salaries other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	There was no increase in the remuneration of Managerial Personnel in last financial year.
6	The key parameters for any variable component of remuneration availed by directors	NA. The Company does not have any variable pay structure for its directors.
7	The ratio of remuneration of the highest paid director to employees who are not directors but receive remuneration in excess of highest paid directors	Nil. The Company did not have any employee who was not a director and who was in receipt of remuneration in excess of that of highest paid director.
8.	Remuneration as per Policy	The Remuneration paid to Directors/ senior management personnel was as per the Remuneration policy of the Company.



## Independent Auditor's Report

### To the Members of Creative Eye Limited

#### 1. Report on the Financial Statements

We have audited the accompanying financial statements of Creative Eye Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### 2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### 3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b. in the case of the Profit and Loss Account, of the **Loss** for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



## Independent Auditor's Report (contd....)

### 5. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. The Company does not have any pending amount, required to be transferred, to the Investor Education and Protection Fund.

**For Uttam Abuwala & Co.**  
Chartered Accountants

**Sd/-**  
**CA. Urmish Mehta**  
(Partner)

Membership No. 137150  
Firm No. 111184W

**Date: May 28, 2016**  
**Place: Mumbai**





## Annexure to the Independent Auditor's Report

### Annexure A referred to in Paragraph 5 of Independent Auditor's report of even date to the members of Creative Eye Limited on the accounts for the year ended March 31, 2016

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed assets.  
(b) The Fixed Assets have been physically verified by the management at reasonable intervals, which in our opinion, is reasonable having regard to the size of the company and nature of its business. No material discrepancies between the books records and the physical fixed assets have been noticed.  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company, except for premises as mentioned in Note 24 of the financial statements.
- ii) (a) As explained by the Management, physical verification of inventory has been conducted at reasonable intervals.  
(b) No material discrepancies were noticed on physical verification of the inventory as compared to books records.
- iii) Based on the audit procedures applied by us and according to the information and explanations given to us, the Company has not granted or taken any loans secured or unsecured to / from companies, firms or other parties listed in the register maintained under section 189 of the Companies Act . Therefore, the provisions of clause (iii) (a) (b) and (c) of Para 3 of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, there are no loans, investments and guarantees made to or on behalf of the Directors or to any other persons in whom the Directors are interested during the financial year 2015-16. Accordingly, the provisions of clause (iv) of Para 3 of the order are not applicable to the Company.
- v) In our opinion and according to the information and explanation given to us the Company has not accepted any deposit from public within the provision of section 73 to 76 and other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi) As explained to us, the maintenance of cost records has not been prescribed by the Central Government under section (1) of section 148 of the Companies Act, 2013, in respect of the activities carried on by the Company.
- vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.  
(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures
- ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and Term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.



## **Annexure to the Independent Auditor's Report (contd....)**

- x) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) According to the information and explanations given to us and based on the examination of the records of the Company, the managerial remuneration has been provided/paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Companies Act.
- xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause (xii) of Para 3 of the Order are not applicable to the Company.
- xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 and the details of such transactions have been disclosed in the Financial Statements.
- xiv) On the basis of verification of records and according to the information and explanations given to us and based on the records made available to us, the company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with him.
- xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934

**For Uttam Abuwala & Co.**

Chartered Accountants

**Sd/-**

**CA. Urmish Mehta**

(Partner)

Membership No. 137150

Firm No. 111184W

**Date: May 28, 2016**

**Place: Mumbai**



## **Annexure B to the Independent Auditor's Report of even date on the Financial Statements of the Company.**

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

We have audited the internal financial controls over financial reporting of **Creative Eye Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditor's Responsibility**

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

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

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

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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.



## **Annexure B to the Independent Auditor's Report (contd....)**

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Uttam Abuwala & Co.**  
Chartered Accountants

**Sd/-**  
**CA. Urmish Mehta**  
(Partner)  
Membership No. 137150  
Firm No. 111184W

**Date: May 28, 2016**  
**Place: Mumbai**



**Balance Sheet** as at 31st March, 2016

PARTICULARS	NOTE No.	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>EQUITY AND LIABILITIES :</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	100,291,250	100,291,250
Reserves & Surplus	2	264,991,142	365,282,392
<b>Non-Current Liabilities</b>			
Long-term Provisions	3	2,152,592	2,073,004
Long-term Borrowings	4	695,389	1,417,745
<b>Current Liabilities</b>			
Short-term Borrowings	5	26,553,279	30,168,282
Trade payables	6	10,415,582	34,681,491
Other Current Liabilities	7	1,867,529	4,338,446
Short-term Provisions	8	699,048	585,205
		39,535,438	69,773,424
<b>Total</b>		<b>407,665,811</b>	<b>452,689,466</b>
<b>ASSETS :</b>			
<b>Non-Current Assets</b>			
Fixed Assets	9	23,660,842	26,026,002
Non-Current Investments	10	526,546	526,546
Long-terms Loans and Advances		-	-
		24,187,388	26,552,548
<b>Current Assets</b>			
Inventories	11	124,219,548	105,983,347
Trade Receivable	12	71,875,130	116,998,850
Cash and Bank Balance	13	120,754,672	130,641,245
Short-terms Loans and Advances	14	42,626,890	43,532,800
Others current assets	15	24,002,183	28,980,676
		383,478,423	426,136,918
<b>Total</b>		<b>407,665,811</b>	<b>452,689,466</b>
<b>Significant Accounting Policies</b>			
<b>Notes on Financial Statements</b>	1 to 30		

As per our report of even date attached

For **Uttam Abuwala & Co.**  
Chartered Accountants  
Firm Regn. No. 111184W

**CA. Urmish Mehta**

Partner

M.No. 137150

Mumbai, Dated : 28th May, 2016

For and on behalf of the Board

**Dheeraj Kumar**  
Chairman & Managing Director

**M.R. Sivaraman**  
Director

**Sunil Gupta**  
Chief Financial Officer

**Zuby Kochar**  
Director

**Shiv S. Sharma**  
Director

**Khushbu G. Shah**  
Company Secretary



## Statement of Profit & Loss for the year ended 31st March 2016

Particulars	Note No.	For the Year Ended 31st March 2016 ₹	For the Year Ended 31st March 2015 ₹
<b>INCOME :</b>			
Revenue form Operations	16	50,972,000	134,990,384
Other Income	17	12,453,883	15,163,088
<b>Total</b>		<b>63,425,883</b>	<b>150,153,472</b>
<b>EXPENDITURE :</b>			
Cost of Production	18	48,397,386	151,969,143
Employee Benefits Expense	19	12,334,089	11,896,929
Financial Cost	20	1,817,927	3,594,543
Depreciation	9	2,496,158	2,913,980
Other Expenses	21	12,523,224	13,393,125
		<b>77,568,784</b>	<b>183,767,720</b>
<b>Profit Before Tax</b>		<b>(14,142,901)</b>	<b>(33,614,248)</b>
<b>Tax Expenses</b>			
Current Tax (MAT)		-	-
MAT Credit Entilement		-	-
Deferred Tax		-	-
<b>Profit After Tax</b>		<b>(14,142,901)</b>	<b>(33,614,248)</b>
Basic and diluted earnings per share of ₹ 5/- each		<b>(0.71)</b>	<b>(1.68)</b>
<b>Significant Accounting Policies</b>			
<b>Notes on Financial Statements</b>	<b>1 to 30</b>		

As per our report of even date attached

For **Uttam Abuwala & Co.**  
Chartered Accountants  
Firm Regn. No. 111184W

**CA. Urmish Mehta**

Partner  
M.No. 137150

Mumbai, Dated : 28th May, 2016

For and on behalf of the Board

**Dheeraj Kumar**  
Chairman & Managing Director

**M.R. Sivaraman**  
Director

**Sunil Gupta**  
Chief Financial Officer

**Zuby Kochar**  
Director

**Shiv S. Sharma**  
Director

**Khushbu G. Shah**  
Company Secretary

*Success is the sum of small efforts, repeated day-in and day-out.*

**Cash Flow Statement** for the year ended 31st March, 2016

Particulars	Current Year March 31, 2016 ₹	Previous Year March 31, 2015 ₹
<b>A Cash Flow From Operating Activities</b>		
Net Profit Before Tax	(14,142,901)	(33,614,248)
Adjustments for:-		
Depreciation	2,496,158	2,913,980
Interest & Dividend Received	(11,598,448)	(14,886,243)
<b>Operating Profit Before W/C Changes</b>	<b>(23,245,191)</b>	<b>(45,586,511)</b>
Decrease (Increase) in Inventories	(18,236,201)	1,355,837
Decrease (Increase) in Trade Receivable	45,123,720	(10,695,525)
Decrease (Increase) in Short Term Loans & Advances	905,910	997,716
Decrease (Increase) in Other Current Assets	583,680	266,797
Increase (decrease) in Trade Payables	(24,265,909)	1,795,430
Increase (decrease) in Other Current Liabilities	(2,470,917)	(1,566,877)
Increase (decrease) in Long Term Provision	79,588	(641,621)
Increase (decrease) in Short Term Provision	113,843	414,172
<b>Operating Profit After W/C Changes</b>	<b>(21,411,477)</b>	<b>(53,660,582)</b>
Income Tax - Received (Paid)	4,394,813	12,445,082
<b>Net Cash Flow From Operating Activities-(A)</b>	<b>(17,016,664)</b>	<b>(41,215,500)</b>
<b>B Cash Flow From Investing Activities</b>		
Purchases of Fixed Assets	(130,998)	(2,225,000)
Interest & Dividend Received	11,598,448	14,886,243
<b>Net Cash Flow From Investing Activities-(B)</b>	<b>11,467,450</b>	<b>12,661,243</b>
<b>C Cash Flow From Financing Activities</b>		
Proceeds from/(Repayment to) Loan Fund	(4,337,359)	8,441,912
<b>Net Cash Flow From Financing Activities-(C)</b>	<b>(4,337,359)</b>	<b>8,441,912</b>
<b>Net Increase in Cash and cash Equivalents (A+B+C)</b>	<b>(9,886,573)</b>	<b>(20,112,345)</b>
Add: op. Balance of cash and cash Equivalents	130,641,245	150,753,590
<b>Closing Cash and cash Equivalents</b>	<b>120,754,672</b>	<b>130,641,245</b>

**As per our report of even date attached**

For **Uttam Abuwala & Co.**  
Chartered Accountants  
Firm Regn. No. 111184W

**CA. Urmish Mehta**

Partner  
M.No. 137150

Mumbai, Dated : 28th May, 2016

**For and on behalf of the Board**

**Dheeraj Kumar**  
Chairman & Managing Director

**M.R. Sivaraman**  
Director

**Sunil Gupta**  
Chief Financial Officer

**Zuby Kochar**  
Director

**Shiv S. Sharma**  
Director

**Khushbu G. Shah**  
Company Secretary



## SIGNIFICANT ACCOUNTING POLICIES

### 1. Basis of Presentation:

- a. The Company maintains its accounts on accrual basis following the historical cost convention, in accordance with the Generally Accepted Accounting Policies (GAAP) and in compliance with the Accounting Standards referred to in Section 133 and other provisions of the Companies Act, 2013.
- b. The preparation of accounts under GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. Examples of such estimates include the useful lives of fixed assets and intangible assets, provision for doubtful debts/advances, future obligation in respect of retirement benefit plans, etc. Actual result could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

### 2. Fixed Assets:

- a. Fixed Assets are stated at the cost net of tax/duty credit availed, if any.
- b. Fixed Assets are stated at cost less accumulated depreciation. The cost of assets includes direct/indirect and incidental cost incurred to bring the assets to its use.

### 3. Investments:

Investments are stated at cost. Dividend on Investments is accounted on cash basis.

### 4. Inventories:

Stock in Trade include work in progress, completed T. V. content valued at cost and usage value of rights of Hindi feature films and residual right of films, as certified by the management. However, Net Realisable value cannot be estimated.

### 5. Foreign Currency Transactions, Forward contracts & Derivatives:

- a. The reporting currency of the Company is Indian Rupee.
- b. Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of transaction. Exchange differences that arise on settlement of monetary items are: -
  - i. Adjusted in the cost of fixed assets specifically financed by the borrowings to which the exchange differences relate.
  - ii. Recognized as income or expense in the period in which they arise in other cases.

The above treatment is in accordance with AS – 11 (Revised) issued by ICAI.

### 6. Retirement Benefits:

#### a. Short Term Employee Benefits:

Short Term Employee Benefits include salaries, wages, bonus, exgratia, leave salary etc., and the same are recognized as an expenses at the undiscounted amount in the profit & loss account of the year in which the relevant service is rendered.

#### b. Post Employment Benefits:

##### i. Defined Contribution Plan:-

In accordance with the provisions of Employees Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the Company are entitled to receive benefits with respect to provident fund. The Company contribution towards Provident Fund and Family Pension Fund is charged to Profit & Loss Account.

##### ii. Defined Benefits Plan:-

Gratuity liability has been provided on the basis of Actuarial Valuation done by the independent actuary.

### 7. Depreciation:

The useful lives of fixed assets have been reassessed and depreciation has been provided as per schedule II of the Companies Act, 2013 except on office flat. Depreciation on additions to assets during the year is provided on pro-rata basis. Brands had been amortized over a period of 10 years.





## SIGNIFICANT ACCOUNTING POLICIES (Contd....)

### 8. Revenue Recognition:

- a. Sales and Services are stated at net of agency commission, if any.
- b. In respect of sponsored programs, revenue is recognized as on date of telecast, if any.
- c. In respect of commissioned programs, revenue is recognized as on date of delivery.
- d. Interest income is accounted on accrual basis.

The above treatment is in accordance with AS – 9 issued by ICAI.

### 9. Taxes on Income:

- a. Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessments/appeals.
- b. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income & accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- c. Deferred tax assets are recognized & carried forward only to the extent that there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- d. Deferred tax is qualified using the tax rates and laws enacted or substantively enacted as on balance sheet date.

The above treatment is in accordance with AS – 22 issued by ICAI.

### 10. Events occurring after the balance sheet date :

Events occurring after the date of balance sheet, where material, are considered up to the date of approval of the accounts by the Board of Directors.

### 11. Provisions, Contingent liabilities & Contingent assets:

Provisions 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:
  - (1) a probable outflow of resources is expected to settle the obligation: and
  - (2) the amount of the obligation can be reliably estimated:
- i. Reimbursements by another party, expected in respect of expenditure required to settle a provision, is recognized when it is virtually certain that reimbursement will be received if obligation is settled.
- ii. Contingent liability is disclosed in the case of :-
  - a. a present obligation arising from a past event, when it is not possible that an outflow of resources will be required to settle the obligation;
  - b. a possible obligation, unless the probability of outflow of resources is remote.
- (3) Contingent assets are neither disclosed nor recognized.
- (4) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

### 12. Trade Receivables/ Advances:

The company has policy not to make provision for trade receivables/ advances which are under dispute/ legal proceedings/ arbitration and these trade receivables/ advances are considered good till the final outcome of the proceedings.

### 13. Borrowing Cost :

Interest and other cost in connection with borrowing of funds to the extent related/attribution to the acquisition/construction of qualifying fixed asset are capitalized up to the date when such assets are ready for its intended use and other borrowing cost are charged to profit and loss account.



## NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2016

Particulars	As at 31st March 2016 ₹	As at 31st March, 2015 ₹
<b>1. SHARE CAPITAL</b>		
<b>Authorised Share Capital :</b>		
2,20,00,000 Equity Shares of Rs. 5/- each	110,000,000	110,000,000
90,00,000 Un-classified shares of face value of Rs. 10/- each	90,000,000	90,000,000
	<u>200,000,000</u>	<u>200,000,000</u>
<b>Issued Subscribed and Paid up capital :</b>		
<b>Issued &amp; Subscribed Capital :</b>		
2,00,58,250 Equity Shares of Rs.5/- each	100,291,250	100,291,250
<b>Paid up capital :</b>		
2,00,58,250 Equity Shares of Rs.5/- each	100,291,250	100,291,250
	<u>100,291,250</u>	<u>100,291,250</u>

1.1 The company has only one class of equity shares having a par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share.

1.2 The details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	% held	No. of shares	% held
Mr. Dheeraj Kumar Kochhar	3,995,544	19.92	3,995,544	19.92
Mrs. Zuby Kochhar	7,140,150	35.59	7,140,150	35.59

Particulars	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>2. RESERVES AND SURPLUS :</b>		
<b>Securities Premium Reserve</b>		
As per last Balance Sheet	340,104,490	340,104,490
<b>General Reserve</b>		
As per last Balance Sheet	11,500,000	11,500,000
<b>Profit &amp; Loss Account</b>		
As per last Balance Sheet	(72,470,447)	(38,074,022)
Less:-Carrying value Adjustment of fixed assets whose live over	-	782,177
(As per provisions of schedule II of companies act 2013)		
Add: Profit / (Loss) for the Year	(14,142,901)	(33,614,248)
	<u>(86,613,348)</u>	<u>(72,470,447)</u>
	<u>264,991,142</u>	<u>279,134,043</u>



## NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2016 (contd....)

Particulars	As At 31st March, 2016 ₹	As At 31st March, 2015 ₹
<b>3. LONG TERM PROVISIONS :</b>		
Provision for Employee Benefits	2,152,592	2,073,004
<b>4. LONG TERM BORROWINGS :</b>		
<b>Secured</b>		
Vehicle Loan	695,389	1,417,745
4.1 Vehicle loans for Two vehicles availed from Kotak Mahindra Prime Ltd for a period of 5 years against hypothecation of the vehicle.		
<b>5. SHORT TERM BORROWINGS :</b>		
<b>Secured</b>		
Cash Credit Limit / Facility	26,553,279	30,168,282
5.1 Cash Credit Limit / facility availed from Oriental Bank Of Commerce for working capital purpose against hypothecation of trade receivable and personal guarantee of Managing Director and Executive Director of the company.		
<b>6. TRADE PAYABLES :</b>		
Micro, Small and Medium Enterprises	-	-
Others	10,415,582	34,681,491
	<u>10,415,582</u>	<u>34,681,491</u>
6.1 As per information available with the Company, none of the creditors have confirmed that they are registered under the Micro, Small & Medium Enterprises Development Act, 2006. Accordingly, disclosure as required by the said Act is made on that basis.		
<b>7. OTHERS CURRENT LIABILITIES :</b>		
Security Deposit	20,000	20,000
Current Maturities of Vehicle Loan	722,356	652,267
Other Current Liability*	1,125,173	3,666,179
	<u>1,867,529</u>	<u>4,338,446</u>
* Includes statutory dues.		
<b>8. SHORT TERM PROVISIONS :</b>		
Provision for Employee Benefits	699,048	585,205
	<u>39,535,438</u>	<u>69,773,424</u>



## NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2016 (contd....)

### 9. FIXED ASSETS

		GROSS BLOCK							DEPRECIATION				NET BLOCK	
SR. NO.	PARTICULARS	USEFUL LIFE OF ASSETS YEARS	RATE OF DEPRECIATION %	AS ON 01.04.15 ₹	ADDITION DURING THE PERIOD ₹	SALE DURING THE PERIOD ₹	TOTAL AS ON 31.03.16 ₹	UP TO 31.03.15 ₹	DEPRECIATION DURING THE PERIOD ₹	ADJUSTED DURING THE PERIOD ₹	TOTAL DEPRECIATION 31.03.16 ₹	W.D.V. AS ON 31.03.16 ₹	W.D.V. AS ON 31.03.15 ₹	
	TANGIBLE ASSETS													
1	OFFICE BUILDING	60	1.58	20,050,076	-	-	20,050,076	5,051,935	331,506	-	5,383,441	14,666,635	14,998,140	
2	OFFICE FLAT	-	-	459,701	-	-	459,701	-	-	-	-	459,701	459,701	
3	PLANT & MACHINERY	13	7.31	61,743,951	17,980	-	61,761,931	54,137,644	1,122,377	-	55,260,021	6,501,910	7,606,307	
4	MOTOR CARS	8	11.88	10,637,514	-	-	10,637,514	8,135,131	777,565	-	8,912,696	1,724,818	2,502,383	
5	FURNITURE & FITTINGS	10	9.50	8,028,190	51,650	-	8,079,840	7,882,451	43,157	-	7,925,608	154,232	145,739	
6	COMPUTERS	3	31.67	5,154,680	61,368	-	5,216,048	4,840,949	221,553	-	5,062,502	153,546	313,731	
7	FIRE EXTINGUISHER	13	7.31	69,420	-	-	69,420	69,420	-	-	69,420	-	-	
	Total (A)			106,143,532	130,998	-	106,274,530	80,117,530	2,496,158	-	82,613,688	23,660,842	26,026,002	
	Previous Year (a)			103,918,533	2,225,000	-	106,143,532	76,421,374	2,913,980	782,177	80,117,530	26,026,002	27,497,159	
	INTANGIBLE ASSETS													
8	BRANDS	10		135,000,180	-	-	135,000,180	135,000,180	-	-	135,000,180	-	-	
	Total (B)			135,000,180	-	-	135,000,180	135,000,180	-	-	135,000,180	-	-	
	Previous Year (b)			135,000,180	-	-	135,000,180	135,000,180	-	-	135,000,180	-	-	
	Total (A+B)			241,143,712	130,998	-	241,274,710	215,117,710	2,496,158	-	217,613,868	23,660,842	26,026,002	
	Previous Year (a+b)			238,918,713	2,225,000	-	241,143,712	211,421,554	2,913,980	782,177	215,117,710	26,026,002	27,497,159	

"The question isn't who is going to let me; it's who is going to stop me."





## NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2016 (contd....)

### 10. NON-CURRENT INVESTMENTS :

(Long-term Investments)

#### QUOTED EQUITY SHARES (OTHER THAN TRADE) FULLY PAID UNLESS OTHERWISE STATED

Name of the Company	Face Value	As at 31st March, 2016		As at 31st March, 2015	
		Holding	Book Value	Holding	Book Value
A) Reliance Industries Ltd.	10	800	58,602	800	58,602
B) Reliance Capital Ltd. *	10	20	-	20	-
C) Reliance Communications Ltd. *	5	400	-	400	-
D) Reliance Infrastructure Ltd. *	10	30	-	30	-
E) Reliance Power Ltd. *	10	100	-	100	-
F) Ambuja Cement Ltd.	2	2,490	16,600	2,490	16,600
G) S. Kumars Nationwide Ltd.	10	1,000	35,000	1,000	35,000
H) Brand House Retails Ltd. *	10	200	-	200	-
I) Glaxo Smithkline Pharmaceuticals Ltd.	10	672	82,400	672	82,400
J) De Nora India Ltd.	10	300	3,000	300	3,000
K) Godrej Consumer Products Ltd.	1	1,028	19,744	1,028	19,744
L) Godrej Industries Ltd.	1	1,351	6,000	1,351	6,000
M) Selan Exploration Technology Ltd.	10	2,728	39,200	2,728	39,200
N) Oriental Bank of Commerce Ltd.	10	1,100	66,000	1,100	66,000
O) GIVO Ltd.	10	10,000	100,000	10,000	100,000
			<b>426,546</b>		<b>426,546</b>

Note- \* The marked shares have been allotted in lieu of merger/demerger of the related company and hence the cost of acquisition is NIL.

#### UN QUOTED EQUITY SHARES, (OTHER THAN TRADE) FULLY PAID UNLESS OTHERWISE STATED:

Name of the Company	Face Value	Current Year		Previous Year	
		Holding	Book Value	Holding	Book Value
A) Brahma Steyr Tractors Ltd.	10	5,000	50,000	5,000	50,000
B) Software Mart India Ltd.	10	5,000	50,000	5,000	50,000
			<b>100,000</b>		<b>100,000</b>

	Book Value as on		Market Value As On	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Aggregate amount of quoted Investment	<b>426,546</b>	426,546	<b>6,600,406</b>	6,074,618
Aggregate amount of unquoted Investment	<b>100,000</b>	100,000	-	-
	<b>526,546</b>	526,546	<b>6,600,406</b>	6,074,618

*If you are not willing to risk the usual, you will have to settle for the ordinary*



## NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2016 (contd....)

Particulars	As At 31st March, 2016 Amount ₹	As At 31st March, 2015 Amount ₹
<b>11. INVENTORIES</b> (As Valued and Certified by the Management)		
Stock in Trade including WIP	124,219,548	105,983,347
<b>12. TRADE RECEIVABLES</b> (Consider Good)		
Over Six Months	71,875,130	71,875,130
Others	-	45,123,720
	71,875,130	116,998,850
<b>13. CASH AND BANK BALANCE</b>		
Cash in hand	668,198	526,317
<b>Balance with Scheduled Banks in :</b>		
Current account	11,474	39,928
Deposit account	120,075,000	130,075,000
	120,754,672	130,641,245
<b>14. SHORT TERM LOANS AND ADVANCES</b> (Unsecured and consider good)		
Loans and advances to Related Parties (Refer note No. 26)	350,000	350,000
Deposits	934,130	2,552,000
CENVAT Credit receivable	1,575,644	1,144,608
MAT Credit Entitlement	4,540,852	4,540,852
Others	35,226,264	34,945,340
	42,626,890	43,532,800
<b>15. OTHERS CURRENT ASSETS</b>		
Income Tax (net of provisions and TDS)	20,655,681	25,050,494
Prepaid Expenses	276,239	232,460
Interest Accrued on Fixed Deposits	3,070,263	3,697,722
	24,002,183	28,980,676
	383,478,423	426,136,918
<b>16. REVENUE FROM OPERATIONS</b>		
Sales	58,573,585	151,731,946
Less:- Service Tax /SBC/VAT	7,601,585	16,741,562
	50,972,000	134,990,384



## NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2016 (contd....)

Particulars	As At 31st March, 2016 Amount ₹	As At 31st March, 2015 Amount ₹
<b>17. OTHER INCOME</b>		
<b>Interest</b>		
From Bank on FDRs	10,661,030	12,737,997
From Others	842,073	2,074,065
<b>Dividend</b>		
From Long term Investment	95,345	74,181
<b>Others-</b>		
Rent	12,000	40,000
Miscellaneous Income	-	1,433
Royalty	-	5,517
Sundry Amount / Balance written back	843,435	229,895
	<b>855,435</b>	<b>276,845</b>
	<b>12,453,883</b>	<b>15,163,088</b>
<b>18. COST OF PRODUCTION</b>		
Cost incurred during the year	66,633,587	150,613,306
(Increase) / Decrease in Inventories	(18,236,201)	1,355,837
	<b>48,397,386</b>	<b>151,969,143</b>
<b>19. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	10,370,371	10,483,503
Contribution to Provident Fund and Other Fund	638,026	649,178
Gratuity	193,431	(227,449)
Staff Welfare	1,132,261	991,697
	<b>12,334,089</b>	<b>11,896,929</b>

19.1 As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

### Defined benefits plan:

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises 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.



## NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2016 (contd....)

Particulars	For the Year 2015-16	For the Year 2014-15
<b>I Reconciliation of opening and closing balance of Defined Benefit Obligation</b>		
Defined Benefit obligation at beginning of year	2,658,209	2,885,658
Current Service Cost	63,145	57,832
Interest Cost	193,086	257,218
Actuarial (gain) / loss	(62,800)	(542,499)
Benefits paid	-	-
Defined Benefit obligation at year end	2,851,640	2,658,209
<b>II Reconciliation of opening and closing balances of fair value of Plan Assets</b>		
Fair value of Plan assets at beginning of year	-	-
Expected return on plan assets	-	-
Actuarial gain / (loss)	-	-
Employer contribution	-	-
Benefits paid	-	-
Fair value of Plan assets at year end	-	-
Actual return on plan assets	-	-
<b>III Reconciliation of fair value of assets and obligations</b>		
Fair value of Plan assets	-	-
Present value of obligation	2,851,640	2,658,209
Amount recognised in Balance Sheet	2,851,640	2,658,209
<b>IV Expense recognised in the profit and loss account</b>		
Current service cost	63,145	57,832
Interest cost	193,086	257,218
Expected return on plan assets	-	-
Actuarial gains/(losses)	(62,800)	(542,499)
Expense charged to Profit & Loss A/c	193,431	(227,449)
<b>V Return on plan assets</b>		
Expected return on plan assets	-	-
Actuarial gains/(losses)	-	-
Actual return on plan assets	-	-
<b>VI Actuarial assumptions</b>		
Mortality table (LIC)	2006-08	2006-08
Discount rate (per annum)	7.75%	7.95%
Expected rate of return on plan assets	0%	0%
Rate of escalation in salary (per annum)	5%	5%

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

*You don't have to see the whole staircase, just take the first step.*





## NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2016 (contd....)

Particulars	As At 31st March, 2016 Amount ₹	As At 31st March, 2015 Amount ₹
<b>20. FINANCE COSTS</b>		
Interest - Cash Credit	1,635,810	3,349,134
Interest - Vehicles	182,117	245,409
	<u>1,817,927</u>	<u>3,594,543</u>
<b>21. OTHER EXPENSES :</b>		
Rent	588,150	567,000
Electricity Expenses	1,410,711	1,659,133
Printing & Stationery	380,461	641,262
Conveyance	223,640	341,343
Travelling Expenses	218,219	341,157
Telephone Expenses	367,140	435,905
Membership Fees & Subscription	137,306	121,184
Meeting		
Fees	56,000	84,000
Expenses	<u>33,000</u>	<u>29,500</u>
Security charges	388,800	388,800
Repairs & Maintenance	3,289,893	3,327,272
Bank Charges	143,834	444,635
Postage, Telegram & Stamp Expenses	115,811	176,428
Legal & Professional Charges	1,480,942	1,300,232
Books & Periodicals	14,647	17,149
Advertising & Publicity Expenses	92,844	80,749
Fees & Taxes	800,192	968,578
Insurance Charges	225,311	281,871
Depository Expenses	101,828	72,984
Listing Fees	320,000	220,000
Registrar Expenses	90,263	93,552
Auditors - Remuneration	300,000	300,000
Information & Technology	604,813	298,894
Marketing & Consultancy Charges	-	220,000
Sundry Amount / Balance Written Off	15,575	49,301
Other Expenses	<u>1,123,844</u>	<u>932,196</u>
	<u>12,523,224</u>	<u>13,393,125</u>
<b>21.1 - Auditors' Remuneration :</b>		
Audit Fees	200,000	200,000
Other Services	100,000	100,000
(Excluding Service Tax)		



## NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2016 (contd....)

Particulars	As At 31st March, 2016 Amount ₹	As At 31st March, 2015 Amount ₹
<b>22. Contingent Liabilities :</b>		
a. Bank Guarantees Outstanding	300,000	300,000
b. Claim against the company not acknowledged as Debt	140,800,000	140,800,000

The National Broadcaster claimed a sum of Rs. 1408.00 lacs which is under dispute. The arbitration proceedings into the matter is under process. The amount disclosed is the minimum liability on this count excluding interest thereon which is presently not quantifiable.

### 23. Expenditure / Earnings in Foreign Currency :

There is no expenditure and earnings in foreign currency during the year.

### 24. The following Premises are yet to be transferred in the name of the Company:

6/7 Blue Diamond at Juhu Tara Road, Mumbai

### 25. Earning per share

Profit After Tax	(14,142,901)	(33,614,248)
Weighted average number of Equity Shares outstanding	20,058,250	20,058,250
Basic earning per share	(0.71)	(1.68)
Diluted earning per share	(0.71)	(1.68)
Nominal value of share (Rs.)	5.00	5.00

### 26. Related party disclosure :

Related party disclosure as required by AS - 18 issued by the Institute of Chartered Accountants of India.

#### a) Relationship :

##### Key Management Personnel

Mr. Dheeraj Kumar	Chairman & Managing Director
Mrs. Zubey Kochhar	Executive Director

##### Other Directors

Mr. Shiv S. Sharma	Non Executive Director
Mr. M.R. Sivaraman	Non Executive Director
Mr. T.K. Choudhary	Non Executive Director



## NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2016 (contd....)

### b) Transactions with related parties are furnished below :

	Balance as on 01/04/2015	Remuneration payable for the year 2015-16	Paid during the Year	Outstanding Balance as on 31/03/2016
(i) Director's Remuneration				
Mr. Dheeraj Kumar	524,500	3,409,250	3,409,250	524,500
Mrs. Zuby Kochhar	262,000	1,703,000	1,703,000	262,000
(ii) Advance Outstanding				
(Creative FX and Animation Factory India (Pvt.) Ltd.)	350,000	-	-	350,000

Note : The Company has paid to its Non Executive Directors the sitting fees @ Rs. 7,000/- per Meeting.

### 27. Arbitration proceeding with National Broadcaster (Doordarshan)

As per the order of Hon'ble arbitrator, the Company had paid an amount of Rs. 2,00,00,000/- to Prasar Bharti Broadcasting Corporation of India (PBBCI). And also PBBCI/The Directorate General, Doordarshan had acquired programmes from the existing library of the company for Rs. 1,34,78,831/-, representing cost of acquisition of programmes payable, which had not been paid directly to CEL but had been adjusted / credited / treated as amount received in kind by PBBCI / The Directorate General, Doordarshan on behalf of Creative Eye Limited. The said amounts are included in Others Short Term Loans & Advances. Also, Trade Receivable includes Rs.3,00,000/-, receivable from Prasar Bharati Broadcasting Corporation of India. The final accounting / financial implication in the respective account shall be reflected / adjusted at the time of final outcome of the arbitration proceedings.

### 28. Amounts Written Off/ Written Back: -

During the financial year an amount of Rs. 15,575/- (Previous Year Rs. 49,301/-) has been written off on account of Deposits and others which became irrecoverable in spite of best efforts for recovery.

An amount of Rs. 8,43,435/- (Previous Year Rs. 2,29,895/-) has been written back as it is no longer payable.

### 29. Figures of previous year have been regrouped/ reclassified/ rearranged wherever necessary.

### 30. There is only One Reportable Segment - 'Production of Audio-Visual T. V. Content'. Accordingly no separate segmentwise disclosure has been made.

### As per our report of even date attached

For **Uttam Abuwala & Co.**  
Chartered Accountants  
Firm Regn. No. 111184W

**CA. Urmish Mehta**  
Partner  
M.No. 137150

Mumbai, Dated : 28th May, 2016

### For and on behalf of the Board

**Dheeraj Kumar**  
Chairman & Managing Director

**M.R. Sivaraman**  
Director

**Sunil Gupta**  
Chief Financial Officer

**Zuby Kochar**  
Director

**Shiv S. Sharma**  
Director

**Khushbu G. Shah**  
Company Secretary

## Route Map For Venue of AGM



*If you want to lift yourself up, lift up someone else.*







## CREATIVE EYE LIMITED

(CIN:L99999MH1986PLC125721)

"Kailash Plaza", Plot No.12-A, Opp. Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai 400 053, India  
Tel: 022 26732613; Fax: 022 26732296; E-mail: contact@creativeeye.com; Website: www.creativeeye.com

### PROXY FORM

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

Name of the Member(s) :	_____
Registered Address :	_____
E-mail ID :	*Folio No./DP ID and Client ID : _____

\* For details with respect to your Folio No./DP ID, Client ID and number of shares, please refer to the Attendance Slip enclosed along with the Annual Report.

I/We, being the member(s) holding \_\_\_\_\_ Equity Shares of Creative Eye Limited, hereby appoint

- Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him/her
- Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on Friday, the 30th day of September, 2016 at 10.30 a.m.. at GMS Community Centre Hall", Sitladevi Complex, 1st Floor, D. N. Nagar, Opp. Indian Oil Nagar, Link Road, Andheri (West), Mumbai - 400 053 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Sr. No.	Resolutions.	For	Against
<b>Ordinary Business</b>			
1.	To consider and adopt the Audited Balance Sheet as at 31st March 2016, Profit and Loss Account and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.		
2.	To appoint Mr. Dheeraj kumar Kochhar, (DIN 00018094) as a director, who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.		
3.	To Re- appoint M/s. Uttam Abuwala & Co, Chartered Accountants, Mumbai, having Firm Registration No. 111184W, as Statutory Auditors of the company who shall hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.		
<b>Special Business</b>			
4.	To Adopt the new set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

Affix  
Revenue  
Stamp

Signature of Member

Signature of Proxy Holder(s)

#### Notes:

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

Please do not share your e-voting password with anyone.









## ***Creative Eye Limited***

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Kailash Plaza, Plot No. 12-A,

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New Link Road, Andheri (West)

Mumbai - 400 053.

Tel.: 022 2673 2613 (7 Lines), Fax : 022 2673 2296.

Email : [contact@creativeeye.com](mailto:contact@creativeeye.com)

Website : [www.creativeeye.com](http://www.creativeeye.com)