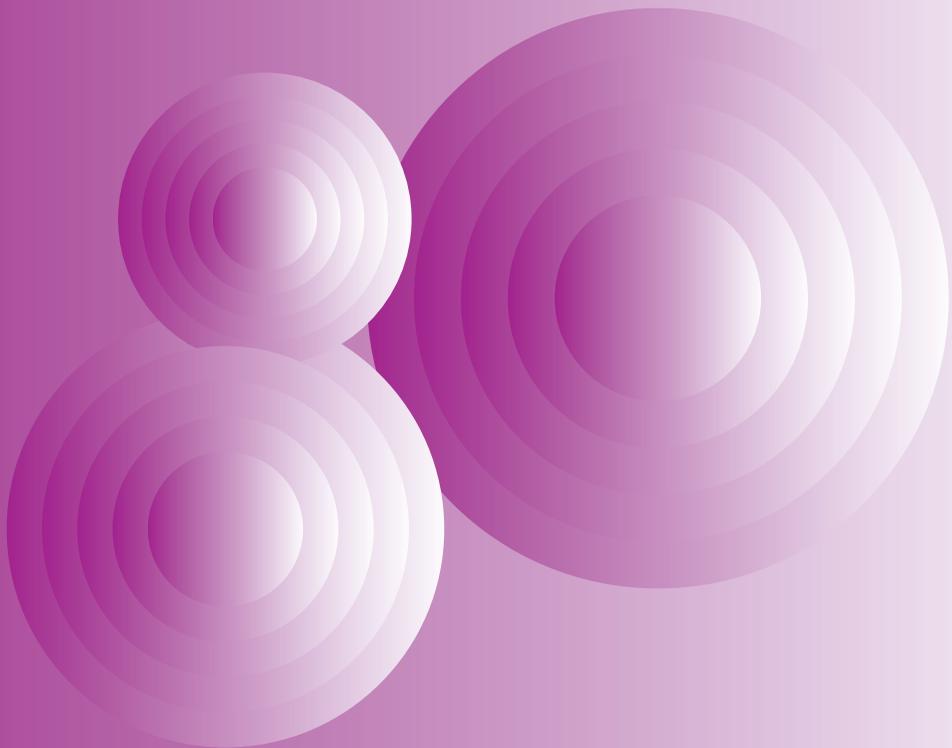


27th Annual Report

2010 - 2011



**WARNER
MULTIMEDIA LIMITED**

Warner Multimedia Limited

BOARD OF DIRECTORS

Jagdish Prasad Purohit	Chairman & Managing Director
Kailash Prasad Purohit	Executive Director
Dhruva Narayan Jha	Independent Director
Saroj Devi Kothari	Independent Director

REGISTERED OFFICE

75C, Park Street
Kolkata-700 016

BANKERS

Federal Bank
Kotak Mahindra Bank

AUDITORS

B. S. Kedia & Co.
Chartered Accountants
8/1, Lal Bazar Street,
1st Floor, Room No. 8,
Kolkata - 700 001

REGISTRAR & SHARE TRANSFER AGENT

Purva Share Registry (India) Pvt. Ltd.
No. 9, Shiv Shakti Ind. Estate
Gr. Floor, J. R. Boricha Marg
Lower Parel, Mumbai-400 011

ANNUAL GENERAL MEETING

Date : 27th September 2011
Time : 11.30 A.M.
Venue : P-27, Princep Street, 3rd Floor
Kolkata-700 072

28th Annual Report 2010 - 2011

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Members are requested to bring their copy of Annual Report at the time of Meeting

NOTICE

Notice is hereby given that the **Twenty Eighth** Annual General Meeting of the members of **WARNER MULTIMEDIA LIMITED** will be held on Tuesday, the **27th September 2011** at 11.30 A.M. at P-27, Princep Street, 3rd Floor, Kolkata-700 072 to transact the following businesses as:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report and Audited Statement of Accounts for the year ended 31st March 2011.
2. To appoint Director in place of Mr. Kailash Prasad Purohit, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting and to fix their remuneration.

Kolkata, June 30, 2011

By order of the Board
For **Warner Multimedia Limited**

Registered Office :
75C, Park Street, Basement
Kolkata-700 016.

Jagdish Prasad Purohit
Chairman & Managing Director

Notes :

1. Proxies, in order to be effective, must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
2. The Register of Member and the Share Transfer Books of the Company will remain closed from 22nd September 2011 to 27th September 2011 (both days inclusive).
3. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
4. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by the Depository Participant to the Annual General Meeting.
5. Members, desirous of getting any information about the accounts of the Company are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
6. Members are requested to intimate change in their address immediately to M/s Purva Sharegistry (India) Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011
7. Members holding shares in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their

address given above.

8. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
9. Members holding shares in physical form and wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed form (form 2B) to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above or to the Compliance Officer at the Registered Office of the Company.
10. Members are requested to bring copies of Annual Report to the Annual General Meeting.
11. Members are requested to send their queries in regard to the accounts atleast 10 days in advance to the Registered Office of the Company.
12. The Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
13. Members are requested to quote Folio Number/Client ID in their correspondence.
14. The Equity shares of the Company are listed on Kolkata, Mumbai, Delhi, Ahmedabad & Jaipur Stock Exchanges and Listing Fees for the financial year 2011-2012 have been paid to Kolkata & Bombay Stock Exchanges.

Kolkata, June 30, 2011

By order of the Board
For **Warner Multimedia Limited**

Registered Office :
75C, Park Street, Basement
Kolkata-700 016.

Jagdish Prasad Purohit
Chairman & Managing Director

DIRECTORS' REPORT & MANAGEMENT DISCUSSIONS & ANALYSIS

To The Members,

Your Directors have pleasure in presenting the Twenty Eighth Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2011.

(Rs. in Lacs)

Financial Results	Year Ended 31.03.2011	Year Ended 31.03.2010
Income	4.01	3.59
Profit before Tax & Extraordinary Items	(854.69)	(15.18)
Less : Provision for Taxation	0.00	0.00
Profit after Tax	(854.69)	(15.18)
Add : Balance brought forward from Previous Year	32.30	47.62
Less : Prior Period Adjustments	0.00	(0.13)
Balance carried forward to Next Year	(822.39)	32.30

DIVIDEND

Due to severe loss during the year under review and because of disposal of wind power machineries and other related assets and of un-quoted shares, your Directors do not recommend any Dividend during the year under review.

INDUSTRY STRUCTURE AND DEVELOPMENT

Changing economic and business conditions and rapid technological innovation are creating an increasingly competitive market environment that is driving corporations to transform their operations. Consumers of product and services are increasingly demanding accelerated delivery times and lower prices. Companies are focusing their core competencies and using outsourced technology service providers to adequately address their needs. The role of technology has evolved from supporting corporations to transforming their business. There is an increasingly need for highly skilled technology professionals in the market in which we operate. At the same time, corporations are reluctant to expand their IT departments and increase costs. These factors have increased the reliance of corporations on their outsourced technology service providers and are expected to continue to drive future growth for technology services.

OPPORTUNITIES & THREATS

The Fundamental drives of India's medium term growth prospects remain intact. However, global developments, in conjunction with Indian Policy responses to the concerns noted above, are likely to make 2011-12 a challenging year.

Global economic and financial conditions can be expected to remain adverse for some time, particularly in the aftermath of Japan's natural disaster. Once the current financial year and

commodity volatility subsides, deeper structural factors are likely to slow down economic growth, particularly in developed economies. Fiscal consolidation in Europe and an excess supply overhang in the US will probably moderate growth in the second half, together with increasing expectations of policy rate rise to quell rising inflation.

In India, inflationary pressure are likely to persist and hence result in a further, though moderate, monetary policy tightening the impact of which will be increasingly visible, through rising borrowing costs, in fiscal 2012. Increasing savings, high interest rates, an expected lower rise in currency driven by lower food prices, are likely to help deposits to grow stronger in fiscal 2012. However, in light of inflationary pressures and rising interest rates, there is a likelihood that the credit growth momentum might slow in 2011-12.

OPERATIONS & CURRENT YEAR PROSPECTS

The Current years' performance of the Company was one of the worst performances in term of loss incurred during the year under review. During the year the Company has disposed off its Plant and Machinery for wind-power projects which was already been seized by REC due to failure in repayment of loan. Moreover, the Company has cleaned up its investments in Un-Quoted Shares by way of selling the same on negotiated prices. All these have caused a loss of Rs. 854.69 Lac during the year under review.

Now the Company is trying to diversify its line of business and is now looking to some other activities and will be able to take a decision in next few months once the liquidation and sufficient finance will be available with the Company. The Company is hopeful of bringing back the confidence among investors of the Company who have invested their hard earnings in the shares of Company.

BUSINESS SEGMENT

Your Company is providing Advisory Services to clients and also investing its surplus fund in Capital Market, however there was no business activities during the year under review and the Company was trying to coming out with its debt burden by way of repayment of loan taken from REC and to create resource and liquidity in order to have diversified business.

RISK & CONCERNS

The objective of risk management is to balance the trade-off between risk and returns and ensure optimum risk adjusted return on capital. It entails the identification, measurement and management of risks across the various businesses of the Company. Risk is managed through a framework of policies and principles approved by the Board of Directors and supported by an Independent risk function that ensures that the Company operates within its risk appetite. The risk management function attempts to anticipate vulnerabilities at the transaction level or at the portfolio level, as appropriate, through quantitative or qualitative examination of the embedded risks. The Company continues to focus on refining and improving its risk management systems. In addition to ensuring compliance with regulatory requirements, the Company had developed internal systems for assessing capital requirements keeping in view the business objectives.

The Company has identified following main risks for its business, which needs to be addressed at this point of time :-

- Credit Risk
- Market Risk
- Liquidity Risk
- Operational Risk

The Company has framed the appropriate business policies to tackle the challenges of above risks and is continually reviewing and modifying these policies in order to face the challenges and come out with the help of Company's business policies.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

Warner has developed adequate Internal Control Systems in place to ensure a smooth functioning of its business. The Control System provides a reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of Company's assets.

The ICS and their adequacy are frequently reviewed and improved and are documented.

INFORMATION TECHNOLOGY

The Company aims to maintain a scalable computing infrastructure that delivers efficient and seamless services across multiple channels for customer convenience. In order to retain competitive edge, technology infrastructure has been implemented wherever necessary, in alignment with business requirements.

HUMAN RESOURCES

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2011-12, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

The Company believes that learning is an ongoing process. Towards this end, the Company has built a training infrastructure which seeks to upgrade skill levels across grades and functions through a combination of in-house and external programme.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES

The Company was having staff strength of 5 people during the year under review however the Company is recruiting more experienced employees during financial year 2010-11. Once the process of new recruitment will be over, the Company will be able to comment on this.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act 1956 and the rules there under.

CAUTIONARY STATEMENT

Statements in the Management Discussions and Analysis describing the Company's objectives, projections, estimates, expectations may be forward looking statements. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's performance include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government Regulations, tax laws, statues and other incidental factors.

MANAGEMENT

There is no change in Management of the Company during the year under review.

DIRECTORS

There is no change in composition of Board during the year under review.

In accordance with the requirements of the Companies Act, 1956 and as per the provisions of Articles of Association Mr. Kailash Prasad Purohit who retires by rotation is eligible, offers himself for reappointment.

Except Mr. Jagdish Prasad Purohit, brother of Mr. Kailash Prasad Purohit, none of the Directors are interested in re-appointment of Mr. Kailash Prasad Purohit.

None of the Directors of the Company are disqualified under section 274(1)(g) of the Companies Act 1956.

AUDITORS

Auditors M/s B. S. Kedia & Co., Chartered Accountants, Kolkata holds the office until the conclusion of ensuing Annual General Meeting. Members are requested to appoint new Auditors in place of M/s. B. S. Kedia & Co., and fix their remuneration.

COMMENTS ON AUDITOR'S REPORT

The notes referred to in the Auditor's Report are self explanatory and as such they do not call for any further explanation as required under section 217(3) of the Companies Act, 1956.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/

internal guidelines on a periodic basis.

New Instructions/guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in course of their activities and processes. New products and process launched during the year were subjected to scrutiny from the Compliance Standpoint and proposals of financial services were screened from risk control prospective.

CORPORATE GOVERNANCE

Your Company follows the principles of the effective corporate governance practices. The Clause 49 of Listing Agreement deals with the Corporate Governance requirements which every publicly listed Company has taken steps to comply with the requirements of the revised Clause 49 of the Listing Agreement with the Stock Exchange.

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

STATUTORY INFORMATION

The Company being basically in the financial sector, requirement, regarding and disclosures of Particulars of conservation of energy and technology absorption prescribed by the rule is not applicable to us.

PARTICULARS OF EMPLOYEES

The relations remain cordial throughout the year between employees and the management

The information as required by provisions of section 217(2A) of the Companies Act, 1956 read with the companies (Particular of employees) amendments rules, 1988 is reported to be NIL.

Particulars under Section 217 (1) (e) of the Companies Act, 1956

The Company is engaged in the business of advisory services and investment activities and hence the information regarding conservation of energy, Technology Absorption, Adoption and Innovation, the information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, is reported to be NIL.

The Company has not earned or used foreign exchange earnings/outgoings during the year under review.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

1. In the preparation of the annuals accounts for the year ended 31st March 2011, all the applicable accounting standards prescribed by the Institute of chartered Accountants of India have been followed;
2. The Directors had adopted such accounting policies and applied them consistently and

made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the annual accounts on a going concern basis.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Corporate Social Responsibility (CSR) is commitment of the Company to improve the quality and living standard of the employees and their families and also to the community and society at large. The Company believes in undertaking business in such a way that it leads to overall development of all stake holders and Society.

APPRECIATION

The Board of Directors wishes to convey their appreciation to all the Company's employees for their performances and continued support. The Directors would also like to thank all the Shareholders, Consultants, Customers, Vendors, Bankers, Service Providers, and Governmental and Statutory Authorities for their continued support.

Kolkata, June 30, 2011

Registered Office :
75C, Park Street, Basement
Kolkata-700 016.

By order of the Board
For **Warner Multimedia Limited**

Jagdish Prasad Purohit
Chairman & Managing Director

ANNEXURE TO THE DIRECTOR'S REPORT

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, Compliance with the requirements of Corporate Governance is set out below :-

1. To enhance the long term interest of its shareholders and to provide good management, the adoption of prudent risk management techniques and compliance with the required standards of capital adequacy, thereby safeguarding the interest of its other stakeholders such as lenders, creditors, customers, suppliers and employees.
2. To identify and recognize the Board of Directors and the Management of the Company as the principal instruments through which good corporate governance principles are articulated and implemented. Further, to identify and recognize accountability, transparency and equality of treatment for all stakeholders, as central tenets of good corporate governance.
3. Warner has during its way towards growth, adopted the Warner Code of Conduct and Warner Prevention of Insider Trading Program. The Company has in place an Information Security Policy that ensures proper utilization of the IT Resources.

BOARD OF DIRECTORS

Composition of Directors

The Constitution of Board of Directors of the Company is governed by the Company's Act 1956 and the Clause 49 of listing agreement. The Company's Board comprises a combination of executives and non-executive Directors. The Board presently consists of 4 Directors and its mix provides a combination of professionalism, knowledge and experience required in the line of Business of the Company. The Board is responsible to manage business of the Company. The functions, responsibilities, role and accountability of the Board are well defined.

The Board of Directors met 4 times on 31st May, 14th August and 12th November in year 2010 & on 8th February 2011 during the financial year ended on 31st March 2011.

Details of Composition of Board, category of the Directors and their attendance at Board Meetings and last Annual General Meeting, number of other directorship are given below :-

Name	Designation	Board Meetings Attended	Whether Attended AGM	Committee Membership	Committee Chairmanship	No. of Directorship in other Public Ltd. Co.
Jagdish Prasad Purohit*	Chairman & Managing Director	4	Yes	7	2	4
Kailash Prasad Purohit	Whole time Director	4	Yes	5	1	2
Dhruva Narayan Jha	Independent Director	4	Yes	6	5	5
Saroj Devi Kothari	Independent Director	4	Yes	1	3	Nil

* Chairman of the Board

AUDIT COMMITTEE

The Audit Committee consists of two Independent Directors & the Managing Director. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise.

The primary purpose of the Audit Committee is to assist the Board of Directors (the "Board") of Warner Multimedia Ltd., (the "Company") in fulfilling its oversight responsibilities with respect to (a) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stockholders, the public, any stock exchange and others, (b) the Company's compliances with legal and regulatory requirements, (c) the Company's independent auditors' qualification and independence, (d) the audit of the Company's Financial statements, and the performance of the Company's internal audit function and its Independent Auditors.

Authority and Responsibilities

The Audit Committee reviews the Company's financial reporting process, disclosure of accounting treatment, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter, Compliance with listing and other legal requirements relating to financial statements, disclosure norms, internal control systems, risk management policies, accounting policies and practices, ensuring the quality and appropriateness of the Company's accounting and financial disclosures as well as quarterly/half yearly financial statements. It recommends appointment of Statutory Auditors fixes audit fees and reviews internal control systems, discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern, scope for observations of the auditors and adequacy of the internal audit function, discussion with internal auditors any significant findings and follow up there on, To review the functioning of the Whistle Blower mechanism, Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate etc.

In addition to the above, Audit Committee reviews the followings :

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors and qualification in draft audit report;
4. Internal audit reports relating to internal control weaknesses;
5. To review the annual financial statements and to recommend their adoption to the Board, with particular reference to disclosure of any related party transaction.
6. To review the Quarterly financial statements and recommend their adoption to the Board.

7. The appointment, removal and terms of remuneration of the Chief internal auditor; As required under Section 292A of the Companies Act, 1956 and Clause 49 of Listing Agreement, the new "Terms of Reference" of the Audit Committee were approved by the Board of Directors at its meeting held on 29th January 2010.

The members of Audit Committee met four times on - 31st May, 14th August and 12th November in year 2010 & on 8th February 2011 during the financial year ended on 31st March 2011.

Name	Number of Meetings Held	Meetings Attended
Mr. Jagdish Prasad Purohit	4	4
Mrs. Saroj Devi Kothari*	4	4
Mr. Dhruva Narayan Jha	4	4

*Chairman of Committee

REMUNERATION COMMITTEE

Since the Company does not have remuneration Committee (constitution of which is a non-mandatory requirement), the details pertaining to the same are not provided

DETAILS OF REMUNERATION PAID TO DIRECTORS

Sum of Rs. 69,000/- has been paid to Mr. Dhruva Narayan Jha towards Directors' sitting Fees.

No Stock option has been allotted to any of the Directors during the financial year 2010-2011.

None of the Independent Directors holds any shares in their name or in the name of their relatives.

SHARE TRANSFER COMMITTEE

The Board of Directors has constituted Share Transfer Committee under the Chairmanship of Mr. Kailash Prasad Purohit; whole time Director with two other Independent Director namely Mr. Dhruva Narayan Jha & Mrs. Saroj Devi Kothari.

The members of Share Transfer Committee met eight times on 15th April, 15th June, 30th June, 15th July, 31st August, 15th September and on 10th December in year 2010 & on 12th January 2011 during the financial year ended on 31st March 2011.

Name	Number of Meetings Held	Meetings Attended
Mr. Kailash Prasad Purohit*	8	8
Mr. Dhruva Narayan Jha	8	8
Mrs. Saroj Devi Kothari	8	8

*Chairman of Committee

INVESTORS' GRIEVANCE COMMITTEE

The Board of Warner Multimedia Limited has constituted a Committee of Directors, which inter-alia also functions as "Shareholders/Investors" Grievance Committee, consisting of three members, chaired by a Non-Executive, Independent Director. The Committee meets once a month and

inter-alia, deals with various matter relating to:

- Transfer/transmission/transposition of shares;
- Consolidation/splitting of shares/folios;
- Issue of Share Certificates for lost, sub-divided, consolidated, rematerialize, defaced etc;
- Review of Shares dematerialized and all other related matters; and
- Investors' grievances and redressal mechanism and recommend measures to improve the level of Investor Services.

The Share Department of the Company and the Registrar and Share Transfer Agent, Purva Sharegistry India Pvt. Ltd. attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges and Registrar of Companies etc.

The Minutes of Shareholders'/Grievances Committee are noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and email addresses to facilitate prompt action.

Compliance Officer

The Company has appointed Mr. Ashok Bothra, as a Compliance Officer within the meaning of Listing Agreement. Members can approach to Compliance Officer or lodge their complaints on email - warner.multimedia@gmail.com.

Details of Shareholders' Complaints during the Year

During the year the Company has not received any complaint from its Members and there were Nil Complaints at the end of Financial Year ending on 31st March 2011. Further, as required under Clause 47C of the Listing Agreement, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

Composition of Committee and Meetings attended

During the year, twelve meetings of the Committee of Directors were held on April 2, May 3, June 1, July 1, August 2, September 1, October 1, November 2, and December 1st in year 2010 and on January 3, February 1 and March 2 in year 2011.

Brief Details of Names, Position, Category and meeting attended by Members of Committee is as follows:

Name	Position	Category	Meetings Attended
Mr. Dhruva Narayan Jha *	Chairman	Independent, Non-Executive	12
Mr. Jagdish Prasad Purohit	Member	Promoter, Executive	12
Mrs. Saroj Devi Kothari	Member	Independent, Non-Executive	12

GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings :

Annual General Meeting	Date & Time	Venue
27th Annual General Meeting	28th July 2010, 11.30 AM	P-27, Princep Street, 3rd Floor, Kolkata - 700 072.
26th Annual General Meeting	16th September 2009, 11.30 AM	P-27, Princep Street, 3rd Floor, Kolkata - 700 072.
25th Annual General Meeting	19th September 2008, 11.00 AM	P-27, Princep Street, 3rd Floor, Kolkata - 700 072.

EXTRA-ORDINARY GENERAL MEETINGS

No Extra-Ordinary General Meeting was being held in last three years.

PASSING OF RESOLUTION BY POSTAL BALLOT

No Resolution has been passed by way of Postal Ballot Rules, 2000 during last three financial years.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

BOARD DISCLOSURES**Risk Management**

The Company has a Risk Management Policy which has been adopted by the Board of Directors, currently, the Company's risk management approach comprises of the followings :-

- Governance of Risk
- Identification of Risk
- Assessment of Control of Risk

The risks have been prioritized through a companywide exercise. Members of Senior Management have undertaken the ownership and are working on mitigating the same through co-ordination among the various departments, insurance coverage, security policy and personal accident coverage for lives of all employees.

The Company has appointed a Risk Officer and also put in place the risk management framework, which helps to identify various risks cutting across its business lines. The risks are identified and are discussed by the representatives from various functions.

Risk Officer will make a presentation periodically on risk management to the Board of Directors and the Audit Committee. The Board and the Audit Committee provide oversight and review the risk management policy periodically.

SUBSIDIARIES

The Company does not have any material non-listed Indian subsidiary whose turnover or net worth (i.e. paid-up capital and free reserves) exceeding 20% of the consolidated turnover or networth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

INSIDER TRADING

The Securities and Exchange Board of India (SEBI) has over the years introduced various amendments to the Insider Trading Regulations of 1992 which ordain new action steps by corporate and other market intermediaries for the purposes of prevention of Insider Trading.

Pursuant to the above requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a `Code of Conduct` for Prevention of Insider Trading (The Code) with effect from October 1, 2002. The Code is applicable to all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Compliance Office has been appointed for monitoring adherence to the said Regulations.

DISCLOSURES

- (a) There are no transactions with related parties i.e. with Promoters, Directors, Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large.
- (b) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.
- (c) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 1992) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof.
- (d) **Reconciliation of Share Capital Audit :** A qualified Practicing Company Secretary carried out Secretarial Audit on quarterly basis to reconcile the total admitted capital with Central Depository Services (India) Ltd. (CDSL), National Securities Depository Ltd. (NSDL) and the total issued and listed capital. The "Reconciliation of Share Capital Audit Report" confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with CDSL and NSDL.

DISCLOSURES ON NON-MANDATORY REQUIREMENTS

The Company has adopted/complied with the following non-mandatory requirements as prescribed in Annexure I D to Clause 49 of Listing Agreement with the Stock Exchange :-

- a) None of the Independent Directors on the Board of the Company has served for the tenure of exceeding nine years. The Company has ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which in the opinion of the Company would enable him to contribute effectively to the Company in his capacity as an Independent Director.
- b) The Company has not setup Compensation and Remuneration Committee.
- c) We publish our quarterly results and half yearly results in widely circulated newspapers whereas we did not send half yearly results to any of shareholders.

- d) The financial statements of the Company are unqualified.
- e) The Company has not adopted a Whistle Blower Policy till date.

MEANS OF COMMUNICATIONS

- The Company regularly provides information to the Stock Exchanges as per the requirements of the listing Agreement.
- The Quarterly/Half Yearly/Nine Months & Annual Results have been submitted to BSE & CSE and have been published in the leading English Newspapers i.e. The Echo of India and in vernacular language Newspaper i.e. Arthiklipi.
- Company posts its Quarterly Results/Half Yearly/Nine Months & Annual Results on its website www.warnerfarmacare.com.
- Official News releases have been posted on its web portal www.warnerfarmacare.com.
- No formal representations were made to Institutional Investors or Analysts during the year under review.
- Management Discussion and Analysis forms part of the Annual Report will be posted to the shareholders of the Company.

SHAREHOLDERS' INFORMATION

a. Next Annual General Meeting

The information regarding 28th Annual General Meeting for the financial year ended on 31st March 2011 is as follows :-

Date : 27th September 2011
 Time : 11.30 A.M.
 Venue : P-27, Princep Street, 3rd Floor, Kolkata - 700 072.

b. Financial Calendar : 1st April to 31st March.

c. Future Calendar :

Subject Matter	Date
Financial Reporting of 1st Quarter ended on 30th June 2011	12th August, 2011
Financial Reporting of 2nd Quarter ended on 30th September 2011	15th November, 2011
Financial Reporting of 3rd Quarter ended on 31st December 2011	15th February 2012
Financial Reporting of 4th Quarter ended on 31st March 2012	30th May 2012
Date of Annual General Meeting	During August 2012

- d. **Date of Book Closure** : 22nd September 2011 to 27th September 2011 (Both days inclusive)
- e. **Dividend Payment** : Nil
- f. **Custody Charges & Listing Fees** : Annual Custody Charges to NSDL & CDSL and Annual Listing Fees for Year 2011-2012 have been paid to both BSE & CSE.
- g. **Stock Code** : 511690 on BSE, 10013062 on CSE

h. Depository (ISIN Code) : INE407B01017 (NSDL & CDSL)

i. Market Price Data :

Month	Price on BSE (Rs.)			BSE Sensitive Index	
	High	Low	Volume	High	Low
April 2010	1.76	1.35	29892	18047.46	17276.80
May 2010	1.99	1.50	55988	17536.86	15960.15
June 2010	1.89	1.49	27654	17919.62	16318.39
July 2010	2.20	1.70	59411	18237.56	17395.58
August 2010	2.05	1.70	33441	18475.27	17819.99
September 2010	1.99	1.66	79146	20267.98	18027.12
October 2010	1.97	1.62	45659	20854.55	19768.96
November 2010	1.98	1.61	139237	21108.64	18954.82
December 2010	4.53	1.87	648082	20552.03	19074.57
January 2011	5.31	3.64	231019	20664.80	18038.48
February 2011	4.50	3.24	38099	18690.97	17295.62
March 2011	3.49	2.55	77812	19575.16	19071.47

j. Registrar & Share Transfer Agent.

M/s. Purva Sharegistry (India) Pvt. Ltd. has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical and electronic mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address :

M/s. Purva Sharegistry (India) Pvt. Ltd.

No. 9, Shiv Shakti Ind. Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel,
Mumbai-400 011, Tel : 022-23016761, website : www.purvashare.com

k. Share Transfer Systems

The Share transfer is processed by the Registrar & Share Transfer Agent, M/s. Purva Sharegistry (India) Pvt. Ltd. and approved by Share Transfer Committee, if the documents are complete in all respects, within 21 days from the date of lodgment.

l. Shareholding Pattern as on 31st March 2011

Categories	No. of Shares	% of Shareholding
Promoters, Directors & Relatives & Person acting in concert	6135005	33.06
Other (Clg. Member/ Clg. Corporation)	3424	0.02
NRI/OCBS	45662	0.25
Private Corporate Bodies	6012366	32.40
Indian Public	6358943	34.27
Total	18555400	100.00

m. Distribution of Shareholding as on 31st March 2011

No. of Equity Shares held	No. of Share holders	% of Total Holders	No. of Shares Held	Value	% of Total Holding
1-5000	10737	87.35	1485411	14854110	8.01
5001-10000	759	6.18	671671	6716710	3.62
10001-20000	327	2.66	540887	5408870	2.91
20001-30000	134	1.09	388761	3887610	2.10
30001-40000	62	0.50	245105	2451050	1.32
40001-50000	84	0.68	411126	4111260	2.22
50001-100000	78	0.64	531302	5313020	2.86
100001 & Above	111	0.90	14281137	142811370	76.96
Total ...	12292	100.00	18555400	185554000	100.00

n. Categories of Shareholders as on 31st March 2011.

Category	No. of Share Holders	% of Share Holders	No. of Shares Held	% of Share Holding
Individuals	12050	98.02	6358943	34.27
Local Mutual Funds	0	0.00	0	0.00
Non-Resident Indians	11	0.09	45662	0.25
Body Corporate	182	1.48	6012366	32.40
Others (Clearing Members)	7	0.06	3424	0.02
Promoters	42	0.34	6135005	33.06
Total ...	12292	100.00	18555400	100.00

o. Dematerialization of Shares & Liquidity

The Company's Equity Shares are in Demat trading segment and the company has established connectivity with both National Securities Depository Limited (NSDL) and Central depository Services (India) Limited (CDSL) by signing the necessary agreements.

Procedures for dematerialization / rematerialization of Equity Shares:-

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched within one month from the date of issue of Shares.

The Shares of Company are traded under "B" category on Bombay Stock Exchange Ltd. 42.76% of the Company's Equity Share Capital held under Public category has been dematerialized up to 31st March 2011.

p. Nomination

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

q. Requirement of PAN Card in case of Transfer of Shares in Physical Form

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

r. For the Attention of Shareholders holding shares in electronic form

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

s. Brief Resume of the Directors Seeking Re-Appointment

Mr. Kailash Prasad Purohit, Age 51, B. Com., LLB is having vast experience in the area of Financial Market, Money Market and Income Tax related activities as well as expertise in legal matters. Moreover he is having an experience of around 26 years in these business and profession. He is an Executive Director of the Company.

He is holding 6450 Equity Shares in his own name and 1130555 Equity Shares in the name of family members and relatives.

As on 31st March 2011, he is on the Board of Directors of the following Companies -

Sr. No.	Name of the Company
1.	JMD Telefilms Private Limited
2.	Scan Infrastructure Limited
3.	Jaiambe Cassettes Private Limited
4.	Neha Cassettes Private Limited
5.	Gobaj Commercial Private Limited
6.	Rohtang Commercial Private Limited
7.	JMD Sounds Limited
8.	Gopikar Supply Private Limited
9.	Subhchintak Vyapar Private Limited

Further, he is having 1 Committee Chairmanship and 5 Committee Membership in various listed cos. where he is holding position as Director.

s. Details on use of Public Funds Obtained in the last three years :

No Funds have been raised from the public in the last 3 years.

t. Investors Correspondence

Shareholders can contact the following Officials for secretarial matters of the Company :-

Mr. Ashok Bothra - warner.multimedia@gmail.com

u. Outstanding GDRs./ADRs/Warrants or any convertible instruments, conversion data likely impact on Equity :

Not Applicable.

v. Code of Conduct

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director & Chief Executive Officer is annexed to this report.

w. Address for Correspondence

75C Park Street, Basement,
Kolkata-700 016.

CHAIRMAN & MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT

As required by Clause 49 of Listing Agreement, the Managing Director and CEO's Declaration for Code of Conduct is given below :

To
The Members of
Warner Multimedia Limited

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

For **WARNER MULTIMEDIA LIMITED**

Jagdish Prasad Purohit
Chairman & Managing Director

Place : Kolkata

Date : 30th June 2011

SECRETARIAL COMPLIANCE REPORT FOR THE YEAR ENDED 31ST MARCH 2011

The Board of Directors,
Warner Multimedia Limited

We have examined the registers, records and papers of M/s. Warner Multimedia Limited as required to be maintained under the Companies Act, 1956, (hereinafter referred to as "The Act"), the rules made thereunder and also the provisions contained in the Memorandum of Association and Articles of Association of the Company for the year ended 31st March 2011.

On the basis of our examination as well as information and explanations furnished by the Company and the records made available to us, we report that:

1. The Company has kept and maintained all registers and records as per the provisions of the Companies Act 1956 (the Act) and the rules made there under and all entries therein have been duly recorded during the year.
2. The Company has duly filed the forms and return with the Registrar of Companies or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company has given proper notice along with the agenda for convening of Board Meeting, Committee Meetings and Annual General Meetings during the year.
4. The proceedings of the Meetings were properly recorded in the Minutes Books during the year.
5. The Board of Directors of the Company is duly constituted during the year.
6. The Company has obtained all the necessary approvals from the Board and Shareholders as required by the Act during the year.
7. The Company has not accepted any Deposit in terms of Section 58A of the Act read with Companies (Acceptance of Deposit) Rules, 1975 during the year.
8. The Company has complied with the provisions of section 154 of the Act during the year.
9. The Company has delivered all the certificates on lodgments thereof for transfer or any other purpose in accordance with the provisions of the Act during the year.
10. The Company has not declared dividend during the year.
11. The Company has paid remuneration to the Managing Director and sitting fees to the Directors of the Company during the year in terms of section 198, 269, 309 read with Schedule XIII of the Act.
12. The Company has not appointed any sole selling agent in terms of section 294 of the Act during the year.
13. The Company has not given any loan in terms of section 295 of the Act during the year.
14. The Company has not entered into any transactions, which falls under section 297 of the Act during the year.

15. The Directors have disclosed their interest in terms of section 299 of the Act.
16. The Company has not appointed any person as a place of profit in terms of section 314 of the Act during the year.
17. The Company has complied with the provisions of section 372A of the Act.
18. The Company has complied with the applicable provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997, SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, SEBI (Prohibition of Insider Trading) Regulations, 1992 during the year.
19. The Company has issued any Share by way of Right or Bonus or on Preferential basis and has not raised fund during the financial year 2010-11.
20. The Company has not altered its Memorandum of Association and Articles of Association during the year.
21. There was no prosecution initiated against the Company, or Show Cause Notices received by the Company, for offences under the Act.

For **VKM & Associates**
Company Secretaries

Place : Mumbai
Date : June 30, 2011

Vijay Kumar Mishra
Partner

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Warner Multimedia Limited

We have examined the compliance of the conditions of Corporate Governance by WARNER MULTIMEDI LTD. (The Company) for the year ended 31st March 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with all stock exchanges where the Shares of Company are listed.

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

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievances Committee.

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

For **B. S. Kedia & Co.**
Chartered Accountants

Place : Kolkata
Date : June 30, 2011

Vikash Kedia
Partner

AUDIT REPORT

To the Members of Warner Multimedia Limited

We have audited the attached Balance Sheet of M/s Warner Multimedia Limited as at 31st March 2011 and also the Profit & Loss Account for the year ended on that day annexed hereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also included assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order, 2003, issued by the Department of Company Affairs in terms of Section 227 (4A) of the Companies Act 1956, we enclose in the Annexure, a statement on the matters specified in Paragraph 4 and 5 of the said order to the extent applicable.
2. Further to our comments in the Annexure referred in paragraph 1 above, attention is invited to the following on accounts:
 - (i) The Company has no provision for non performing assets as per Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 of Reserve Bank of India.
 - (ii) The Company's Non-availability information status of shares held as inventory of companies under liquidation due to which provision there against can not be commented upon presently.
 - (iii) Certain old debt eventual recovery of which and provision there against can not be commented upon presently.
3. Subject to above we Report that :
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper Books of Accounts as required by Law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Accounts.
 - d) In our opinion the Balance Sheet, Profit & Loss Account & Cash Flow Statement together with this notes of accounts dealt with by this report Comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act 1956 to the extent applicable.
 - e) On the basis of written representations received from the Directors, as on 31st

March, 2011 and taken on record by the Board of Directors. We report that none of the directors is disqualified as on 31st March, 2011. From being appointed as a director in terms of clause (g) of sub Section 274 of the Companies Act, 1956.

- f) While going through the book of accounts and other details on website for the financial year 2010-2011 we found that a notice had been sent by the RBI to the company on 29th November 2010, for "COLLECTION OF MONEY FROM PUBLIC IN MONEY CIRCULATION SCHEMES BY MAKING PROMISES OF HIGH RETURNS". Further on our discussion with the directors and other management personnel it is informed that necessary steps has been taken to resolve this issue.

Further, we would also like to mention that any contingent liability arising in regard to above matter would be met out of the head "Provision for others".

- g) We have observed a significant amount of loss amounting to Rs. 8.54 Cr in year 2010-11 in comparison to 0.15 Cr in year 2009-10. On going through the books and records of the entity we have found following reasons for such losses:
- During the year the Company has disposed off its Plant and Machinery for wind-power projects which was already been seized by REC due to failure in repayment of loan.
 - The Company has cleaned up its investments in Un-Quoted Shares by way of selling the same on negotiated prices.

The Books of Accounts has been verified related to above notifications and the same has been discussed in the AGM of the company.

- h) In our opinion and to the best of our information and according to the Explanations given to us, the said accounts, give the information required by the Companies Act, 1956 and give a true and fair view in conformity with the accounting principles and generally accepted in India :-
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011;
 - ii) in the case of the Profit and Loss Account, of the Loss for the year ended on that date;
 - iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **B. S. KEDIA & CO.**
Chartered Accountants

Place : Kolkata
Date : June 30, 2011

Vikash Kedia
Partner

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 1 of our report of even date)

1. a. The Company has maintained proper books of records showing full particulars including quantitative details and situations of fixed assets.
- b. As per the information and explanations given to us, the Company has carried out physical verification of fixed assets during the year. In our opinion, the frequency of such verification is reasonable.
- c. In our opinion and according to the information and explanation given to us, the Company has made substantial disposal during the year incurring huge losses on such sale.
- d. The procedure of physical verification of stock & securities followed by management are reasonable and adequate in relation to the size of the Company nature of its business.
- e. The Company has maintained proper record of Inventories. No discrepancies noticed on physical verification of Investments as compared to the books & records.
2. The Company does not have any inventories. Accordingly the Clause 4(ii) of the Companies, (Auditors' Report) Order 2003 is not applicable.
3. a. According to the information and explanation given to us and on the basis of records furnished before us, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- b. In view of above, Clause 4(iii)(a),(b),(c) and (d) of Companies (Auditors' Report) Order, 2003 are not applicable.
- c. According to the information and explanation given to us and on the basis of records furnished before us for the verification, the Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Act.
- d. In view of above, clause 4(iii)(e), (f) and (g) of Companies (Auditors' Report) Order, 2003 are not applicable.
4. In our opinion and according the information & explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of business with regard to purchase and sales. During the course of our Audit, we have not observed any continuing failure to correct major weakness of internal audit.
5. a. In our opinion and according the information & explanations given to us, the particulars of contract or arrangements that were required to be entered in the register maintained under Section 301 of the Companies Act 1956 have been so entered in the said register.
- b. In respect of transactions entered exceeding the value of five Lac in the register maintained in pursuance of Section 301 of the Companies Act 1956, according to information and explanation given to us, the transactions made pursuance of such

contracts or arrangements have been made at prices which are prima-facie reasonable having regard to prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public in the current year; hence Clause 4(vi) of Companies (Auditors' Report) Order 2003 is not applicable.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We are informed that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act 1956 in respect of products dealt with by the Company.
9. (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including Provident Fund, Investors' Education & Protection Fund, Employees State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, CESS and any other statutory dues have been regularly deposited in time during the year with appropriate authorities and there are no undisputed statutory dues payable for a period of six months from the date they became payable as at 31st March 2011.

(b) According to the information and explanation given to us, except for disputed Sales tax dues and Income Tax dues as detailed below there are no disputes pending before the authorities in respect of Sales Tax, Income Tax, Custom Duty and CESS.
10. The Company does not have accumulated losses at the end of financial year and has not incurred cash losses in the current financial year and in the immediate preceding financial year.
11. According to the records made available to us and information and explanation given to us by the management, the Company has not defaulted in repayment of any dues to financial institutions or banks.
12. According to the information and explanations given to us, the Company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not chit fund, nidhi, mutual fund and societies and accordingly clause 4(xiii) of Companies (Auditors' Report) Order, 2003 is not applicable.
14. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of transactions and contracts relating to dealing in shares, securities and other investments during the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name or are in the process of transfer in its name, except to the extent of the exemption granted section 49 of the Act.
15. In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from Banks & Financial Institutions. Accordingly Clause 4(xv) of Companies (Auditors' Report) Order, 2003 is not applicable.
16. In our opinion and according to the information and explanations given to us, the Company has not obtained any Term Loan. Accordingly Clause 4(xvi) of Companies (Auditors' Report)

Order, 2003 is not applicable.

17. According to the information and explanations given to us and on the basis of and overall examination of the Balance Sheet of the Company, no funds raised on short term basis have been utilized for long term investment and vice versa.
18. The company has not made preferential allotment of shares to parties and/or to the companies covered in the register maintained under section 301 of the Companies Act 1956. Therefore, the provisions of clause 4(xviii) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
19. During the period, the Company has not issued unsecured debentures on private placement basis and therefore, the provisions of clause 4(xix) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
20. The Company has not raised any money through public issue during the year and therefore, the provisions of clause 4(xx) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
21. During the course of examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the period nor we have been informed of such instances by the management.

For **B. S. KEDIA & CO.**
Chartered Accountants

Place : Kolkata
Date : June 30, 2011

VIKASH KEDIA
Partner

BALANCE SHEET AS AT MARCH 31, 2011

	Schedule	31.3.2011 Rupees	31.3.2010 Rupees
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	185,554,000	185,554,000
Reserves and Surplus	2	(21,612,136)	63,857,180
		<u>163,941,864</u>	<u>249,411,180</u>
Loan Fund			
Secured Loan	3	24,812,310	34,174,310
Unsecured Loan	4	7,968,079	7,968,079
		<u>32,780,389</u>	<u>42,142,389</u>
TOTAL		<u><u>196,722,253</u></u>	<u><u>291,553,569</u></u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	1,463,302	51,306,302
Less : Depreciation		914,385	11,171,153
Net Block		<u>548,917</u>	<u>40,135,149</u>
Investments	6	323,607,600	379,761,155
Current Assets, Loans & Advances			
Sundry Debtors	7	326,820	11,560
Cash & Bank Balances		4,059,082	1,213,813
Deposits & Advances		71,945,452	95,925,011
		<u>76,331,354</u>	<u>97,150,384</u>
Less : Current Liabilities & Provisions			
Sundry Creditors	8	279,903	279,903
Advance		186,875,000	208,602,500
Deferred Tax Adjustments		16,242,359	16,242,359
Liabilities & Provisions		368,356	368,356
		<u>203,765,618</u>	<u>225,493,118</u>
Net Current Assets		<u>(127,434,264)</u>	<u>(128,342,734)</u>
TOTAL		<u><u>196,722,253</u></u>	<u><u>291,553,569</u></u>
Notes forming part of the accounts & Significant Accounting Policies	13		

As per our report of even date

For **B. S. Kedia & Co.**
Chartered Accountants

Vikash Kedia
Partner
Membership No.066852

Place : Kolkata
Date : 30th June 2011

Jagdish Prasad Purohit
Chairman & Managing Director

Kailash Prasad Purohit
Director

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

	Schedule	31.3.2011 Rupees	31.3.2010 Rupees
INCOME			
Other Income	9	401,278	359,233
		<u>401,278</u>	<u>359,233</u>
EXPENDITURE			
Payment & Provision to Employees	10	204,432	198,132
Administrative Expenses	11	1,328,014	1,679,533
Loss on Sale of Investment		54,113,917	-
Loss on Saleout of Plant & Machinery		30,224,232	-
		<u>85,870,595</u>	<u>1,877,665</u>
Profit before Tax		(85,469,316)	(1,518,432)
Provision for Taxation		-	-
Profit/(Loss) after Tax		(85,469,316)	(1,518,432)
Add : Prior Period Adjustments		-	(12,610)
Profit (Loss) available for Appropriation		(85,469,316)	(1,531,042)
Profit brought forward from previous year		<u>3,230,680</u>	<u>4,761,722</u>
Profit carried to Balance Sheet		<u>(82,238,636)</u>	<u>3,230,680</u>
Earnings Per Share (Basic & Diluted) (Face Value Rs. 10/- per share)	12	(4.60)	(0.08)
Notes forming part of the accounts & Significant Accounting Policies	13		

As per our report of even date

For **B. S. Kedia & Co.**
Chartered Accountants

Vikash Kedia
Partner
Membership No.066852

Place : Kolkata
Date : 30th June 2011

Jagdish Prasad Purohit
Chairman & Managing Director

Kailash Prasad Purohit
Director

SCHEDULES TO ACCOUNTS	31.03.2011 Rupees	31.03.2010 Rupees
SCHEDULE 1		
SHARE CAPITAL		
Authorised		
190,00,000 (Previous Year 190,000,000) Equity Shares of Rs. 10/- each	190,000,000	190,000,000
Issued, Subscribed & Paid-up		
185,55,400 (Previous Year 185,55,400) Equity Shares of Rs. 10/- each fully paid-up	<u>185,554,000</u> <u>185,554,000</u>	<u>185,554,000</u> <u>185,554,000</u>
SCHEDULE 2		
RESERVES & SURPLUS		
Share Premium Account	48,263,500	48,263,500
General Reserve	12,363,000	12,363,000
Profit & Loss Account - Balance	<u>(82,238,636)</u> <u>(21,612,136)</u>	<u>3,230,680</u> <u>63,857,180</u>
SCHEDULE 3		
SECURED LOAN		
Rural Electrification Corporation Ltd.*	<u>24,812,310</u>	<u>34,174,310</u>

*Loan is secured by way of 1st Charge on the of Movable Properties including Plant & Machineries, Spares, Tools and Accessories and other unencumbered movable assets both present and future situated at Kayathar and elsewhere in the stae of Tamilnadu and Equitable Mortgage of Land situated at Kayathar.

SCHEDULE 4
UNSECURED LOAN

Fixed Deposits (Including Interest)	115,207	115,207
From Bodies Corporate	<u>7,852,872</u>	<u>7,852,872</u>
	<u>7,968,079</u>	<u>7,968,079</u>

SCHEDULE 5
FIXED ASSET

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2010	Deletion	As at 31.03.2011	As at 01.04.2010	For the Year	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010
Land	1,312,000	1,312,000	-	-	-	-	-	1,312,000
Plant & Machinery	48,531,000	48,531,000	-	-	-	-	-	38,274,232
Office Equipments	1,463,302	-	1,463,302	914,385	-	914,385	548,917	548,917
TOTAL	51,306,302	49,843,000	1,463,302	914,385	-	914,385	548,917	40,135,149
Previous Year	51,306,302	-	51,306,302	11,171,153	-	11,171,153	40,135,149	40,092,229

SCHEDULES TO ACCOUNTS	31.03.2011 Rupees	31.03.2010 Rupees
SCHEDULE 6		
INVESTMENTS		
UNQUOTED (AT COST)		
Investment in Equity Shares of Unlisted Companies	323,607,600	379,761,155
SCHEDULE 7		
CURRENT ASSETS, LOANS & ADVANCES		
Sundry Debtors		
(Unsecured, Considered Good)		
Outstanding for more than six months	11,560	11,560
Other Debtors	315,260	-
	<u>326,820</u>	<u>11,560</u>
Cash & Bank Balances		
Cash Balance	470,356	824,733
Balance with Scheduled Bank	3,588,725	389,079
	<u>4,059,082</u>	<u>1,213,813</u>
Loans, Deposits & Advances		
(Unsecured, Considered Good)		
Loans (Including Interest)	6,104,465	746,482
Advances (Recoverable in Cash or kind)	65,447,834	5,700,000
Advances (Against Equity Shares)	-	41,215,258
Share Application Money	-	47,876,850
Security Deposit	3,000	3,000
TDS	390,153	383,421
Total	<u>71,945,452</u>	<u>95,925,011</u>
SCHEDULE 8		
CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors	279,903	279,903
Advance	186,875,000	208,602,500
Deferred Tax Adjustments	16,242,359	16,242,359
	<u>203,397,262</u>	<u>225,124,762</u>
Liabilities & Provisions		
For Expenses	33,708	33,708
For Taxation	17,145	17,145
For Fring benefit Tax	11,112	11,112
Unclaimed Fixed Deposits	-	-
Others	306,391	306,391
Unclaimed Dividend	-	-
	<u>368,356</u>	<u>368,356</u>
Total	<u>203,765,618</u>	<u>225,493,118</u>

SCHEDULES TO ACCOUNTS	31.03.2011 Rupees	31.03.2010 Rupees
SCHEDULE 9		
OTHER INCOME		
Income from Animal Division	315,260	-
Interest Recd.	67,315	-
Other income	18,703	359,233
	<u>401,278</u>	<u>359,233</u>
SCHEDULE 10		
PERSONNEL EXPENSES		
Salary (including Directors' Remuneration) & Bonus	141,000	141,000
Contribution towards Provident Fund	36,132	36,132
Staff Welfare Expenses	27,300	21,000
	<u>204,432</u>	<u>198,132</u>
SCHEDULE 11		
ADMINISTRATIVE EXPENSES		
Conveyance & Travelling	398,800	749,868
Legal & Professional Charges	19,000	28,000
Advertisement	14,510	3,405
Printing & Stationery	57,324	45,000
Postage & Telephone	13,280	16,000
Rent	36,000	36,000
Demat charges	-	1,250
Bank Charges	3,139	4,032
Share Registrar's Charges	21,074	12,316
ROC Filing Fees	1,000	-
Miscellaneous Expenses	172,213	101,949
Share Holders' Meeting Expenses	35,000	30,000
Office Expenses	224,325	425,175
Computer Maintenance charges	-	5,685
Listing, Depository & Other Fees	298,449	176,953
Donation & Subscription	-	10,000
Audit Fees	33,900	33,900
	<u>1,328,014</u>	<u>1,679,533</u>
SCHEDULE 12		
EARNING PER EQUITY SHARE		
Net Profit after tax available for Equity Shareholders	(85,469,316)	(1,518,432)
No. of Equity Shares	18,555,400	18,555,400
Basic and Diluted Earning per Share (Rs.)	(4.60)	(0.08)

SCHEDULE 13**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****A. SIGNIFICANT ACCOUNTING POLICIES****a) Accounting Convention**

Financial statements have been prepared on Historical Cost convention and in accordance with normally accepted accounting principles.

b) Income & Expenditure Recognition

All Income & expenditure have been accounted for on accrual basis except Dividend which is accounted for on Cash basis.

c) Fixed Assets

a. All Fixed Assets are accounted for at cost inclusive of Legal and / or installation and incidental Expenses less Depreciation.

b. Depreciation on Fixed Assets has been provided on Written-Down Value (WDV) as per rate prescribed under schedule XIV to the Companies Act.1956. No Provision of Depreciation of Plant & Machinery and office equipments.

4. Valuation of Investment in Shares :

Investments in shares & securities have been valued at Cost.

5. Gratuity :

None of the Employee has completed the service period to become eligible for payment of Gratuity.

6. Deferred Revenue Expenditures :

a. No Share issue expenses and Preliminary expenses are being written off during the year.

b. No Deferred Revenue Expenditure is being written off during the year.

7. Taxation :

Provision for taxes comprising of current tax is measured in accordance with Accounting Standard 22- "Accounting For Taxes On Income" issued by the Institute of Chartered Accountants of India :

Income Tax expenses comprise current tax and deferred tax charges to credit. The deferred tax charges to credit are recognized using current tax rates. When there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the year and available case law, to reassess realization/liabilities.

B. NOTES ON ACCOUNTS

1. Estimated accounts of Capital Contracts remaining to be executed on Capital Account & not provided for : Rs. NIL
2. Earning / Expenditure in foreign Currency : Rs. NIL
3. The Company has not provided Depreciation on Wind Power Project and Office Equipments.
4. The Reserve Bank of India has rejected renewal application of the Company as NBFC. Disclosures in terms of Accounting Standards (AS 29) Provisions, Contingent Liabilities and Contingent Assets issued by the Institute of Chartered Accountants of India :
5. The Company has not made provisions for non-performing assets as per prudential norms prescribed by Reserve Bank of India.
6. The Company has valued the Investments at cost against the cost or Market value of each scrip individually as recommended by accounting standard issued by the Institute of Chartered Accountants of India. As a value of invest has been shown higher.
7. The Company has made no provision for interest accrued amounting to in respect of fixed deposits and unsecured Loans and no provision for interest Secured Loan from Rural Electrification Corporation during the year.
8. A Quantitative Information In Respect Of Wind Energy
 - a. Licensed Capacity : Not Applicable for the year
 - b. Installed Capacity : 1.23 M.V.
 - c. Actual Production : Nil
9. In our opinion of the Board of Directors, Currents Assets, Loans & Advances have a value on the realization in the ordinary course of business at cost equal to amount what has been in the Balance Sheet.
10. Certain Debit and credit balances including Sundry debtors and Creditors, Bank balances and Advances are subject to confirmation and consequential reconciliation thereof.

11. Auditors Remuneration :

	31.03.2011	31.03.2010
For Audit	28000.00	28000.00
For Tax Audit	5900.00	5900.00

12. Related Party Disclosures**i) Key Management Personnel & Relatives**

Name of Related Party	Nature of Relationship
Mr. Jagdish Prasad Purohit	Chairman & Managing Director
Mr. Kailash Prasad Purohit	Whole-time Director

ii. Enterprises in which above person has significant influence :-

Name of Related Party	Nature of Relationship
Prime Capital Market Ltd.	Jagdish Prasad Purohit, M.D.

iii. Transactions with the Party mentioned in a) above :-

Sum of Rs. 69000/- has been paid to Mr. Dhruva Narayan Jha towards Directors' sitting Fees. Apart from this, there is no transaction with any of above parties.

13. **Segment Report**

The Company has operated only in a segment during the year thus Segmental Report is not applicable for the year under review.

14. Company has recorded the cumulative net deferred tax liabilities of Rs.1,62,42,359/- since 31st March 2003, which has been debited to Profit & Loss appropriation. Deferred tax adjustment for the year ended 31st March, 2011 amount to Rs. Nil (Additional Provision required for deferred tax Liabilities accrued during the year.

15. **NBFC Companies**

Information as required in terms of paragraph 13 of Non Banking Financial (Non Deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is given in separate annexure.

16. **Earning per Equity Share**

	Unit	31.03.2011	31.03.2010
Numerator used : Profit (Loss) after Tax	Rs.	-85469316	-1531042
Denominator used : No. of Equity Shares of Rs. 10/- each outstanding for the year	No.	18555400	18555400
Earnings Per Share	Rs.	-4.60	-0.08

*The Company does not have any outstanding dilutive potential equity shares.

17. Information required under part IV of the Companies Act has been given Annexure - I
18. Information pursuant to Paragraph 9BB of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 has been given in Annexure II.
19. The Company has operated in only one segment i. e. Finance and Investment, no segment wise report are applicable as required under AS- 17 issued by ICAI.
20. Previous Years' figures have been regrouped / rearranged wherever necessary as to make them comparable with figures of the year under consideration.
21. Schedule "1" to "13" forms part of the balance Sheet and Profit & Loss Account.

As per our report of even date

For **B. S. Kedia & Co.**
Chartered Accountants

Vikash Kedia
Partner
Membership No.066852

Place : Kolkata
Date : 30th June 2011

Jagdish Prasad Purohit
Chairman & Managing Director

Kailash Prasad Purohit
Director

**Statement of Cash Flow Annexed to the Balance Sheet
as at 31st March, 2011**

	31.03.2011 Rs.	Rs. in Lacs 31.03.2010 Rs.
A. Cash Flow from Operating Activities		
Net Profit before tax and extraordinary Items	(85,469,316)	(1,518,432)
Adjustments for		
Depreciation	914,385	-
Preliminary/ Share issue exp. Written off	-	-
Operating profit before working capital changes	(85,469,316)	(1,518,432)
Adjustments for		
Decrease (Increase) in Trade and other Receivables	(315,260)	-
Inventories	-	-
Loans & Advances	23,979,559	(17,216,500)
Increase (Decrease) in Trade Payable and Provisions	(21,727,500)	4,702,500
Cash Generated from operations	1,936,799	(12,514,000)
Income Tax Paid For The Year	-	(12,610)
Net Cash From Operating Activities	(83,532,517)	(14,045,042)
B. Cash Flow From Investing Activities		
Sale of Fixed Assets	39,586,232	-
Sale of Investments	56,153,555	13,478,267
Dividend Received	-	-
Net Cash from Investing Activities	95,739,787	13,478,267
C. Cash Flow From Financing Activities		
Repayment of Long Term Borrowings	(9,362,000)	2,230
Financial Expenses Paid	-	-
Net Cash used in Financing Activities	(2,845,269)	564,544
Net Increase in Cash & Cash Equivalents	2,845,269	(564,544)
Opening Balance of Cash & Cash Equivalents	1,213,813	1,778,357
Closing Balance of Cash & Cash Equivalents	4,059,082	1,213,813

For and on behalf of the Board

Kolkata, June 30, 2011

Jagdish Prasad Purohit
Chairman & Managing Director

We have verified the attached Cash Flow Statement of Warner Multimedia Limited derived from Audited Financial Statements and the books and records maintained by the Company for the year ended 31st March, 2011 and found the same in agreement therewith.

For **B. S. Kedia & Co.**
Chartered Accountants

Kolkata, June 30, 2011

Vikash Kedia
Partner
Membership No.066852

**STATEMENT PURSUANT TO PART IV OF SCHEDULE VI
TO THE COMPANIES ACT, 1956**

Balance Sheet Abstract and Company's General Business Profile

I Registration Details

Registration No.	:	36338
State Code No.	:	21
Balance Sheet Date	:	31.03.2011

II Capital raised during the year

Public Issue	:	Nil
Right Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	Nil

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

Total Liabilities	:	196722
Total Assets	:	196722

Sources of funds

Paid-up Capital	:	185554
Reserves & Surplus	:	-21612
Secured Loans	:	24812
Unsecured Loans	:	7968

Application of funds

Net Fixed Assets	:	549
Investments	:	323608
Net Current Assets	:	-127434
Miscellaneous Expenditures	:	Nil
Accumulated losses	:	Nil

IV Performance of Company (Amount in Rs. in Thousands)

Turnover	:	401
Total Expenditure	:	85871
Profit before taxes	:	-85469
Profit after taxes	:	-85469
Earning Per Share	:	-4.60
Dividend rate	:	Nil

V Generic Names of Three Principal Products/Services of the Company

<u>Product Description</u>	<u>Item Code No.</u>
NBFC	N.A.
SOFTWARE DEVELOPMENT	N.A.

Warner Multimedia Limited

75C, Park Street, Kolkata-700 016.

PROXY FORM

I/We _____ resident of _____ in the district of _____ being member/members of the above named Company, hereby appoint _____ resident of _____ in the district of _____ or failing him _____ resident of _____ in the district of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday, the 27th day of September 2011 at 11.30 A.M., at P-27, Princep Street, 3rd Floor, Kolkata-700 072 and any adjournment thereof.

Registered Folio No./DP-Client ID _____ No. of Shares held _____

Signed on this _____ day of _____ 2011.

Signed by the said _____

Signature of Proxy _____

Attested by Shareholder _____

Affix
Revenue
Stamp



Warner Multimedia Limited

75C, Park Street, Kolkata-700 016.

ATTENDANCE SLIP

I hereby record my presence at the Annual General Meeting of the Company held on Tuesday, the 27th day of September 2011 at 11.30 A.M., at Registered Office of the Company at P-27, Princep Street, 3rd Floor, Kolkata-700 072.

Name of Shareholder/s _____

Father/Husband's Name _____

Name of Proxy or Company Representative _____

Registered Folio No./DP-Client ID _____ No. of Shares held _____

Signature of the Shareholder(s) or Proxy or Company Representative _____

BOOK-POST

If undelivered, please return to :

WARNER MULTIMEDIA LIMITED
75C, Park Street, Kolkata-700 016